

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)

CONDENSED AND CONSOLIDATED UNAUDITED INTERIM FINANCIAL
STATEMENTS
(PREPARED BY MANAGEMENT)
For The Three and Six Months Ended June 30, 2016 and 2015

(expressed in Canadian dollars)

INDEX

| | |
|--|--------|
| Management's Responsibility for Financial Reporting | 1 |
| Condensed and Consolidated Interim Statements of Financial Position | 2 |
| Condensed and Consolidated Interim Statements of Operations and Comprehensive Loss | 3 |
| Condensed and Consolidated Interim Statements of Changes in Shareholders' Equity | 4 |
| Condensed and Consolidated Interim Statements of Cash Flows | 5 |
| Notes to the Condensed and Consolidated Interim Financial Statements | 6 - 13 |

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
June 30, 2016

Management has prepared the information and representations in this interim report. The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards and, where appropriate, reflect management's best estimates and judgment. The financial information presented throughout this report is consistent with the data presented in the condensed interim financial statements.

The company maintains adequate systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that relevant and reliable financial information is produced.

Notice of no auditor review of interim financial statements:

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying condensed unaudited interim consolidated financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Condensed and Consolidated Interim Statements of Financial Position
June 30, 2016 and December 31, 2015
Expressed in Canadian dollars

| <i>As at,</i> | June 30, 2016 | December 31, 2015 |
|---|--------------------------|----------------------|
| | \$ | \$ |
| ASSETS | | |
| | (unaudited) | |
| Current | | |
| Cash | 211,611 | 165,811 |
| Accounts receivable | 62,346 | 39,438 |
| Taxes receivable | 72,069 | 66,102 |
| Prepaid Expenses | 73,625 | 50,769 |
| Advanced royalties | 826,957 | 826,957 |
| Total current assets | 1,246,608 | 1,149,077 |
| Non current | | |
| Intangibles | 141,463 | 111,504 |
| | 1,388,071 | 1,260,581 |
| LIABILITIES AND EQUITY | | |
| Current | | |
| Trade and other payables (note 14) | 784,024 | 876,331 |
| Loan payable (note 10) | 300,000 | - |
| Convertible debentures (note 11) | 53,630 | - |
| Total current liabilities | 1,137,654 | 876,331 |
| Equity | | |
| Share capital | 2,429,471 | 2,430,094 |
| Equity portion of convertible debenture | 3,490 | - |
| Share based payment reserve | 184,458 | 184,458 |
| Warrants | 34,636 | 29,133 |
| Deficit | (2,401,638) | (2,259,435) |
| | 250,417 | 384,250 |
| | 1,388,071 | 1,260,581 |

Nature of operations (note 1)
Going Concern (note 2)
Subsequent Events (note 14)

On behalf of the Board of Directors on August 29, 2016:

("signed")
Jon Gill
 Director

("signed")
David Garland
 CFO

The accompanying notes are an integral part of these combined financial statements.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Condensed and Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

| | Quarter ended June 30, 2016 \$ (unaudited) | Quarter ended June 30, 2015 \$ (unaudited) | Six months ended June 30, 2016 \$ (unaudited) | Six months ended June 30, 2015 \$ (unaudited) |
|---|---|---|--|--|
| Revenue | | | | |
| Revenue (Note 13) | - | - | - | - |
| Operating expenses | | | | |
| Sales and marketing | 2,000 | 2,655 | 2,000 | 6,338 |
| Management salaries | 17,662 | 36,121 | 63,429 | 119,894 |
| General and administrative | 25,276 | 3,541 | 33,619 | 8,650 |
| Professional fees | 12,929 | 164,775 | 43,029 | 265,778 |
| Listing expense | -- | 126,057 | -- | 126,057 |
| Share based payment expense | -- | 9,791 | -- | 537,860 |
| Royalty Expense | -- | 557 | -- | 4,430 |
| Loss on foreign exchange | 70 | 4,499 | 126 | 4,743 |
| Net loss and comprehensive loss | (57,937) | (347,996) | (142,203) | (1,073,750) |
| Loss per share - basic and diluted | (0.001) | (0.010) | (0.002) | (0.031) |
| Weighted average number of common shares outstanding - basic and diluted | 59,428,332 | 36,609,946 | 59,421,876 | 34,810,645 |

The accompanying notes are an integral part of these combined financial statements.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Condensed and Consolidated Interim Statements of Changes in Equity (Unaudited)
Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

| | Shares issued | | Shares to be issued | | Total | Equity portion of Convertible Debentures | Warrants | Share Based payment reserve | Deficit | Total |
|--|-------------------|------------------|---------------------|---------------|------------------|--|---------------|-----------------------------|--------------------|----------------|
| | Number of Shares | Amount | Number of Shares | Amount | | | | | | |
| Balance, December 31 2014 | 27,210,102 | 482,900 | 1,476,231 | 157,388 | 640,288 | - | - | 146,598 | (600,846) | 186,040 |
| Shares issued / shares to be issued for cash | 1,476,231 | 157,388 | (1,476,231) | (157,388) | - | - | - | - | - | - |
| Shares to be issued for cash | - | - | 1,116,511 | 119,037 | 119,037 | - | - | - | - | 119,037 |
| Shares to be issued for services | 4,689,772 | 500,000 | - | - | 500,000 | - | - | - | - | 500,000 |
| Shares issued / shares to be issued for cash | 1,116,511 | 119,037 | (1,116,511) | (119,037) | - | - | - | - | - | - |
| Deposits converted to shares | 826,470 | 116,983 | - | - | 116,983 | - | - | - | - | 116,983 |
| Reverse takeover transaction | 19,088,371 | 654,179 | - | - | 654,179 | - | - | - | - | 654,179 |
| Share based payments | - | - | - | - | - | - | - | 37,860 | - | 37,860 |
| Net loss for the period | - | - | - | - | - | - | - | - | (1,073,750) | (1,073,750) |
| Balance, June 30 2015 | 54,407,457 | 2,030,487 | - | - | 2,030,487 | - | - | 184,458 | (1,674,596) | 540,349 |
| Shares issued / shares to be issued for cash | 171,000 | 42,750 | - | - | 42,750 | - | - | - | - | 42,750 |
| Shares issued / shares to be issued for cash | 4,374,875 | 320,857 | 450,000 | 36,000 | 356,857 | - | 29,133 | - | - | 385,990 |
| Share based payments | - | - | - | - | - | - | - | - | - | - |
| Net loss for the period | - | - | - | - | - | - | - | - | (584,839) | (584,839) |
| Balance, December 31 2015 | 58,953,332 | 2,394,094 | 450,000 | 36,000 | 2,430,094 | - | 29,133 | 184,458 | (2,259,435) | 384,250 |
| Shares issued / shares to be issued for cash | 450,000 | 33,377 | (450,000) | (36,000) | (2,623) | - | 2,623 | - | - | - |
| Shares to be issued for services | 25,000 | 2,000 | - | - | 2,000 | - | - | - | - | 2,000 |
| Convertible Debentures | - | - | - | - | - | 3,490 | 2,880 | - | - | 6,370 |
| Share based payments | - | - | - | - | - | - | - | - | - | - |
| Net loss for the period | - | - | - | - | - | - | - | - | (142,203) | (142,203) |
| Balance, June 30 2016 | 59,428,332 | 2,429,471 | - | - | 2,429,471 | 3,490 | 34,636 | 184,458 | (2,401,638) | 250,417 |

The accompanying notes are an integral part of these combined financial statements.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Condensed Interim Consolidated Statements of Cash Flows (Unaudited)
Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

| | Six months ended June 30, 2016 \$ | Six months ended June 30, 2015 \$ |
|---|---|---|
| | (unaudited) | (unaudited) |
| Operating activities | | |
| Loss for the period | (142,203) | (1,073,750) |
| Adjustments to reconcile net loss to cash used in operating activities: | | |
| Listing expense | - | 126,057 |
| Share-based payments | - | 537,860 |
| Changes in non-cash working capital | | |
| Accounts receivable | 37,092 | 13,452 |
| Advanced royalties | - | (450,577) |
| Taxes receivable | (5,967) | (34,728) |
| Prepays | (22,856) | - |
| Trade and other payables | (92,307) | 197,042 |
| Cash used in operating activities | (226,241) | (684,644) |
| Investing activities | | |
| Revenue offset (purchase) of intangibles, net | (29,959) | 16,012 |
| Cash (used in) provided by investing activities | (29,959) | 16,012 |
| Financing activities | | |
| Issuance of capital stock | 2,000 | 119,037 |
| Issuance of convertible debentures | 60,000 | - |
| CMF funding loan payable | 240,000 | - |
| Receipt of deposits | - | 10,000 |
| Receipt of intercompany loan | - | 520,050 |
| Cash provided from financing activities | 302,000 | 649,087 |
| Increase (decrease) in cash | 45,800 | (19,545) |
| Cash, beginning of period | 165,811 | 21,569 |
| Cash, end of period | 211,611 | 2,024 |

The accompanying notes are an integral part of these combined financial statements.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

1. NATURE OF OPERATIONS

Stompy Bot Corporation (formerly SCorp Energy Ltd., the “Company”) was incorporated under the BCBCA on October 30, 2014 as a wholly-owned subsidiary of a reporting issuer, Web Watcher Systems Ltd. (“Web Watcher”). The Company is a video game publisher that publishes video games that they either develop internally or engage a video game developer to build for them. The Company’s registered office is located at 1216 Sand Cove Road, Saint John, New Brunswick, E2M 5V8, Canada.

On November 18, 2014, Stompy Bot Productions, Inc. (“Stompy Bot”) and Web Watcher entered into a letter of intent (the “LOI”) providing for the amalgamation of SCorp Energy and Stompy Bot to form the Issuer. On December 9, 2014, Web Watcher entered into an arrangement agreement (the “Arrangement Agreement”) with its wholly-owned subsidiary: SCorp Energy. Under the terms of the Arrangement Agreement, Web Watcher would complete a plan of arrangement (the “Plan of Arrangement”) which would divest Web Watcher of the asset consisting of the LOI, which would be divested to SCorp Energy in consideration of 14,403,698 common shares of SCorp Energy.

Web Watcher received shareholder approval to the Arrangement at an annual general and special meeting of shareholders held on January 29, 2015, and received final approval to the Arrangement from the Supreme Court of British Columbia on February 5, 2015.

On June 18, 2015, the Company has acquired from the Stompy Bot shareholders all of the issued and outstanding shares of Stompy Bot in exchange for an equal number of common shares in the capital of the Company (the "Acquisition"). Upon completion of the Acquisition, Stompy Bot became a wholly-owned subsidiary of the Company and SCorp Energy Ltd changed its name to Stompy Bot Corporation. The Acquisition was accounted for as a reverse acquisition (refer to note 5).

2. GOING CONCERN

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations. The Company has a net loss for the three months period ended June 30, 2016 of \$57,937 (three months period ended June 30, 2015 - \$347,996) and a net loss from the six months period ended June 30 2016 of \$142,203 (six months period ended June 30, 2015 - \$1,073,750). As the Company continues to develop its core offerings, it will require additional financing to meet its working capital requirements. These conditions, cast significant doubt about the Company’s ability to continue as a going concern.

Management is exploring various financing alternatives, which includes equity and debt offerings. Specifically, the Company has a unit offering outstanding of 25 million units of the Corporation at a price of \$0.08 per unit, including a share purchase warrant to acquire one common share at \$0.12 within eighteen months. From this unit offering, \$356,857 was received for units issued. In addition, the Company announced a private placement of up to \$200,000 of convertible unsecured debenture units. During the quarter, the Company completed the first tranche (“First Tranche”) of the Offering issuing 85 Debentures and 680,000 Warrants raising gross proceeds of \$85,000 with \$60,000 received during the quarter and another \$25,000 received subsequent to quarter end.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

2. GOING CONCERN (cont'd)

The Company is also evaluating various government and media grants. During the quarter, the Company was successful in securing \$300,000 from the Canadian Media Fund, of which \$240,000 was received during the quarter.

These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

3. BASIS OF PREPARATION

Statement of compliance

The condensed interim unaudited consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and therefore, do not contain all disclosures required by International Financial Report Standards ("IFRS") for annual financial statements.

The policies applied in these condensed interim unaudited consolidated financial statements are consistent with the policies disclosed in Notes 2 of the audited annual financial statements for the year ended December 31, 2015.

The condensed and consolidated interim unaudited financial statements were authorized for issue by the Board of Directors on August 29, 2016.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the deferred income tax asset valuation allowances.

There are no judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the current fiscal year.

5. REVERSE TAKEOVER

The Company, Stompy Bot and 682147 N.B. Ltd. ("Subco") entered into an amalgamation agreement (the "Amalgamation Agreement") dated as of May 5, 2015 (as amended on May 31, 2015), pursuant to which the parties completed an amalgamation by way of a three-cornered amalgamation (the "Transaction"). Under the terms of the Amalgamation Agreement, the

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

5 REVERSE TAKEOVER (cont'd)

Company completed a consolidation of its Common Shares, resulting in the Company having 4,801,233 Common Shares prior to closing (the “Closing”) of the Transaction. Stompy Bot amalgamated with Subco on June 18, 2015 and the Company commenced carrying on the business of Stompy Bot on that date. Upon completion of the Transaction, Stompy Bot became a wholly-owned operating subsidiary of the Company.

On June 1, 2015, the Company filed articles of amendment to change its name to “Stompy Bot Production Inc.” and on June 3, 2015, the Company filed articles of amendment to change its name to “Stompy Bot Corporation”.

Prior to completion of the Transaction, the Company had not commenced any commercial operations other than entering into the LOI and the Amalgamation Agreement and until completion of the Transaction, the Company did not have a business, business operations, or any material assets other than cash and cash equivalent. The transaction does not constitute a business combination, as the Company did not meet the definition of a business. As a result, the transaction has been accounted for as an acquisition of a stock exchange entity.

Transaction Mechanics

Pursuant to the Amalgamation Agreement, and as a condition of completion of the Transaction, the following transactions occurred in the order set out in the Amalgamation Agreement on or before the completion of the Transaction:

Private Placement

The Company completed a private placement (the “Private Placement”) of an aggregate of 14,287,138 Special Warrants of the Company for gross proceeds of \$500,050. The Private Placement was completed in tranches: as to 9,929,996 Special Warrants on March 19, 2015; 3,000,000 Special Warrants on May 31, 2015; and 1,357,142 on June 18, 2015. Each Special Warrant entitles the holder to acquire one Common Share, without additional payment or further action on the part of the holder, upon satisfaction of all of the following conditions: the satisfaction or waiver of all conditions precedent to the Transaction as set out in the Amalgamation Agreement; and the receipt of all required regulatory, shareholder and third party approvals necessary for the Company to complete the Transaction (the “Conditions On June 18, 2015, the outstanding Special Warrants were converted into 14,287,138 Common Shares.

Share Exchange upon Completion of the Transaction

Pursuant to the terms of the Amalgamation Agreement, each shareholder of Stompy Bot received one (1) Common Share for every 2.1323 common shares of Stompy Bot held by such shareholder. Stompy Bot had 75,310,891 common shares outstanding prior to the completion of the Transaction resulting in 35,319,086 common shares being issued to the former shareholders of Stompy Bot.

Treatment of Stompy Bot Options

All of the holders (“Stompy Bot Optionholders”) of stock options (“Stompy Bot Options”) of Stompy Bot that were not duly exercised prior to the Closing, whether vested or unvested, were exchanged for stock options of the Company (“Exchange Options”) pursuant to an Option Exchange Agreement entered into between the Company, Stompy Bot and each of the Stompy

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

5. REVERSE TAKEOVER (cont'd)

Bot Optionholders on a basis of one (1) Exchange Option for each 2.1323 Stompy Bot Options. The Exchange Options are subject to the terms and conditions of the Company's Stock Option Plan. Stompy Bot had 6,350,000 Stompy Bot Options outstanding prior to the completion of the Transaction, resulting in 2,978,004 Exchange Options being granted. The contractual life of these options was reduced to 5 years on this date and this modification had no effect on the share-based payment expense.

Following the Consolidation, the Company had 4,801,333 Common Shares issued and outstanding immediately prior to the completion of the Transaction. Upon the completion of the Transaction, and after conversion of the Special Warrants, the Issuer had 54,407,457 Common Shares issued and outstanding, with former shareholders of Stompy Bot holding 35,319,086 Common Shares.

The following details the share capital of Stompy Bot prior to reverse

| | Share Capital | Share Capital |
|---|-------------------|------------------|
| Shares issued and issuable as at March 31, 2015 | 73,548,608 | 1,259,325 |
| Deposits converted to shares | 1,762,283 | 116,983 |
| Total shares issued | <u>75,310,891</u> | <u>1,376,308</u> |
| Conversion ratio | 2.1323 | - |
| Total shares issued prior to reverse takeover | <u>35,319,086</u> | <u>1,376,308</u> |

The following details the share capital of SCorp energy Ltd. prior to reverse

| | | |
|---|-------------------|----------------|
| Shares issued as at March 31, 2015 | 100 | 100 |
| Consolidation ratio | 3:1 | - |
| Shares issued post consolidation | <u>33</u> | <u>100</u> |
| Issuance of shares to parent | 4,801,233 | 100 |
| Conversion of special warrants into common shares | 14,287,138 | 500,050 |
| Cancellation of shares under a treasury agreement | <u>-33</u> | <u>(100)</u> |
| Total shares issued prior to reverse takeover | <u>19,088,371</u> | <u>500,150</u> |

The following details the share capital of the Company following the reverse

| | | |
|---|-------------------|------------------|
| Total shares issued - Stompy | 35,319,086 | 1,376,308 |
| Total shares issued - SCorp | 19,088,371 | 654,179 |
| Total shares following the reverse takeover | <u>54,407,457</u> | <u>2,030,487</u> |

The excess of the fair value of the consideration received by the pre-Acquisition shareholders of SCorp Energy Ltd. over the fair value of the identifiable net assets of SCorp Energy Ltd. on the closing date of the Acquisition was calculated as follows

| | |
|---|-----------------------|
| Fair value of the consideration received by the pre-Acquisition shareholders of SCorp Energy Ltd. | <u>654,179</u> |
| Total fair value of consideration received | 654,179 |
| Identifiable net assets of SCorp Energy Ltd. acquired by Stompy Bot | |
| Net working capital | <u>(500,400)</u> |
| Total fair value of identifiable net assets acquired by Stompy bot | (500,400) |
| Reverse takeover listing expense | <u>153,779</u> |

The consideration and allocation reflects the best estimates and assumptions of the management of the Company after taking into account all available information.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)

Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015

Expressed in Canadian dollars

6. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company's objectives when managing capital are to safeguard the Company ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order at adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

7. FAIR VALUE AND FINANCIAL RISK FACTORS

Fair value of financial instruments

The Company has designated its cash as FVTPL which are measured at fair value. Fair value of cash is determined based on transaction value and is categorized as a Level one measurement.

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

As at June 30, 2016 and June 30, 2015, both the carrying and fair value amounts of the Company's cash, receivables, advanced royalties, trade and other payables, deposits and note payable are approximately equivalent due to their short term nature.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at June 30, 2016 and June 30, 2015 is the carrying value of cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in trade and other payables of \$784,024 are due within one year.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)

Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015

Expressed in Canadian dollars

7. FAIR VALUE AND FINANCIAL RISK FACTORS (cont'd)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is not exposed to interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company is not exposed to significant foreign currency risk based on its current operations.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

8. ADVANCED ROYALTIES

The Company has made advanced royalty payments under two agreements. Under a development agreement, Studio Mektek Inc. ("Mektek"), will develop and create products for the Company. The Company agrees to advance certain funds to Mektek to assist with funding these development activities which will be considered an advance royalty to be drawn down from sales of the products developed. The royalty rate is 5% and is effective for a period of 15 years from the release of Version 1 of the first product developed. The advanced royalty net of any royalties applied as at June 30, 2016 is \$819,329 (March 31, 2016- \$819,329)

The Company also entered into an agreement with Dream Pod 9 Inc., to license certain IP for a period of 5 years, ending July 18, 2017. The license is subject to a 15% royalty rate on sales, with an initial advance of \$20,000 made under the agreement. The balance at June 30, 2016 is \$7,628 (March 31, 2016 - \$7,628). The license may be renewed for an additional 5 years, subject to a new royalty rate being agreed, and being no greater than 15%.

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

9. INTANGIBLES

| | Heavy Gear Development | Sabotage License | Bit Raider License | Total |
|--------------------------------|-----------------------------------|-----------------------------|-------------------------------|----------------|
| | \$ | \$ | \$ | \$ |
| Cost | | | | |
| As at December 31, 2015 | 96,467 | 13,184 | 1,853 | 111,504 |
| Additions | 16,139 | 17,761 | - | 33,900 |
| Testing revenue | (3,941) | - | - | (3,941) |
| As at June 30, 2016 | 108,665 | 30,945 | 1,853 | 141,463 |

10. LOAN PAYABLE

During the quarter, the Company has signed a partnership agreement with the Canada Media Fund (“CMF”) and has secured development funding for \$300,000 for Sabotage development. This funding is secured and subject to certain conditions and may be repayable if final approval is not obtained. During the quarter, the Company received \$240,000 of the total funding available. The final \$60,000 will be received when certain milestones are reached.

11. CONVERTIBLE DEBENTURES

During the quarter, the Corporation completed the first tranche (“First Tranche”) of the Offering issuing 85 Debentures and 680,000 Warrants raising gross proceeds of \$85,000 with \$60,000 received during the quarter and another \$25,000 received subsequent to quarter end. Proceeds raised from the Offering are being used to fund the development of the Corporation’s video games, and for general working capital purposes.

The Debenture, the Warrants, the Conversion Shares issuable upon any principal Conversion, and the Warrant Shares issuable upon exercise of the Warrants are subject to a statutory four month and one day hold period.

12. COMMITMENTS AND CONTINGENCIES

The Company’s license and development agreements require either future contractual payments or commitments to remit a percentage of royalties. The following analysis reflects the Company’s contractual obligations as at June 30, 2016.

An analysis of the Company’s cash commitments are as follows:

| Due in 2016 | Due 2017-2020 |
|--------------|---------------|
| \$ | \$ |
| US\$ 116,000 | - |

STOMPY BOT CORPORATION
(formerly SCORP ENERGY LTD.)
Notes to the Condensed and Consolidated Interim Financial Statements (Unaudited)
Three and Six Months Ended June 30, 2016 and 2015
Expressed in Canadian dollars

12. COMMITMENTS AND CONTINGENCIES (cont'd)

The Company has committed to share royalties of future game sales as follows:

| | Heavy Gear ^{1&2} | Sabotage | Locke & Key ³ | Armoured Cock |
|-------------------|-------------------------------|----------|--------------------------|---------------|
| Minimum Royalties | 25% | 15% | 10% | 5% |

¹In addition to minimum royalties, there is a sales distribution royalty for Heavy Gear on the Steam Distribution platform of 25%.

²The Company has also received advance payments from Nvidia, to develop Heavy Gear for PC. The Company has received US\$15,000 and will receive US\$35,000 subject to completing certain milestones.

³The Company is currently in breach of its agreement due to non-payment of CD\$150,458.

13. RESTATEMENT OF PRIOR YEAR QUARTER

The Company has restated the prior quarter financial statements to adjust intangible assets for the revenue earned on the prototype games that are currently in development. As the games are in development, all revenue earned on the prototype is being reflected as cost recovery on the development costs.

The company has reclassified \$41,354 as a reduction of intangible assets that were previously presented as revenue.

14. SUBSEQUENT EVENTS

The Corporation also announced that further to its news release dated May 6, 2016, the Corporation has settled an aggregate of \$47,791.14 of indebtedness owed to certain arm's length creditors who provided services in connection with developing the Corporation's video games, through the issuance of an aggregate of 955,822 common shares of the Corporation at a price of \$0.05 per common share.

In addition, the Corporation has also reached an agreement with arms-length and non-arm's length debt holders to settle an aggregate of \$177,343.02 of debt through the issuance of 3,546,860 common shares of the Company at a price of \$0.05 per common share (the "Debt Settlement").

The common shares issued in connection with the Debt Settlement are subject to a statutory four month and one day hold period.