

**1014379 B.C. Ltd.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the three month periods ended March 31, 2018 and 2017**

**Unaudited – Prepared by Management**

**Expressed in Canadian Dollars**

### **NOTICE TO READER**

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 unaudited condensed interim financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

**1014379 B.C. Ltd.**

Condensed Interim Statements of Financial Position

As at March 31, 2018

(Unaudited) (Expressed in Canadian dollars)

	Notes	March 31, 2018	December 31, 2017
<b>Assets</b>			
<b>Current Assets</b>			
Cash	\$	190	\$ 1,189
GST receivable		1,027	-
<b>Total Assets</b>	<b>\$</b>	<b>1,217</b>	<b>\$ 1,189</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	7	\$ 257,878	\$ 234,927
<b>Total Liabilities</b>		<b>257,878</b>	<b>234,927</b>
<b>Shareholders' Deficit</b>			
Capital stock	5	103,768	103,768
Deficit		(360,429)	(337,506)
<b>Total Shareholders' Deficit</b>		<b>(256,661)</b>	<b>(233,738)</b>
<b>Total Liabilities and Shareholders' Deficit</b>	<b>\$</b>	<b>1,217</b>	<b>\$ 1,189</b>

Approved and authorized by the Board on May 30, 2018.

"Anthony Jackson" (signed)  
Anthony Jackson, Director

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

**1014379 B.C. Ltd.**

Condensed Interim Statements of Loss and Comprehensive Loss

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

	Notes	Three month period ended March 31, 2018	Three month period ended March 31, 2017
<b>Expenses</b>			
Bank charges and interest	\$	27	\$ 27
Legal fees		2,441	-
Filing fees		5,455	-
Interest expense		-	268
Management fees	7	15,000	15,000
<b>Net loss and comprehensive loss for the period</b>			
	\$	(22,923)	\$ (15,295)
<b>Loss per share – basic and diluted</b>			
	\$	(0.05)	\$ (0.03)
<b>Weighted average number of common shares outstanding</b>			
		506,023	506,023

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

**1014379 B.C. Ltd.**

Condensed Interim Statements of Changes in Shareholders' Deficit

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

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	Capital Stock		Deficit	Total
	Number of Shares	Amount		
<b>Balance at December 31, 2016</b>	<b>506,023</b>	<b>\$ 103,768</b>	<b>\$ (259,574)</b>	<b>\$ (155,806)</b>
Net loss for the period	-	-	(15,295)	(15,295)
<b>Balance at March 31, 2017</b>	<b>506,023</b>	<b>\$ 103,768</b>	<b>\$ (274,869)</b>	<b>\$ (171,101)</b>
<b>Balance at December 31, 2017</b>	<b>506,023</b>	<b>\$ 103,768</b>	<b>\$ (337,506)</b>	<b>\$ (233,738)</b>
Net loss for the period	-	-	(22,923)	(22,923)
<b>Balance at March 31, 2018</b>	<b>506,023</b>	<b>\$ 103,768</b>	<b>\$ (360,429)</b>	<b>\$ (256,661)</b>

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**1014379 B.C. Ltd.**

Condensed Interim Statements of Cash Flows

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

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	<b>Three month period ended March 31, 2018</b>	<b>Three month period ended March 31, 2017</b>
<b>Operating activities</b>		
Net loss	\$ (22,923)	\$ (15,295)
Changes in non-cash working capital items:		
GST receivable	(1,027)	(750)
Accounts payable and accrued liabilities	22,951	16,018
<b>Net cash used in operating activities</b>	<b>(999)</b>	<b>(27)</b>
Change in cash	(999)	(27)
Cash, beginning of the period	1,189	1,332
<b>Cash, end of the period</b>	<b>\$ 190</b>	<b>\$ 1,305</b>

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

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

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### 1. NATURE AND CONTINUANCE OF OPERATIONS

1014379 B.C. Ltd. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on September 23, 2014. The principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets. The address of its head office is 800 - 1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5.

On October 14, 2014, the Company entered into an arrangement agreement with Bravura Ventures Corp. ("Bravura") and Nuran Wireless Inc. ("Nuran", previously 1014372 B.C. Ltd.) whereby the Company will form part of a statutory plan of arrangement (the "Arrangement") to become a reporting issuer in the provinces of British Columbia and Alberta. The arrangement was approved November 14, 2014 and completed March 11, 2015 (note 5(b)).

These condensed interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. There can be no assurance that the Company will be able to complete such activities or obtain financing to continue; therefore, a material uncertainty exists that casts significant doubt over the Company's ability to continue as a going concern.

These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### 2. BASIS OF PRESENTATION

#### (a) Statement of compliance

These condensed interim financial statements are prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). Therefore, these condensed interim financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting."

These condensed interim financial statements have been prepared on a historical cost basis. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency. All values are rounded to the nearest dollar unless otherwise indicated. The significant accounting policies set out in note 3 have been applied consistently to all periods presented.

#### (b) Approval of the financial statements

The condensed interim financial statements of the Company were approved by the director and authorized for issue on May 30, 2018.

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
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### 2. BASIS OF PRESENTATION (CONTINUED)

- (c) Significant accounting judgments, estimates and assumptions

#### Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial position, and the reported amounts of expenses during the reporting period.

Actual outcomes could differ from these estimates. These financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates appear throughout the financial statements and may require adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other relevant factors that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates and judgments*

There were no significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities.

Critical judgment exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as follows:

#### Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

### 3. SIGNIFICANT ACCOUNTING POLICIES

- (a) Change in accounting policies – Financial Instruments

The Company has adopted all of the requirements of IFRS 9 *Financial Instruments* ("IFRS 9") as of January 1, 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged.



# 1014379 B.C. Ltd.

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## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Change in accounting policies – Financial Instruments (continued)

As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date. The main area of change is the accounting for equity securities previously classified as fair value through profit and loss.

The following is the Company's new accounting policy for financial instruments under IFRS 9.

#### (i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

<b>Financial assets/liabilities</b>	<b>Original classification IAS 39</b>	<b>New classification IFRS 9</b>
Cash	Amortized cost	Amortized cost
GST receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on January 1, 2018.

#### (ii) Measurement

##### Financial assets at FVTOCI

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

##### Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (a) Change in accounting policies – Financial Instruments (continued)

#### Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the consolidated statements of net (loss) income. Realized and unrealized gains or losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of net (loss) income in the period in which they arise.

#### **(iii) Impairment of financial assets at amortized cost**

The Company recognized a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

#### **(iv) Derecognition**

##### Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of net (loss) income. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

##### Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of net (loss) income.

- (b) Change in accounting policies – Revenue from Contracts with Customers

The Company adopted all of the requirements of IFRS 15 *Revenue from Contracts with Customers* (“IFRS 15”) as of January 1, 2018. IFRS 15 replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts*, and related interpretations on revenue. IFRS 15 utilizes a methodical framework for entities to follow in order to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. As the Company has no revenue, no impact on the Company’s consolidated financial statements has resulted.

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on loss per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding) Capital stock

(d) Capital stock

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(e) Income tax

(i) 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 (loss) or equity is recognized in other comprehensive income (loss) 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.

(ii) Deferred income tax

Deferred income tax is provided 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 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.

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Income tax (continued)

(ii) Deferred income tax (continued)

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.

(f) Accounting standard issued but not yet applied

***IFRS 16 Leases***

IFRS 16 will replace IAS 17 Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early application permitted. The Company continues to assess the impact of adopting this standard on its consolidated financial statements.

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

### 4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company classifies its financial instruments as follows:

- Cash is classified as a financial asset at amortized cost; and
- Accounts payable and accrued liabilities, as other financial liabilities.

The Company characterizes inputs used in determining fair value using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – inputs for assets or liabilities that are not based on observable market data.

The Company's risk exposure and the impact on the Company's financial instruments is summarized below:

## **1014379 B.C. Ltd.**

Notes to the Condensed Interim Financial Statements

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

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### **4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)**

#### *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash. The Company limits exposure to credit risk through maintaining its cash with high-credit quality Canadian financial institutions. The Company is not exposed to significant credit risk on receivables, as these amounts are due from government agencies. The carrying amount of financial assets represents the maximum credit exposure.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company will be required to raise additional financing to be able to satisfy its financial obligations of \$257,878 and to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. Financial obligations are due within three months of year end.

### **5. CAPITAL STOCK**

#### (a) Authorized

Unlimited number of common shares without par value

Unlimited number of preferred shares without par value

There were no shares issued during the year ended December 31, 2017 and three months ended March 31, 2018.

### **6. CAPITAL MANAGEMENT**

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There were no changes in the Company's capital risk management approach during the three month period ended March 31, 2018.

On April 3, 2018, the Company consolidated its common shares on the basis of ten pre-consolidated common shares for one post-consolidated common share. The number of common shares outstanding has been retroactively adjusted in these condensed interim financial statements to reflect the share consolidation (Note 8).

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements

For the three month periods ended March 31, 2018 and 2017

(Unaudited) (Expressed in Canadian dollars)

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### 7. RELATED PARTY TRANSACTIONS

During the period ended March 31, 2018, the Company accrued \$15,000 (2017 - \$15,000) for management fees to companies owned by directors of the Company. As of March 31, 2018, \$229,298 (December 31, 2017 - \$213,548) was included in accounts payable and accrued liabilities.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Management fees	\$ 15,000	\$ 15,000
	\$ 15,000	\$ 15,000

Management fees of \$15,000 (2017 - \$15,000) were accrued to Bridgemark Financial Corp., a company owned and managed by Anthony Jackson, CEO and director.

### 8. SUBSEQUENT EVENT

On April 3, 2018, the Company consolidated its common shares on the basis of ten pre-consolidated common shares for one post-consolidated common share. The number of common shares outstanding has been retroactively adjusted in these condensed interim financial statements to reflect the share consolidation.