

**Nutaq Innovation Inc.**  
**Condensed Interim  
Financial Statements**  
**April 30, 2016 and  
April 30, 2015**

Financial Statements

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The condensed interim financial statements of Nuran Wireless inc. for the second quarter ended April 30, 2016 as well as the corresponding comparative data were not subject to a review by the Company's auditor.

**Nutaq Innovation Inc.**  
**Condensed Interim Statements of Comprehensive Income**

Periods ended April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

|   | <i>3 months ended</i> |                   | <i>6 months ended</i> |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | <u>2016-04-30</u>     | <u>2015-04-30</u> | <u>2016-04-30</u>     | <u>2015-04-30</u> |
|   | \$                    | \$                | \$                    | \$                |
| <b>Revenue</b>  | <b>1 510 688</b>      | 2 067 596         | <b>3 091 207</b>      | 4 041 768         |
| Cost of sales   | <b>769 634</b>        | 1 308 729         | <b>1 486 063</b>      | 2 277 302         |
| <b>Gross profit</b>   | <b>741 054</b>        | 758 867           | <b>1 605 144</b>      | 1 764 466         |
| Selling expenses  | <b>235 865</b>        | 219 365           | <b>486 454</b>        | 503 543           |
| Administrative expenses   | <b>321 253</b>        | 601 623           | <b>609 406</b>        | 1 683 628         |
| Financial expenses  | <b>97 960</b>         | 140 882           | <b>322 439</b>        | 443 281           |
| Research and development costs, net of \$173,991 in tax credits for the three-month period ended April 30, 2016, \$335,654 for the six-month period ended April 30, 2016 (\$149,131 for the three-month period ended April 30, 2015, \$281,472 for the six-month period ended April 30, 2015) | <b>311 804</b>        | 204 909           | <b>641 858</b>        | 408 596           |
|   | <b>966 882</b>        | 1 166 779         | <b>2 060 157</b>      | 3 039 048         |
| Loss before other gain (loss)   | <b>(225 828)</b>      | (407 912)         | <b>(455 013)</b>      | (1 274 582)       |
| Other gain (loss)   | <b>30 386</b>         | (424 627)         | <b>30 386</b>         | (1 274 582)       |
| <b>Net loss and total comprehensive income</b>  | <b>(225 828)</b>      | (407 912)         | <b>(424 627)</b>      | (1 274 582)       |
| <b>Loss per share (Note 12)</b>   |                       |                   |                       |                   |
| Basic and diluted loss per share  | <b>(0,01)</b>         | (0,04)            | <b>(0,01)</b>         | (0,11)            |
| Weighted average number of outstanding common shares  | <b>40 991 429</b>     | 11 445 485        | <b>40 728 794</b>     | 11 257 644        |

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

## Nuran Wireless Inc.

### Condensed Interim Consolidated Statements of Changes in Deficiency

Periods ended April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

|   | Share capital            |                          | Warrant reserve       | Deficit                    | 2016-04-30                |
|---|--------------------------|--------------------------|-----------------------|----------------------------|---------------------------|
|   | Number                   | \$                       |                       |                            | Total deficiency          |
|   |                          |                          |                       |                            | \$                        |
| <b>Balance as at November 1, 2015</b>                               | <b>40 471 869</b>        | <b>9 519 073</b>         |                       | <b>(14 756 031)</b>        | <b>(5 236 958)</b>        |
| Issue of share capital and total transactions with owners (Note 10) |                          |                          |                       |                            |                           |
| Issue of share capital - Acquisition key technology (Note 7)        | <b>1 948 350</b>         | <b>487 088</b>           |                       |                            | <b>487 088</b>            |
| Net loss and total comprehensive income for the period              |                          |                          |                       | <b>(424 627)</b>           | <b>(424 627)</b>          |
| Warrants issued (Notes 8 and 11)                                    |                          |                          | <b>146 963</b>        |                            | <b>146 963</b>            |
| <b>Balance as at April 30, 2016</b>                                 | <b><u>42 420 219</u></b> | <b><u>10 006 161</u></b> | <b><u>146 963</u></b> | <b><u>(15 180 658)</u></b> | <b><u>(5 027 534)</u></b> |
|   |                          |                          |                       |                            | 2015-04-30                |
|   | Number                   | \$                       | \$                    | \$                         | Total deficiency          |
|   |                          |                          |                       |                            | \$                        |
| <b>Balance as at November 1, 2014</b>                               | <b>11 587 832</b>        | <b>8 070 407</b>         |                       | <b>(13 088 169)</b>        | <b>(5 017 762)</b>        |
| Issue of share capital and total transactions with owners (Note 10) |                          | <b>988 665</b>           |                       |                            | <b>988 665</b>            |
| Net loss and total comprehensive income for the period              |                          |                          |                       | <b>(866 670)</b>           | <b>(866 670)</b>          |
| <b>Balance as at April 30, 2015</b>                                 | <b><u>11 587 832</u></b> | <b><u>9 059 072</u></b>  |                       | <b><u>(13 954 839)</u></b> | <b><u>(4 895 767)</u></b> |

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

**Nutaq Innovation Inc.****Condensed Interim Statements of Cash Flows**

Periods ended April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

|  | <b>2016-04-30</b>  | 2015-04-30  |
|--|--------------------|-------------|
|  | <b>(6 months)</b>  | (6 months)  |
|  | \$                 | \$          |
| <b>OPERATING ACTIVITIES</b>                            |                    |             |
| Net loss   | <b>(424 627)</b>   | (1 274 582) |
| Non-cash flow adjustments                              |                    |             |
| Depreciation of property, plant and equipment          | <b>55 251</b>      | 54 499      |
| Depreciation of intangible assets                      | <b>22 339</b>      | 22 991      |
| Exchange difference on long-term debt                  | <b>(23 715)</b>    | 35 686      |
| Issue of class "A" shares for a non-cash consideration |                    | 849 415     |
| Issue of warrants                                      | <b>146 963</b>     |             |
| Net change in working capital items                    |                    |             |
| Trade and other receivables                            | <b>(801 415)</b>   | 602 982     |
| Subscription receivable                                |                    | 150 000     |
| Scientific research and experimental development       |                    |             |
| tax credits receivable                                 | <b>4 109</b>       | (281 472)   |
| Work in progress                                       |                    |             |
| Inventories  | <b>173 044</b>     | (223 563)   |
| Prepaid expenses                                       | <b>(54 473)</b>    | (24 191)    |
| Security deposits and deposits on purchase of goods    | <b>(61 098)</b>    | 131 810     |
| Trade and other payables                               | <b>(112 903)</b>   | 781 085     |
| Deferred revenue                                       | <b>(126 125)</b>   | (37 567)    |
| Net cash from operating activities                     | <b>(1 202 650)</b> | 787 093     |
| <b>INVESTING ACTIVITIES</b>                            |                    |             |
| Purchase of property, plant and equipment              | <b>(269 785)</b>   | (190 791)   |
| Purchase of intangible assets                          | <b>(2 037)</b>     | (8 939)     |
| Net cash used in investing activities                  | <b>(271 823)</b>   | (199 730)   |
| <b>FINANCING ACTIVITIES</b>                            |                    |             |
| Net change in loan payable                             | <b>1 403 368</b>   | (509 566)   |
| Long-term debt   |                    |             |
| Repayment of long-term debt                            | <b>(24 051)</b>    | (30 391)    |
| Issue of class "A" shares                              |                    | 50 000      |
| Net cash used in financing activities                  | <b>1 379 317</b>   | (489 957)   |
| <b>Net decrease in cash</b>                            | <b>(95 156)</b>    | 97 406      |
| Cash, beginning of period                              | <b>147 448</b>     | 123 715     |
| Cash, end of period                                    | <b>52 292</b>      | 221 121     |
| <b>Supplementary information</b>                       |                    |             |
| Interest paid included in operating activities         | <b>90 954</b>      | 200 796     |

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

**Nutaq Innovation Inc.****Condensed Interim Statements of Financial Position**

Periods ended April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

|  | <u>2016-04-30</u>         | <u>2015-10-31</u>         |
|--|---------------------------|---------------------------|
|  | \$                        | \$                        |
| <b>ASSETS</b>  |                           |                           |
| Current  |                           |                           |
| Cash   | 52 293                    | 147 448                   |
| Trade and other receivables  | 1 647 275                 | 845 860                   |
| Subscriptions receivable   | 42 250                    | 42 250                    |
| Scientific research and experimental development<br>tax credits receivable | 643 701                   | 647 810                   |
| Inventories (Note 5)   | 1 255 911                 | 1 428 955                 |
| Prepaid expenses   | 85 651                    | 31 178                    |
| Security deposits and deposits on purchase of goods                        | 141 427                   | 80 329                    |
| Current assets   | <u>3 868 508</u>          | <u>3 223 830</u>          |
| Non-current  |                           |                           |
| Property, plant and equipment (Note 6)                                     | 523 176                   | 495 846                   |
| Intangible assets (Note 7)   | 937 948                   | 283 960                   |
| Non-current assets   | <u>1 461 125</u>          | <u>779 806</u>            |
| Total assets   | <u><u>5 329 633</u></u>   | <u><u>4 003 636</u></u>   |
| <b>LIABILITIES</b>   |                           |                           |
| Current  |                           |                           |
| Trade and other payables   | 2 582 615                 | 2 695 518                 |
| Deferred revenue   | 384 036                   | 510 161                   |
| Loans payable (Note 8)   | 1 947 525                 | 544 157                   |
| Current portion of long-term debt  |                           | 24 056                    |
| Current liabilities  | <u>4 914 176</u>          | <u>3 773 892</u>          |
| Non-current  |                           |                           |
| Long-term debt (Note 9)  | 5 442 987                 | 5 466 702                 |
| Total liabilities  | <u><u>10 357 163</u></u>  | <u><u>9 240 594</u></u>   |
| <b>DEFICIENCY</b>  |                           |                           |
| Share capital (Note 10)  | 10 006 161                | 9 519 073                 |
| Valuation of warrants issued with debentures                               | 146 963                   |                           |
| Deficit  | <u>(15 180 653)</u>       | <u>(14 756 031)</u>       |
| Total deficiency   | <u><u>(5 027 530)</u></u> | <u><u>(5 236 958)</u></u> |
| Total deficiency and liabilities   | <u><u>5 329 633</u></u>   | <u><u>4 003 636</u></u>   |

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

# **Nuran Wireless Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

### **1 - GOVERNING STATUTES AND NATURE OF OPERATIONS**

The Company is incorporated under the Business Corporations Act (B.C.) and operates in the research, development, manufacturing and marketing of digital electronic circuits and wireless telecommunication products.

### **2 - GENERAL INFORMATION, STATEMENT OF COMPLIANCE WITH IFRSs AND GOING CONCERN ASSUMPTION**

The Company's registered office is at 2150 Cyrille-Duquet Street, Québec, Quebec G1N 2G3.

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. Accordingly, they do not include all the disclosures required under IFRS for annual financial statements. These condensed interim consolidated financial statements should be read in conjunction with the 2014 audited annual financial statements of Nutaq Innovation Inc included in the Listing Form 2A dated September 16, 2015 as completed and published on the CSE. They are based on the assumption that the Company is a going concern, meaning it will be able to realize its assets and discharge its liabilities in the normal course of its operations.

In light of operating losses incurred during the six-month period ended April 30, 2016 and the past years, the working capital deficiency as at April 30, 2016 and shareholders' deficiency, there is significant doubt about the Company's ability to continue as a going concern. The Company's ability to realize its assets and discharge its liabilities depends on the continued financial support of its shareholders, the growth and profitability of the future sales of its products that are now marketed and the obtaining of additional financing. However, the Company has completed the development of two of its main products, which are already into a supply agreement with a tier-one client, and has begun its marketing. In addition, the Company has concluded a private financing agreement on a voluntary basis and has a cash flow managing plan to deal with the situation. Adding to the above, the Company has presently a financing agreement in place for financing the invoices and purchase orders to a maximum of \$2,500,000 (Note 7). If necessary, the Company may review the prioritization and, if needed, defer some of its research and development projects.

The carrying amounts of assets, liabilities, revenues and expenses presented in the condensed interim consolidated financial statements and the condensed interim consolidated statements of financial position's classification have not been adjusted as would be required if the going concern assumption were not appropriate.

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

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

### 3 - THE ARRANGEMENT AND AMALGAMATION AGREEMENT

Nuran Wireless Inc. (the "Company") was incorporated under the *Business Corporations Act* (B.C.) on September 23, 2014 under the name "1014372 B.C. Ltd." The Company was formed in connection with the plan of arrangement (the "Arrangement") between 1014379 B.C. Ltd and Bravura Ventures Corp. ("Bravura") dated October 14, 2014. The purpose of the Arrangement was to restructure Bravura by creating two companies, which would become reporting issuers in the provinces of British Columbia and Alberta and pursue different lines of business than Bravura.

The final court order approving the Arrangement was received on December 10, 2014 and the Arrangement was closed effective March 11, 2015. Following completion of the Arrangement, the Company became a reporting issuer in Alberta and British Columbia and existing Bravura shareholders received 2,121,875 common shares of the Company pursuant to the terms of the Arrangement and a further 5,350,000 common shares were issued to subscribers of a private placement of the Company completed in connection with the Arrangement for gross proceeds of \$107,000.

The Company entered into an amalgamation agreement dated as of March 11, 2015 with Nutaq Innovation Inc. ("Nutaq"), and 9215174 Canada Inc. ("Newco"), a wholly owned subsidiary of the Company formed for the purpose of the amalgamation, (the "Amalgamation Agreement") pursuant to which the Company acquired all of the issued and outstanding shares of Nutaq in consideration of an aggregate 32,999,994 common shares of the Company based on a ratio of 2.749 common shares of the Company for each share of Nutaq issued and outstanding at the closing date. Following the closing of the transaction, the Company had 40,471,869 common shares issued and outstanding and former shareholders of Nutaq acquired 81.5% of the issued and outstanding common shares of the Company. Following closing of the Amalgamation Agreement the Company operates the prior business of Nutaq through its sole operating subsidiary, Nutaq.

#### Amalgamation transaction:

For accounting purposes, Nutaq is the acquirer and the transaction will be accounted for as a reverse takeover. Considering that the Company does not meet the definition of a business, the transaction will be considered a capital transaction in substance. Accordingly, the transaction is equivalent to the issuance of shares by Nutaq for the net assets of the Company.

The fair value of the consideration is as follows:

|   |                |
|---|----------------|
|   | \$             |
| 7,471,875 shares issued and outstanding | 107,000        |
| One share issued and outstanding        | 1              |
|   | <u>107,001</u> |

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

The allocation of consideration is as follows:

|                          |                |
|--------------------------|----------------|
|                          | \$             |
| Cash                     | 171            |
| Trade and other payables | (34,132)       |
| Listing fees expensed    | 140,962        |
|                          | <u>107,001</u> |

For the six months period ended April 30, 2015, the Company incurred legal and accounting fees directly related to the transaction in the amount of \$147,210, which are included in the administrative expenses in the consolidated statements of comprehensive income

#### 4 - SUMMARY OF ACCOUNTING POLICIES

##### Overall considerations

The accounting policies are in accordance with those used in the preparation of the 2015 annual financial statements.

##### Significant management judgement in applying accounting policies and estimation uncertainty

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

The judgments, estimates and assumptions applied in the condensed interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements for the year ended October 31, 2015.

#### 5 - INVENTORIES

|                | <u>2016-04-30</u> | <u>2015-10-31</u> |
|----------------|-------------------|-------------------|
|                | \$                | \$                |
| Raw materials  | 590 968           | 785 749           |
| Finished goods | 664 943           | 643 206           |
|                | <u>1 255 911</u>  | <u>1 428 955</u>  |



# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

For the six-month period ended April 30 2016, \$33,261 (\$15,348 for the six-month period ended April 30, 2016) of inventories was included in profit or loss as an expense resulting from the write-down of inventories.

### 6 - PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment and their carrying amounts are detailed as follows:

|   | 2016-04-30                |  |                       |                       |
|---|---------------------------|--|-----------------------|-----------------------|
|   | Leasehold<br>improvements | Equipment and<br>furniture, tele-<br>communication<br>system,<br>furniture<br>and fixtures | Computer<br>equipment | Total                 |
|   | \$                        | \$   | \$                    | \$                    |
| <b>Gross carrying amount</b>                    |                           |  |                       |                       |
| Balance as at November 1, 2015                  | 9 945                     | 450 010  | 294 393               | 754 348               |
| Additions                                       |                           | 64 218   | 18 363                | 82 582                |
| Balance as at April 30, 2016                    | <u>9 945</u>              | <u>514 228</u>   | <u>312 756</u>        | <u>836 930</u>        |
| <b>Depreciation</b>                             |                           |  |                       |                       |
| Balance as at November 1, 2016                  | 5 799                     | 118 784  | 133 920               | 258 503               |
| Depreciation                                    | 518                       | 34 950   | 19 782                | 55 250                |
| Balance as at April 30, 2016                    | <u>6317</u>               | <u>153 734</u>   | <u>153 702</u>        | <u>313 753</u>        |
| <b>Carrying amount as at<br/>April 30, 2016</b> | <u><u>3 628</u></u>       | <u><u>360 494</u></u>  | <u><u>159 054</u></u> | <u><u>523 176</u></u> |

### 7 – INTANGIBLE ASSETS

On April 6, 2016, under the terms of the asset purchase agreement, Nuran agreed to issue up to 3,247,250 common shares at a deemed value of CDN\$0.25 per share (or CDN\$812,000) as consideration for the assets subject to the completion of certain milestones as further set out in the agreement. Under the terms of the agreement the Vendors will collectively receive an aggregate of: 1,948,350 common shares at closing, 649,450 common shares upon completion of certain milestones on or before August 1, 2016 and a further 649,450 common shares upon completion of a final milestone on or before October 28, 2016 as further set out in the agreement. In connection with the closing of the asset purchase agreement each of the Vendors agreed to sign a lock up agreement pursuant to which they agreed not to transfer or sell any shares acquireable under the asset

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

purchase agreement for a period of 12 months following closing subject to certain exceptions as further set out in the lock up agreement.

### 8 – LOANS PAYABLE

|  | <u>2016-04-30</u> | <u>2015-10-31</u> |
|--|-------------------|-------------------|
|  | \$                | \$                |
| Loan from companies under common control (a)     | 691,840           | 544,157           |
| Unsecured debentures (b)                         | 735,000           |                   |
| Valuation of warrants issued with debentures (c) | (146,963)         |                   |
| Cost of issuing debentures                       | (39,150)          |                   |
|  | <u>1,240,727</u>  | <u>544,157</u>    |

Given their short-term maturity, the carrying amount of loans receivable is considered a reasonable approximation of their fair value.

- a) The loan from companies under common control is secured by a chattel mortgage on the universality of the Company's assets.

The loan from companies under common control relates to a factoring agreement for a maximum of \$2,500,000. As at April 30, 2016, the Company has \$691,840 (\$544,157 as at October 31, 2015) in accounts receivable and scientific research and experimental development tax credits receivable that have been transferred in factoring to Finexcorp Inc. and 9134-8169 Québec inc., companies under common control, for which an amount of \$247,382 (\$334,234 as at October 31, 2015) has been retained as a factoring reserve.

These factoring agreements stipulate that the Company shall pay on time the government remittances and shall repay the loans received related to invoices that are past due over 105 days and 120 days, respectively. As at April 30, 2016, these terms are not respected.

- b) On December 22, 2015 the Company closed a non-brokered private placement of debentures for gross proceeds of \$735,000. The Debentures bear interest at a rate of 12% per annum, are unsecured and will mature on the date that is the earlier of: (i) ninety days after closing of the transaction; or (ii) the next completed equity offering. For each \$0.30 of the Debenture amount, debenture-holders received one whole share purchase warrant exercisable for period of 24 months following closing at a price of \$0.45.

On April 19<sup>th</sup>, 2016, the Company amended the agreement by replacing initial maturity agreement and extending maturity date to June 22, 2016, without penalty or

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

prepayment premium. For each 0,30\$ of the Debenture amount, debenture-holders receive one whole share purchase warrant exercisable for period of 24 months following closing at a price of \$0,45. No warrant shall be exercisable until it has vest. The warrants shall vest as follow (i) 33,33% on the date of the Amending Agreement; (ii) 33,33% on May 22, 2016 if the Outstanding Amount has not been paid to the Holder by such date; and (iii) 33,34% on June 22, 2016 if the Outstanding Amount has not been paid to the Holder by such date

The Corporation will have the right to repay the debenture at any time upon notice to the debenture-holder. In connection with the financing the Company paid finders fees in the amount of \$39,150.

- c) The warrants were assigned a value of \$146,963 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 0.48%; expected volatility 89%; expected dividend yield of 0% and an expected life of one year and 8 months. Expected volatility was based on the historical volatility of other comparable listed companies.

### 9 - LONG-TERM DEBT

Using discount rates of 7% and 10%, based on the Company's estimated incremental borrowing rates for secured and unsecured loans at the reporting date, respectively, and therefore reflecting the Company's credit position, the fair value of the long-term debt is estimated by discounting the estimated future cash outflows and totals \$5,266,741.

### 10 - SHARE CAPITAL

|                                | <u>2016-04-30</u>        | <u>2015-10-31</u> |
|--------------------------------|--------------------------|-------------------|
|                                | <b>\$</b>                | <b>\$</b>         |
| Class "A" shares (a)           | <b>9,519,073</b>         | 9,519,073         |
| Acquisition key technology (b) | <b>487,088</b>           |                   |
|                                | <b><u>10,006,161</u></b> | <u>9,519,073</u>  |

- (a) The number of issued class "A" shares totals 40,471,869 at April 30, 2016 (40,471,869 as at October 31, 2015).
- (b) On April 6, 2016, under the terms of the asset purchase agreement, Nuran agreed to issue 1,948,350 common shares at closing at a deemed value of CDN\$0.25 per share.

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

### 11 – WARRANTS

The following is a summary of the activity of warrants:

|                              | Three months ended April 30, 2016 |                                 |
|------------------------------|-----------------------------------|---------------------------------|
|                              | Number of warrants                | Weighted average exercise price |
| Balance, beginning of period | -                                 | -                               |
| Granted during the period    | 3,265,850                         | \$ 0.45                         |
| Balance, end of period       | 3,265,850                         | \$ 0.45                         |

The following is a summary of warrants outstanding at April 30, 2015:

|   | Number outstanding | Value      |
|---|--------------------|------------|
| Issued December 22, 2015                            |                    |            |
| Exercise price of \$0.45 expiring December 22, 2017 | 3,265,850          | \$ 146,963 |
|   | 3,265,850          | \$ 146,963 |

### 12 - LOSS PER SHARE

Basic and diluted losses per share have been calculated based on the net loss available for common shareholders by the weighted average number of common shares outstanding during the period. There were no adjustments to the numerator and denominator of basic earnings used in calculating diluted earnings.

### 13 - RELATED PARTY TRANSACTIONS

The Company's related parties include companies under common control as well as key management personnel.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

# Nuran Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at April 30, 2016 and April 30, 2015

(In Canadian dollars)

(Unaudited)

### Other related party transactions

During the period, the Company entered into the following transactions with related parties:

|                                | <b>2016-04-30</b><br><b>(3 months)</b> | 2014-04-30<br>(3 months) | <b>2016-04-30</b><br><b>(6 months)</b> | 2015-04-30<br>(6 months) |
|--------------------------------|--|--------------------------|--|--------------------------|
|                                | <u>\$</u>                              | <u>\$</u>                | <u>\$</u>                              | <u>\$</u>                |
| Companies under common control |  |                          |  |                          |
| Administrative expenses        | <b>37 743</b>                          | 210 000                  | <b>90 486</b>                          | 695 243                  |
| Financial expenses             | <b>143 423</b>                         | 154 094                  | <b>273 401</b>                         | 288 046                  |