

**CDN BVENTURES LTD.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**From the Date of Incorporation October 30, 2014 to December 31, 2014  
(Unaudited)**

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***NOTICE OF NO AUDITOR REVIEW OF CONDENSED 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 condensed financial statements; the statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

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.

**CDN BVENTURES LTD.**  
**Condensed Interim Statements of Financial Position**  
**As at**  
*Expressed in Canadian dollars*

**From the Date of Incorporation**  
**October 30, 2014 to December 31,**  
**2014**  
**(Unaudited)**

<b>Assets</b>		
<b>Current</b>		
Share subscription receivable	\$	<u>100</u>
		<b>100</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current</b>		
Accrued liabilities	\$	150
Due to a related company		<u>1,068</u>
<b>Total Liabilities</b>		<b>1,218</b>
<b>Shareholders' Equity</b>		
Share Capital (Note 5)		100
Deficit		<u>(1,218)</u>
		<b>(1,118)</b>
<b>Total shareholders' equity and liabilities</b>	<b>\$</b>	<b>100</b>

**Nature of operations and going concern (Note 1)**  
**Subsequent events (Note 7)**

***"Donald Gordon"***

CFO

***"Brian Peterson"***

CEO

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

**CDN BVENTURES LTD.**  
**Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)**  
*Expressed in Canadian dollars*

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**From the Date of  
Incorporation October 30,  
2014 to December 31, 2014  
(Unaudited)**

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**General & Administration Expenses**

Professional fees	\$	<u>1,218</u>
Operating loss for the period	\$	<u>(1,218)</u>
<b>Loss for the Period</b>	<b>\$</b>	<b>(1,218)</b>

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<b>Net and comprehensive income (loss) for the period</b>	<b>\$</b>	<b>(1,218)</b>
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The accompanying notes are an integral part of these condensed interim financial statements.

**CDN BVENTURES LTD.**  
**Condensed Interim Statements of Cash Flows**  
*Expressed in Canadian dollars*

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**From the Date of Incorporation**  
**October 30, 2014 to December 31,**  
**2014**  
**(Unaudited)**

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<b>Operating Activities</b>		
Net loss for the period	\$	(1,218)
Add back: non-cash expenses		
Due to a related company		1,068
Accrued liabilities		150
		<hr/>
		-
		<hr/>
Cash used in operating activities		-
		<hr/>
Cash provided by financing activity		-
		<hr/>
<b>Increase in cash during the period</b>		<b>-</b>
		<hr/>
<b>Cash, beginning of the period</b>	\$	-
		<hr/>
<b>Cash, end of the period</b>	\$	-

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

**CDN BVENTURES LTD.**

**Condensed Interim Statements of Changes in Shareholders' Equity  
From Date of Incorporation October 30, 2014 to December 31, 2014**

	<b>Number of Shares</b>	<b>Capital Stock</b>	<b>Deficit</b>	<b>Total Equity</b>
<b>Balance, October 30, 2014 (Note 1)</b>				
Share Issued	100	\$ 100	-	\$ 100
Net and comprehensive loss	-	-	(1,218)	(1,218)
<b>Balance, December 31, 2014</b>	<b>100</b>	<b>\$ 100</b>	<b>(1,218)</b>	<b>\$ (1,118)</b>

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

**CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Cdn BVentures 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"). On November 18, 2014, Northern Vine Canada Inc. ("Northern") and Web Watcher entered into a letter of intent (the "LOI") providing for the amalgamation of the Company and Northern to form the Issuer.

On December 9, 2014, Web Watcher entered into an arrangement agreement (the "Arrangement Agreement") with its wholly-owned subsidiary: Cdn BVentures Ltd. 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 the Company in consideration of 14,403,698 common shares of the Company.

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.

The Company's registered office is located at Suite 1010, 1030 W. Georgia Street, Vancouver, British Columbia, V6E 2Y3, Canada.

These condensed interim financial statements were approved for issuance by the Board of Directors of the Company on June 19, 2015.

**Going Concern**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company's continued existence is dependent upon its ability to raise additional capital, the continuing support of its creditors, and ultimately the attainment of profitable operations and positive cash flows. Failure to obtain sufficient financing or other appropriate arrangements would have an adverse effect on the financial position of the Company and its ability to continue as a going concern. These financial statements do not give effect to adjustments that might be necessary to the carrying values, classification of assets and liabilities, and the reported operating results should the Company be unable to continue as a going concern. From the date of incorporation October 30, 2014 to December 31, 2014, the Company incurred an operating loss of \$1,218 and has incurred accumulated losses of \$1,218 since inception.

Management's plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration programs, and where practical, reducing overhead costs.

**CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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**2. BASIS OF PRESENTATION****Statement of Compliance**

These condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standard ("IFRS") as issued by International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting and as such do not include all of the information required for full annual financial statements.

**Currency of Presentation**

The financial statements are presented in Canadian dollars, which is also the Company's functional currency. All amounts are rounded to the nearest dollar.

**3. 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.

**Cash**

The Company considers cash to include amounts held in bank. The Company places its cash with major financial institutions in Canada.



**CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)***Share-based Compensation**

The Company accounts for all stock-based compensation awarded to directors and officers and non-employees using the fair value method. Under this method, cost is measured at the grant date at fair value using an option pricing model that takes into account the exercise price, the expected life of the option, the current price of the underlying stock, the expected volatility, the expected dividends and the risk-free interest rate for the expected term of the option. The compensation cost will be expensed in the statement of operations over the service period, which is the vesting period for directors and officers and over the performance period for awards provided to non-employees in exchange for goods and services.

**Loss per Share**

Basis earnings/loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

**Comprehensive Income (Loss)**

Comprehensive income (loss) is defined as the change in net assets that results from transactions and other events from non-owner sources and includes items that are not included in net profit (loss), such as unrealized gains and losses related to available for sale securities, gains and losses on certain derivative instruments and foreign currency and gains and losses resulting from the translation of self-sustaining foreign operations.

**Income Taxes**

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for table temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

**CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)***Income Taxes** *(continued)*

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for table temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

**Financial Instruments**

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available for sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivables, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

**CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)***Financial Instruments** *(continued)*

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Share subscriptions receivable	Loans and Receivable
Accrued Liabilities	Financial liabilities measured at amortized cost
Due to a related company	Financial liabilities measured at amortized cost

The Company's financial instruments measured at fair value on the balance sheet consist of Share subscriptions receivable.

**Comparative Figures**

The Company has no comparative figures for the same interim reporting period.

**4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

Unless otherwise noted, the following revised standards and amendments are effective for the Company for annual periods beginning on or after January 1, 2015 (unless otherwise noted) with earlier application permitted. The Company has not yet assessed the impact of these standards and amendments or determined whether it will early adopt them.

- (i) IFRS 9, Financial Instruments, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely. Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. This standard is effective for annual periods beginning on or after January 1, 2018.

## **CDN BVENTURES LTD.**

Notes to Condensed Interim Financial Statements

From the Date of Incorporation October 30, 2014 to December 31, 2014

Expressed in Canadian dollars

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### **5. CAPITAL STOCK**

a) Authorized

Unlimited number of common shares

Unlimited number of special shares

b) Issued

100 common shares

\$100

### **6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

a) Capital Management:

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

b) Risk Disclosures and Fair Values:

The Company's financial instruments, consisting of share subscription receivable approximate fair value due to the relatively short term maturities of the instrument. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

### **7. SUBSEQUENT EVENTS**

- a) On May 29, 2015, Web Watcher has completed the plan of arrangement (the "arrangement") with the company, pursuant to which Web Watcher transferred all of its interest in and to a Letter of Intent with Northern Vine Canada Inc. dated November 18, 2014 to the Company.