

**APPATURE MOBILE APPLICATION INC.  
(FORMERLY CDN BVENTURES LTD.)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For The Six Months Ended March 31, 2017 and 2016  
(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.

*"Don Gordon"*  
Chief Financial Officer  
May 29, 2017

**APPATURE MOBILE APPLICATION INC.**  
**(FORMERLY CDN BVENTURES LTD.)**  
**Unaudited Condensed Interim Statements of Financial Position**  
*Expressed in Canadian dollars*

|   | December 31, 2016<br>(Unaudited) | September 30, 2016 |
|---|----------------------------------|--------------------|
| <b>Assets</b>                                     |                                  |                    |
| <b>Current</b>                                    |                                  |                    |
| Share subscription receivable                     | \$ 100                           | 100                |
|   | <u>100</u>                       | <u>100</u>         |
| <b>Liabilities and shareholders' equity</b>       |                                  |                    |
| <b>Current</b>                                    |                                  |                    |
| Accounts Payables & Accrued liabilities           | \$ 8,448                         | 8,449              |
| Loan Payable (Note 9)                             | 1,147                            | 1,462              |
| Due to a related company (Note 8)                 | 83,026                           | 48,318             |
| <b>Total Liabilities</b>                          | <u>92,621</u>                    | <u>58,229</u>      |
| <b>Shareholders' Equity</b>                       |                                  |                    |
| Share Capital (Note 5)                            | 100                              | 100                |
| Deficit   | (92,621)                         | (58,229)           |
|   | <u>(92,521)</u>                  | <u>(58,129)</u>    |
| <b>Total shareholders' equity and liabilities</b> | <u>\$ 100</u>                    | <u>100</u>         |

**Nature of operations and going concern (Note 1)**

**Approved and authorized for issue by the Board of Directors on May 29, 2017**

***"Donald Gordon"***

CFO

***"Brian Peterson"***

CEO

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

**APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**  
**Unaudited Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)**  
*Expressed in Canadian dollars*

|   | For the Three Months Ended |                 | For the Six Months Ended |                 |
|---|----------------------------|-----------------|--------------------------|-----------------|
|   | March 31, 2017             | March 31, 2016  | March 31, 2017           | March 31, 2016  |
|   | \$                         | \$              | \$                       | \$              |
| <b>Revenues</b>   | -                          | -               | -                        | -               |
|   | -                          | -               | -                        | -               |
| <b>Expenses</b>   |                            |                 |                          |                 |
| Management fees   | 9,450                      | 9,000           | 18,900                   | 9,000           |
| Office and Administrative expenses  | 3,150                      | 3,000           | 6,300                    | 3,000           |
| Professional fees   | 2,363                      | 1,187           | 2,361                    | 1,187           |
| Regulatory filings  | 268                        | -               | 531                      | -               |
| Rent  | 3,150                      | 3,000           | 6,300                    | 3,000           |
| Operating loss for the period   | (18,381)                   | (16,187)        | (34,392)                 | (16,187)        |
| <b>Loss for the Period</b>  | <b>(18,381)</b>            | <b>(16,187)</b> | <b>(34,392)</b>          | <b>(16,187)</b> |
| <b>Basic and diluted income per common share</b>                                | <b>(183.81)</b>            | <b>(161.87)</b> | <b>(343.92)</b>          | <b>(161.87)</b> |
| <b>Weighted average number of common shares outstanding – basic and diluted</b> | <b>100</b>                 | <b>100</b>      | <b>100</b>               | <b>100</b>      |

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

**APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**  
**Unaudited Condensed Interim Statements of Changes in Shareholders' Equity**  
*Expressed in Canadian dollars*

|                                    | Number of<br>Shares | Capital<br>Stock | Deficit         | Total<br>Equity |
|------------------------------------|---------------------|------------------|-----------------|-----------------|
|                                    |                     | \$               | \$              | \$              |
| <b>Balance, September 30, 2015</b> | <b>100</b>          | <b>100</b>       | <b>(5,716)</b>  | <b>(5,616)</b>  |
| Net and comprehensive loss         | -                   | -                | (16,187)        | (16,187)        |
| <b>Balance, March 31, 2016</b>     | <b>100</b>          | <b>100</b>       | <b>(21,903)</b> | <b>(21,803)</b> |
| Net and comprehensive loss         | -                   | -                | (36,326)        | (36,326)        |
| <b>Balance, September 30, 2016</b> | <b>100</b>          | <b>100</b>       | <b>(58,229)</b> | <b>(58,129)</b> |
| Net and comprehensive loss         |                     |                  | (34,392)        | (34,392)        |
| <b>Balance, March 31, 2017</b>     | <b>100</b>          | <b>100</b>       | <b>(92,621)</b> | <b>(92,521)</b> |

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

**APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**  
**Unaudited Condensed Interim Statements of Cash Flows**  
*Expressed in Canadian dollars*

|  | For the Three Months Ended |                 | For the Six Months Ended |                 |
|--|----------------------------|-----------------|--------------------------|-----------------|
|  | March 31, 2016             | March 31, 2015  | March 31, 2016           | March 31, 2015  |
| <b>Cash provided by (used in):</b>               |                            |                 |                          |                 |
| <b>Operating activities</b>                      |                            |                 |                          |                 |
| Net income (loss)                                | (18,381)                   | (16,187)        | (34,392)                 | (16,187)        |
| Item not involving cash                          |                            |                 |                          |                 |
| Change in non-cash working capital components    |                            |                 |                          |                 |
| Accounts payable and accrued Liabilities         | (577)                      | 1,187           | (316)                    | 1,187           |
| <b>Net cash used in operating activities</b>     | <b>(18,958)</b>            | <b>(15,000)</b> | <b>(34,708)</b>          | <b>(15,000)</b> |
| <b>Investing activity</b>                        | -                          | -               | -                        | -               |
| <b>Net cash used in investing activity</b>       | -                          | -               | -                        | -               |
| <b>Financing activities</b>                      |                            |                 |                          |                 |
| Due to (from) to related parties                 | 18,958                     | 15,000          | 34,708                   | 15,000          |
| Loans  | -                          | -               | -                        | -               |
| <b>Net cash provided by financing activities</b> | <b>18,958</b>              | <b>15,000</b>   | <b>34,708</b>            | <b>15,000</b>   |
| <b>Change in cash</b>                            | -                          | -               | -                        | -               |
| <b>Cash , beginning</b>                          | -                          | -               | -                        | -               |
| <b>Cash, end</b>                                 | -                          | -               | -                        | -               |
| <b>Cash paid for interest expense</b>            | -                          | -               | -                        | -               |
| <b>Cash paid for income taxes</b>                | -                          | -               | -                        | -               |

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

## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

Expressed in Canadian dollars

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

APPATURE MOBILE APPLICATION INC. (formerly 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: APPATURE MOBILE APPLICATION INC. (Formerly 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.

Pursuant to a Letter of Intent Dated November 6, 2016 the Company announced it intends to complete a formal merger agreement with Appature Technologies Inc. (“ATI”) a company specializing in launching, acquiring and vertically integrating social media mobile applications.

The issued shares of ATI as at March 31, 2017 is 17,289,793 shares outstanding and further shares will be issued prior to an amalgamation in respect of a contemporaneous financing.

ATI provides development, capital, executive management and introductions to other investors. The initial main assets and business of ATI, is 100% ownership of the mobile application known as Sweetr. Sweetr, has developed and deployed a proprietary open person-to-person exchange and mobile application. In addition, ATI owns additional mobile applications, Tinderama, and is currently working on a new product called SWIPE.

The Company’s registered office is located at Suite 440-890 W. Pender Street, Vancouver, British Columbia, V6C 1J9.

These condensed interim financial statements were approved for issuance by the Board of Directors of the Company on May 29, 2017.

## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

Expressed in Canadian dollars

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### **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. For the Six Month period ended March 31, 2017, the Company incurred an operating loss of \$34,392 (2016: \$16,187) and has incurred accumulated losses of \$92,521 (2016: \$21,903) 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.

## **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.



## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

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### **3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

#### **Use of Estimates and Judgments** *(continued)*

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.

#### **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.

## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

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### **3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

#### **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.

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.

## APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

Expressed in Canadian dollars

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### 3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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.

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

Certain comparative figures may have been reclassified to conform with the current year's presentation.

#### Adoption of new IFRS pronouncements

The following new standards were adopted during the year ended August 1, 2015:

- i. IFRS 7 – Financial Instruments: Disclosure applies to additional disclosures required on transition from IAS 39 to IFRS 9. IFRS 7 was adopted effective August 1, 2015 and had no significant impact on the Company's financial statements.
- ii. IAS 24 Related Party Disclosures – annual improvements to IFRSs 2010-2012 cycle
- iii. Amended to clarify that an entity providing key management services to the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity.

## APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)

Notes to Condensed Interim Financial Statements  
For The Six Months Ended March 31, 2017, and 2016  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

This standard was adopted effective August 1, 2015. Adoption of this standard resulted in additional related party disclosure.

#### New accounting standards not yet adopted

The following new standards, and amendments to standards and interpretations, are not yet effective for the current period and have not been applied in preparing these financial statements. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below

- iv. IFRS 9: New standard that replaced IAS 39 for classification and measurement, tentatively effective for annual periods beginning on or after January 1, 2018.
- v. IFRS 16, "Leases", was issued in January 2016, and replaces IAS 17, "Leases" ("IAS 17"). IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Certain leases will be exempt from these requirements. IFRS 16 is effective for periods beginning on or after January 1, 2019.
- vi. IAS 27: Amended to restore option to use equity method to account for investments in subsidiaries, joint ventures and associates for annual period beginning on or after January 1, 2016.
- vii. Partial replacement of IAS 39 Financial Instruments: Recognition and Measurement. This standard is effective for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of this standard.

### 4. CAPITAL STOCK

#### a) Authorized

Unlimited number of common shares  
Unlimited number of special shares

#### b) Issued and outstanding

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|   | Number<br>of Shares | \$         |
|---|---------------------|------------|
| Shares issued on incorporation on October 30 , 2014 | 100                 | 100        |
| <b>Balance, March 31, 2017 and 2016</b>             | <b>100</b>          | <b>100</b> |

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## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

Expressed in Canadian dollars

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### **4. CAPITAL STOCK** *(continued)*

#### c) Stock options

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

As at March 31, 2017 and 2016, no options were granted or outstanding.

### **5. CAPITAL DISCLOSURES**

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company.

To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

### **6. FINANCIAL INSTRUMENTS**

The Company's financial instrument consist of cash, taxes recoverable, accounts payable, and due to the related parties the fair values of which are considered to approximate their carrying values due to their short-term maturities.

The Company's risk exposures and the possible impact of these expenses on the Company's financial instruments are summarized below:

## **APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

Notes to Condensed Interim Financial Statements

For The Six Months Ended March 31, 2017, and 2016

Expressed in Canadian dollars

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### **6. FINANCIAL INSTRUMENTS (Continued)**

#### **Strategic and operational risks**

Strategic and operational risks are risks that arise if the Company fails to carry out business operations and/or to raise sufficient equity and/or debt financing in financing development. These strategic opportunities or threats arise from a range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. Therefore, the Company believes that there is minimal exposure to credit risk.

#### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2017, the Company had no cash and current liabilities of \$92,621 (2016 – \$21,903)

#### **Interest risk**

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

#### **Foreign currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accrued liabilities are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

### **7. AGENCY AND LICENSE AGREEMENT**

Pursuant to the Plan of Arrangement (the "Arrangement") dated December 9, 2014, and on the effective date of the Arrangement, Web Watcher will transfer to the Company the Letter of Intent entered into with Northern Vine Canada Inc. ("Northern"), dated November 18, 2014 to cultivate, develop, and sell medical marijuana under license. 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.

**APPATURE MOBILE APPLICATION INC. (FORMERLY CDN BVENTURES LTD.)**

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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.

**8. RELATED PARTY TRANSACTIONS**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company’s executive officers and Board of Director members.

The aggregate value of transactions relating to key management personnel were as follows:

|  | SIX MONTHS ENDED<br>MARCH 31 |        |
|--|------------------------------|--------|
|  | 2017                         | 2016   |
| Administration Fees accrued to a Company controlled by the CFO | \$ 6,300                     | 3,000  |
| Management Fees accrued to a Company controlled by the CFO     | 18,900                       | 9,000  |
| Rent accrued to a Company controlled by the CFO                | 6,300                        | 3,000  |
| Total Salaries and other short term benefits                   | \$ 31,500                    | 15,000 |

As at March 31, 2017, \$81,985 (2016 - \$15,000) was owing to a company controlled by a director and the amounts was included in due to related parties. The amount payable is non-interest bearing, is unsecured, and has no specific terms of repayment.

As at March 31, 2017, the Company had \$1,068 (2016 - \$1,068) owing to the related company, Web Watcher for paying expenses on behalf of the Company.

The amount is unsecured, non-interest-bearing, and has no fixed repayment terms.

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**9. LOAN PAYABLE**

As at March 31, 2016, the Company owes \$1, 147 (2016: \$1,147) to a company for paying expense on behalf of the Company

The amount is unsecured, non-interest-bearing, and has no fixed repayment terms.

**10. INCOME TAXES**

The Company's provision for income taxes differs from the amounts computed by applying the combined Canadian federal and provincial income tax rates to the loss as a result of the following:

|  | <b>2017</b>     | <b>2016</b>     |
|--|-----------------|-----------------|
|  | <b>\$</b>       | <b>\$</b>       |
| Loss for the year  | <b>(34,392)</b> | <b>(52,513)</b> |
| Computed income taxes recovery at statutory rate at 26% (2016 – 26%) | <b>(8,942)</b>  | <b>(13,653)</b> |
| Change in unrecognized deferred tax assets                           | <b>8,942</b>    | <b>13,653</b>   |
|  | <b>-</b>        | <b>-</b>        |

The tax effects of temporary timing differences that give rise to significant components of the deferred tax assets and liabilities are as follows:

|  | <b>2017</b>     | <b>2016</b>     |
|--|-----------------|-----------------|
|  | <b>\$</b>       | <b>\$</b>       |
| Deferred income tax assets             |                 |                 |
| Non-capital losses                     | <b>24,081</b>   | <b>13,653</b>   |
|  | <b>24,081</b>   | <b>13,653</b>   |
| Less: Unrecognized deferred tax assets | <b>(24,081)</b> | <b>(13,653)</b> |
|  | <b>-</b>        | <b>-</b>        |

The Company has Canadian non-capital losses for income tax purposes of approximately \$92,621, which may be available to reduce taxable income in future years. The potential benefit of these losses has not been recognized as a deferred tax benefit, as currently it is not probable that such benefit will be utilized in the foreseeable future. These losses expire as follows:

| <b>Years of Expiry</b> | <b>Losses</b> |
|------------------------|---------------|
|                        | <b>\$</b>     |
| 2035                   | 5,716         |
| 2036                   | 52,513        |
| 2037                   | 34,392        |
| <b>Total</b>           | <b>92,621</b> |