

MONTEREY MINERALS INC.

Vancouver, BC

FINANCIAL STATEMENTS

For the Period from May 9, 2014 (Date of Incorporation) to April 30, 2015

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Cinnamon Jang Willoughby

Chartered Accountants

A Partnership of Incorporated Professionals

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Monterey Minerals Inc.:**

We have audited the accompanying financial statements of Monterey Minerals Inc. (the "Company"), which comprise of the statement of financial position as at April 30, 2015, and the statement of loss and comprehensive loss, statement of changes in shareholder's equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2015, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw your attention to Note 1 to the financial statements which indicates that the continuation of the Company's operations is dependent on the ability to receive continued financial support or generate profitable operations in the future. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Cinnamon Jang Willoughby
Chartered Accountants

Burnaby, BC
August 27, 2015

Monterey Minerals Inc.
Statement of Financial Position

| | Note | April 30, 2015 |
|--------------------------------------|------|----------------|
| Assets | | \$ - |
| <hr/> | | |
| Liabilities | | |
| <hr/> | | |
| Current: | | |
| Accounts payable | | \$7,000 |
| Deposits | 7 | 1,000 |
| | | 8,000 |
| <hr/> | | |
| Shareholder's Equity | | |
| <hr/> | | |
| Share Capital | 4 | 1 |
| Deficit | | 8,001 |
| | | 8,000 |
| <hr/> | | |
| Nature and Continuance of Operations | 1 | |
| Commitments | 8 | |
| <hr/> | | |
| | | \$ - |
| <hr/> | | |

The accompanying notes are integral to these financial statements.

Approved on Behalf of the Board of Directors:

/s/ Ron Ozols

Director

Monterey Minerals Inc.
Statement of Loss and Comprehensive Loss

**For the Period from
May 9, 2014
(Date of
Incorporation) to
April 30, 2015**

| | |
|---|----------------|
| Expenses: | |
| Consulting | \$1,000 |
| Professional fees | 7,001 |
| Net loss and total comprehensive loss for the period | \$8,001 |
| <hr/> | |
| Basic and diluted loss per common share | \$8,001 |
| <hr/> | |
| Weighted average number of common shares outstanding | \$8,001 |
| <hr/> | |

The accompanying notes are integral to these financial statements.

Monterey Minerals Inc.
Statement of Changes in Equity

| | Common Shares | | | |
|---|---------------|-----------|---------|---------|
| | Number | Amount \$ | Deficit | Total |
| Balance, May 9, 2014 (Date of Incorporation) | 1 | \$ 1 | \$ - | \$ 1 |
| Net Loss | - | - | 8,001 | 8,001 |
| Balance, April 30, 2015 | 1 | \$ 1 | \$8,001 | \$8,000 |

The accompanying notes are integral to these financial statements.

Monterey Minerals Inc.
Statement of Cash Flows

**For the Period from
May 9, 2014
(Date of Incorporation)
to April 30, 2015**

| | |
|---|----------------|
| Operating Activities: | |
| Net Loss for the period | \$8,001 |
| Changes in non-cash working capital balances - | |
| (Increase) Decrease in subscription receivable | - |
| Increase (Decrease) in accounts payable and accrued liabilities | 7,000 |
| Increase (Decrease) in deposits | 1,000 |
| Cash flows from (used in) operating activities | - |
| Net Increase (Decrease) in Cash and Cash Equivalents | - |
| Cash and Cash Equivalents, ending | \$ - |

The accompanying notes are integral to these financial statements.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

1. NATURE AND CONTINUANCE OF OPERATIONS

Monterey Minerals Inc. (the “Company”) was incorporated as a wholly-owned subsidiary of reporting issuer Auxellence Health Corporation on May 9, 2014 under the laws of British Columbia, Canada. Its head office and registered office is located at 605-815 Hornby Street, Vancouver, BC, V6Z 2E6, Canada. The Company is a reporting issuer in the province of British Columbia.

The Company is in the technology business / sector involved in internet marketing and applications.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully develop its business of internet marketing and applications.

The development of its business may take many years to be in successful and the amount of resulting income, if any, is difficult to determine with any certainty. On April 30, 2015 the Company had not yet achieved profitable operations, had no profit or loss, a deficit of \$8,001 and working capital deficit of \$8,000, and expects to incur losses in the development of its business, all of which casts material uncertainty about the Company’s ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments relating to the realization of assets and liquidation 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

Statement of Compliance

The financial statements for the year period ended April 30, 2015 were prepared in accordance with the International Financial Reporting Standards (“IFRS”) and their interpretation by the IASB as of April 30, 2015. The financial statements are presented in accordance with IAS 1 Presentation of Financial Statements

The financial statements of the Company for the period ended April 30, 2015 have been prepared by management, and reviewed, approved and authorized for issue by the Board of Directors on August 27, 2015. Shortly thereafter, the financial statements are made available to the shareholder and others through filing on the System for Electronic Document Analysis and Retrieval (“SEDAR”).

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are in effect in the annual financial statements for the period ended April 30, 2015 and have been applied consistently to all periods presented in these financial statements unless otherwise indicated.

a. Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments classified in accordance with measurement standards under IFRS. These financial statements have been prepared using IFRS principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

b. Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

c. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

c. Financial instruments: (Continued)

Financial assets and liabilities are classified into one of the following categories based on the purpose for which they were acquired:

- Financial asset or financial liability at fair value through profit or loss;
- Held-to-maturity investments;
- Loans and receivables;
- Available-for-sale financial assets; and
- Other financial liabilities

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset and liability. All transactions related to financial instruments are recorded on a settlement date basis.

Financial asset or financial liability at fair value through profit or loss (“FVTPL”)

A financial asset or liability classified at fair value through profit or loss if it is classified as held for trading or designated as such upon initial recognition. Financial assets and liabilities are designated as FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company’s risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss.

Held-to-maturity

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company’s management has the positive intention and ability to hold to maturity. These assets are measured at amortized costs using the effective interest method. If there is objective evidence that the asset is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investments, including impairment losses, are recognized in the profit or loss.

Loans and receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand that are not quoted in an active market. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

c. Financial instruments: (Continued)

Available-for-sale financial

Non-derivative financial assets not included in the above categories are classified as available-for-sale. Except as mentioned below, available-for-sale financial assets are carried at fair value with changes in fair value recognized directly in other comprehensive income. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the profit or loss.

Available-for-sale financial assets that do not have quoted market prices in an active market are recorded at cost.

Interest on interest-bearing available-for-sale financial assets is calculated using the effective interest method.

The Company has classified cash and cash equivalents as FVTPL, investments in equity instruments as available-for-sale financial assets, receivables as loans and receivables, and accounts payable and accrued liabilities as other liabilities.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset or a financial liability and allocates interest income or interest expense over the corresponding period. The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument or, where appropriate, to the net carrying amount of the financial asset or financial liability.

Derecognition of financial liabilities

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

e. Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

e. Impairment of financial assets: (Continued)

Financial assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to receivables, a provision for impairment is made and an impairment loss is recognized in income when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from accumulated comprehensive income to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

f. Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholder and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income (loss) measures net earnings for the period plus other comprehensive income (loss). Amounts reported as other comprehensive income (loss) are accumulated in a separate component of shareholder's equity as Accumulated Other Comprehensive Income (Loss). The Company has not had other comprehensive income (loss) since inception and accordingly, a statement of comprehensive income (loss) has not been presented.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

g. Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholder by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

h. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities arising from present obligations are recognized in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision as described above and the amount initially recognized, less any amortization.

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

i. Future changes in accounting policies

The IASB issued a number of new and revised International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS"), amendments and related interpretations. At the date of authorization of these financial statements, the IASB and IFRIC have issued the following new and revised standards and interpretations, which could be applicable to the Company and are not yet effective for the relevant reporting periods.

IAS 1, "Presentation of Financial Statements"

The IASB amended IAS 1 in December 2014 to clarify the existing presentation and disclosure requirements and provide guidance to assist in determining what to disclose and how that information should be presented in the financial statements. The amendments are effective for annual periods beginning on or after January 1, 2016.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

i. Future changes in accounting policies: (Continued)

IFRS 9, "Financial Instruments"

IFRS 9 was issued by the IASB in November 2009 and will replace IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carried forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income.

In November 2013, the IASB amended IFRS 9 to include a new general hedge accounting model. The amendment also removed the January 1, 2015 effective date.

In July 2014, the IASB issued the final version IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39, "Financial Instruments: Recognition and Measurement" and IFRIC 9, "Reassessment of Embedded Derivatives". The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. However, an entity may elect to apply the earlier versions of this new standard to annual periods beginning before January 1, 2018 if, and only if, its initial application date is before February 1, 2015.

Annual Improvements to IFRSs 2010 - 2012 Cycle and 2011 - 2013 Cycle

The following standards were revised to incorporate amendments issued by the IASB in December 2013:

- IFRS 2 Share-based Payment was amended to clarify the definition of vesting conditions.
- IFRS 3 Business Combinations was amended to clarify the accounting for contingent consideration in a business combination and clarify that scope exceptions for joint ventures.
- IFRS 8 Operating Segments was amended to add disclosure requirement for aggregation of operating segments and clarify the reconciliation of the total reportable segments' assets to the entity's assets.
- IFRS 13 Fair Value Measurement was amended to clarify that the portfolio exception applies to all contracts within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of if they are financial assets or liabilities.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

3. SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

i. Future changes in accounting policies: (Continued)

- IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets were amended to clarify the requirements for the revaluation model.
- IAS 24 Related Party Disclosures was amended to clarify the identification and disclosure for related party transactions when key management personnel services are provided by a management entity.
- IAS 40 Investment Property was amended to clarify that judgement is required to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination.

The amendments are effective for annual periods beginning on or after July 1, 2014.

Annual Improvements to IFRSs 2012 - 2014 Cycle

The following standards were revised to incorporate amendments issued by the IASB in September 2014:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations was amended to clarify the application guidance in which an entity reclassifies an asset/disposal group from held for sale to held for distribution (or vice versa), and the circumstances in which an asset/disposal group no longer meets the criteria for held for distribution.
- IFRS 7 Financial Instruments: Disclosures was amended to clarify guidance on servicing contracts and the applicability of certain amendments to IFRS 7 to interim financial statements.
- IAS 19 Employee Benefits was amended to clarify application of the discount rate for certain currencies.
- IAS 34 Interim Financial Reporting was amended to clarify the meaning of disclosure of information "elsewhere in the interim financial report".

The amendments are effect for annual periods beginning on or after January 1, 2016.

The Company has not early adopted these standards, amendments and interpretations, however the Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company. These standards and interpretations will be first applied in the financial report of the Company that relates to the annual reporting period beginning on or after the effective date of each pronouncement.

4. SHARE CAPITAL AND RESERVES

Authorized: Unlimited Common shares without par value; and

a. Issued and Outstanding:

One common share was issued by the Company for \$1.00 on May 9, 2014 to the incorporator and the parent company. The incorporator share transferred to the director of the company on November 18, 2014.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

5. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholder and benefits for other stakeholders. The Company considers the items included in shareholder's 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 commercialization of the licensed proprietary health monitoring/therapeutic systems and the identification and evaluation of potential acquisitions. 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 AND CAPITAL RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a. Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and receivables.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. As the Company does not have any cash or cash equivalents, the liquidity risk has been assessed as being high.

7. RELATED PARTY TRANSACTIONS

The Company has incurred transactions with a company managed by a common director. Transactions for the period and balances outstanding at April 30, 2015 are as follows:

| | | 2015 |
|-----------------|----|--------------|
| Consulting fees | \$ | 1,000 |

As at April 30, 2015, included in deposits is \$1,000 owing to a Company with directors in common for shares that are to be issued as apart of the Plan of Arrangement (See Note 8).

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

Monterey Minerals Inc.
Notes to Financial Statements
April 30, 2015

8. COMMITMENTS

Monterey Minerals Inc. entered into a plan of arrangement (the “Arrangement”) on June 13, 2014 with Auxellence Health Corp (“Auxellence”), and Auxellences wholly-owned subsidiaries. Pursuant to the Arrangement, the Company is to issue 1,010,549 shares to the shareholders of Auxllence which equals the number of issued and outstanding common shares of Auxellence at the time of the share distribution date multiplied by the conversion factor, plus an additional 500 share per beneficial holder. In exchange for the shares, Auxllence will transfer to the Company \$1,000 and the all of its interest in and to the letter of intent with Fight Court Internet Ventures Inc.

The company has yet to issue shares as required by the agreement to complete this plan or arrangement.