# Captiva Verde Land Corp.
**(formerly Just Baseball Limited)**

Financial Statements
For the year ended October 31, 2017 and period of incorporation (November 9, 2015) to October 31, 2016
(amounts expressed in Canadian dollars, except where indicated)

Wasserman
Ramsay

Chartered Accountants

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**INDEPENDENT AUDITORS' REPORT**

**To the Shareholders of**
**Captiva Verde Land Corp.:**

We have audited the accompanying financial statements of Captiva Verde Land Corp., which comprise the statements of financial position as at October 31, 2017 and 2016 and the statements of loss and comprehensive loss, equity and cash flows for the year ended October 31, 2017 and for the period from incorporation (November 9, 2015) to October 31, 2016, 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.

**Auditors' 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 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 Captiva Verde Land Corp. as at October 31, 2017 and 2016 and the results of its operations, cash flows and equity for the year ended October 31, 2017 and for the period from incorporation (November 9, 2015) to October 31, 2016, in accordance with International Financial Reporting Standards.

**Emphasis of matter**

Without qualifying our opinion, we draw attention to note 1 in the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Wasserman Ramsay

Chartered Accountants
Licensed Public Accountants

Markham, Ontario
February 27, 2018

# Captiva Verde Land Corp. (formerly Just Baseball Limited)

Statement of Financial Position

(amounts expressed in Canadian dollars, except where indicated)

| | Note | October 31, 2017 | October 31, 2016 |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Cash | | $ 155,984 | $ 1 |
| Other receivables | 5 | 7,398 | - |
| Prepaids and advances | | 47,373 | - |
| Deferred prospectus costs | 11 | 3,675 | - |
| Total current assets | | 214,430 | 1 |
| Total assets | | $ 214,430 | $ 1 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | 10 | $ 94,761 | - |
| Subscription proceeds received | | 5,000 | |
| Total current liabilities | | 99,761 | - |
| Total liabilities | | $ 99,761 | - |
| **Shareholders' equity** | | | |
| Share capital | 7 | $ 250,604 | $ 1 |
| Warrants Reserves | 8 | 35,090 | - |
| Deficit | | (171,025) | - |
| Total shareholders' equity | | 114,669 | 1 |
| Total liabilities shareholders' equity | | $ 214,430 | $ 1 |

*Nature of operations and going concern (note 1)*
*Subsequent event (note 11)*

## Approved by the Board of Directors

___________"Jeff Ciachurski"_____________ Director

The accompanying notes form an integral part of these financial statements

# Captiva Verde Land Corp. (formerly Just Baseball Limited)

## Statement of Loss and Comprehensive Loss

For the year ended October 31, 2017 and period of incorporation (November 9, 2015) to October 31, 2016
(amounts expressed in Canadian dollars, except where indicated)

| | Note | Year ended October 31, 2017 | Period from incorporation (November 9, 2015) to October 31, 2016 |
|---|---|---|---|
| **Expenses** | | | |
| Administrative fees | | $ (1,945) | $ - |
| Accounting and audit fees | | (6,045) | - |
| Consulting fees | 10 | (43,202) | - |
| Filing fees | | (10,968) | - |
| Foreign exchange | | (997) | - |
| Travel | | (7,860) | - |
| Legal and professional fee | | (100,008) | - |
| **Net loss** | | (171,025) | - |
| **Other comprehensive (loss) income ("OCI")** | | - | - |
| **Loss and comprehensive loss for the period** | | $ (171,025) | $ - |
| **Loss per share** | | | |
| Basic and diluted | | $ (0.00) | $ - |
| **Weighted average shares outstanding** | | | |
| Basic and diluted | | 34,385,028 | 1 |

The accompanying notes form an integral part of these financial statements

## Captiva Verde Land Corp. (formerly Just Baseball Limited)

Statement of Changes in Shareholders' Equity

For the year ended October 31, 2017 and period of incorporation (November 9, 2015) to October 31, 2016
(amounts expressed in Canadian dollars, except where indicated)

| | Notes | Shares | Share capital | Share based compensation reserves | Warrants reserves | Deficit | Total equity |
|---|---|---|---|---|---|---|---|
| **Balance at October 31, 2016** | | 1 | $ 1 | $ - | $ - | $ - | $ 1 |
| Shares issued on plan of arrangement | 7 | 63,465,871 | - | - | - | - | - |
| Private placement | 7 | 6,194,720 | 275,685 | - | 35,090 | - | 310,775 |
| Share issuance costs | 7 | - | (25,081) | - | - | - | (25,081) |
| Cancellation of founder's share | | (1) | (1) | | | | (1) |
| Net loss for the period | | - | - | - | - | (171,025) | (171,025) |
| **Balance at July 31, 2017** | | 69,660,591 | $ 250,604 | $ - | $ 35,090 | $ (171,025) | $ 114,669 |
| | | | | | | | |
| **Balance at November 9, 2015** | | - | $ - | $ - | $ - | $ - | $ - |
| Shares issued placement | | 1 | 1 | - | - | - | 1 |
| Net loss for the period | | - | - | - | - | - | - |
| **Balance at October 31, 2016** | | 1 | $ 1 | $ - | $ - | $ - | $ 1 |

The accompanying notes form an integral part of these financial statements

(amounts expressed in Canadian dollars, except where indicated)

| | Note | Year ended October 31, 2017 | Period from incorporation (November 9, 2015) to October 31, 2016 |
|---|---|---|---|
| **Cash used from operating activities** | | | |
| Net loss for the period | | $ (171,025) | $ - |
| Change in non-cash operating working capital | | | |
| Decrease (increase) in other receivables | | (36,396) | - |
| Decrease (increase) in prepaid expenses and other receivables | | (18,375) | |
| Increase (decrease) in accounts payable and accrued liabilities | | 94,761 | - |
| **Net cash used in operating activities** | | (131,035) | - |
| **Cash flows used in investing activities** | | | |
| | | - | - |
| **Cash flows from financing activities** | | | |
| Proceeds from private placement, net | 7 | 285,693 | - |
| Subscription proceeds received | 7 | 5,000 | - |
| Deferred prospectus costs | | (3,675) | |
| Proceeds from issuance of common shares | | - | 1 |
| | | 287,018 | 1 |
| **Increase in cash and cash equivalents** | | 155,983 | 1 |
| **Cash and cash equivalent – beginning of year** | | 1 | - |
| **Cash and cash equivalents – end of year** | | $ 155,984 | $ 1 |

The accompanying notes form an integral part of these financial statements

# 1 Nature of business and continuing operations

Captiva Verde Land Corp. ("Captiva Verde" or the "Company") is a company which plans to enter into the business of developing sustainable real estate projects.

Captiva Verde was incorporated as Just Baseball Limited and changed its name to Captiva Verde Land Corp. on March 3, 2017. The Company was incorporated under the British Columbia Business Corporations Act on November 9, 2015. The Company's registered and records office is located at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, BC V6E 4N7.

These financial statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The nature of the Company's primary business is planned to be the acquisition, management, development, and possible sale of real estate projects. The Company had a net loss of $171,025 for the year ended October 31, 2017 and as at October 31, 2017 has an accumulated deficit of $171,025. As at October 31, 2017, the Company has working capital of $114,669. To date, the Company has no existing business operations and no history of earning or revenues. Although the Company has filed a preliminary prospectus to raise $500,000 (see Note 11), as of the date of these financial statements no receipt has been issued for this prospectus. As such the Company is unsure at this point that it will be able to issue these shares and raise these funds. Should the Company be unable to close this financing or raise additional funds in the future to undertake planned development, it could have a material adverse effect on its financial condition and cause significant doubt about the Company's ability to continue as a going concern. If the going concern basis were not appropriate for these financial statements, then possible adjustments would be necessary to the comprehensive loss and the financial position classification. These adjustments may be material.

# 2 Basis of presentation and statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), effective as October 31, 2017. The policies set out below were consistently applied to all periods presented.

These financial statements were authorized for issue by the Board of Directors on February 27, 2018.

# 3 Significant accounting policies

**Basis of presentation**

These financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values as described in the significant accounting policies. All information is expressed in Canadian dollars unless otherwise stated and are prepared in accordance with the significant accounting policies outlined below.

Certain other prior period balances have been reclassified to conform with current period presentation.

**Cash**

Cash includes cash on deposit and short-term investments with a maturity at the date of purchase of 90 days or less.

**Financial Instruments – recognition and measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Financial assets*

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), loans and receivables, or other liabilities and held-to-maturity investments. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset. Financial assets classified as FVTPL are measured at fair values with unrealized gains and losses recognized through profit and loss.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary or a significant or prolonged decline in the fair value of that investment is below its cost.

*Financial liabilities*

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

*Impairment of financial instruments*

The Company assesses at each financial reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired using the following criteria:

- For available-for-sale financial assets, an impairment loss is established when there is a significant or prolonged decline in the fair value of the investment or when there is objective evidence that the carrying amount of the investment may not be recovered. The amount of the impairment loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial assets previously recognized in the statement of loss and comprehensive loss. Any amounts related to that asset are removed from losses accumulated in the fair value reserve recognized in shareholder's equity and are included in the statement of loss and comprehensive loss. Reversals in respect of available-for-sale financial assets are not reversed through the statement of loss and comprehensive loss. Any increase in fair value subsequent to an impairment loss is recognized directly in other comprehensive income (loss) until the assets are disposed of.

- For loans and receivables, a provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor or delinquency in payments are considered indicators that a trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of provision account and the amount of the loss is recognized in the statement of loss and comprehensive loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statement of loss and comprehensive loss.

**Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax.

*Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are substantively enacted at the end of each reporting period.

*Deferred income tax*

Deferred income tax is provided using the liability method on temporary differences, at the end of each reporting period, between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets and liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax assets or liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable or deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, investor or venture and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax relating to items recognized directly in equity is recognized in the statements of changes in equity and not in the statements of loss and comprehensive loss.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

**Share-based payments**

The Company accounts for share-based compensation using the Black-Scholes option pricing model. Accordingly, the fair value of the options at the date of grant is accrued with a corresponding credit to equity compensation reserve, and charged to earnings over the vesting period. If, and when, the stock options are exercised, the applicable amounts of equity compensation reserve are transferred to share capital.

**Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) 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 the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. At the present time the Company has no provisions.

**Earnings per share**

Earnings per share is calculated based on the weighted average number of shares outstanding during the period. The Company follows the treasury stock method for the calculation of diluted earnings per share. Under this method, dilution is calculated based upon the net number of common shares issued should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price in the year. Dilution from convertible securities is calculated based on the number of shares to be issued after takin into account the reduction of the related after-tax interest expense.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of share options and warrants, if dilutive.

**Future changes in accounting policies not yet adopted**

The following are future accounting policy changes which although they have no effect on the Company at present, may have an effect on the Company's future operations:

(i) IFRS 15, Revenues from Contracts and Customers ("IFRS 15") was issued by the IASB on May 28, 2014, and will replace IAS 18, Revenue, IAS 11, Construction Contracts, and related interpretations on revenue. IFRS 15 sets out the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the Standards on leases, insurance contracts and financial instruments. IFRS 15 uses a control based approach to recognize revenue, which is a change from the risk and reward approach under the current standard. Companies can elect to use either a full or a modified retrospective approach when adopting the standard and it is effective for annual periods beginning on or after January 1, 2018.

(ii) IFRS 9, Financial instruments ("IFRS ") was issued by the IASB on July 24, 2014 as a complete standard. This standard replaces the guidance in IAS 39, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and liabilities. The Standard eliminates the existing categories of held to maturity, available for sale and loans and receivables. On initial recognition, financial assets will be classified into those measures at amortized cost and at fair value. The mandatory effective date of the new standard is for annual periods beginning on or after January 1, 2018. The Company intends to adopt the standards for the year beginning January 1, 2018. The Company believes that implementation of the new standard will not have a material impact on its financial results.

(iii) IFRS 16, Leases is a new standard that sets out the principles of recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor, The new standard eliminates the classification of leases as either operating of finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The mandatory effective date of the new standard is for periods beginning on or after January 1, 2019. The Company intends to adopt the standard for the year beginning January 1, 2019. The Company believes the implementation of the new standard will not have a material impact on its financial statements.

The Company is currently evaluating the potential impact of these amendments and new standards on its financial statements.

# 4 Significant accounting estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reporting amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

(amounts expressed in Canadian dollars, except where indicated)

# 5 Other receivables

| | October 31, 2017 | October 31, 2016 |
|---|---|---|
| GST receivable | $ 888 | $ - |
| Greenbriar advance receivable (1) | 6,510 | - |
| | **7,398** | **-** |

(1) During the year ended October 31, 2017, the Company advanced $6,510 to Greenbriar Capital Corp. which is a related party as a result of having the same CEO and directors in common. The advance is non-interest bearing, unsecured was repaid subsequent to year end.

# 6 Land acquisition agreement

On October 1, 2017, the Company entered into an acquisition agreement with Greenbriar Capital (U.S.) LLC to purchase a 50% undivided interest in approximately 132 acres of real property located in the City of Tehachapi, California, USA. The acquisition represents a non-arm's length transaction as the Chief Executive Officer of the Company, Jeffrey Ciachurski, is also the Chief Executive Officer of Greenbriar. The purchase price of $2,250,000 is divided into 5% payable by a one-year interest-free promissory note and 95% in common shares representing 10,687,500 common shares of the Company. As at October 31, 2017 the acquisition has not been closed and no payments have been made.

# 7 Share capital

a) Authorized and outstanding

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at October 31, 2017 the issued and outstanding share capital consists of 69,660,591 common shares.

On April 26, 2017, Captiva Verde Land Corp. completed an acquisition pursuant to a plan of arrangement ("Plan of Arrangement") by entering into an arrangement agreement made effective as of February 21, 2017 (the "Arrangement Agreement") among the Company and Captiva Verde Industries Inc. ("CVI"), whereby CVI shareholders acquired shares of the Company (the "Transaction").

Pursuant to the Arrangement Agreement, the Company issued one share of the Company for every share of CVI to the shareholders of CVI. The Arrangement Agreement resulted in the issuance of 63,465,871 common shares of the Company to the shareholders of CVI at a deemed value of $nil.

Pursuant to the Transaction, the Company became a reporting issuer in British Columbia, Alberta and Ontario under new CUSIP number 14075E and ISIN number CA14075E1007.

On July 4, 2017, the Company closed a private placement and issued 4,560,000 units at a price of $0.05 per unit for gross proceeds of $228,000. Each unit consists of one common share and one half common share purchase warrant. Each warrant will be exercisable into one common share at $0.10 for a period of five years after the closing date. The share purchase warrant's fair value of $29,021 was recorded in the reserves. The Company paid a finder's fee in the aggregate amount of $4,550 and incurred $6,564 in issuance costs.

On September 6, 2017, the Company closed a private placement and issued 900,000 units at a price of $0.05 per unit and on September 7, 2017, the Company closed a private placement and issued 150,000 units at a price of $0.05 per unit for a total combined gross proceeds of $52,500. Each unit consists of one common share and one half common share purchase warrant. Each warrant will be exercisable into one common share at $0.10 for a period of five years after the closing date. The Company paid a finder's fee in the aggregate amount of $525 and incurred $5,837 in issuance costs.

On September 29, 2017, the Company closed a private placement and issued 584,720 units at a price of $0.05 per unit for gross proceeds of $29,236. Each unit consists of one common share and one half common share purchase warrant. Each warrant will be exercisable into one common share at $0.10 for a period of five years after the closing date. The Company incurred $8,130 in issuance costs.

(amounts expressed in Canadian dollars, except where indicated)

## 8 Share purchase warrants

On July 4, 2017, the Company closed a private placement and issued 4,560,000 units. The total warrants issued were 2,280,000. The fair value of warrant was calculated at $29,021 and was determined on the date of the issuance using the Black-Scholes option pricing model with the following weighted average assumptions: 1.43% risk free interest rate, expected life of 5 years, 50% annualized volatility and 0% dividend rate.

On September 6, 2017, the Company closed a private placement and issued 900,000 and on September 7, 2017, the Company closed a private placement and issued 150,000 units. The total warrants issued were 525,000. The fair value of warrant was calculated at $5,986 and was determined on the date of the issuance using the Black-Scholes option pricing model with the following weighted average assumptions: 1.66% risk free interest rate, expected life of 5 years, 50% annualized volatility and 0% dividend rate.

On September 29, 2017, the Company closed a private placement and issued 584,720 units. The total warrants issued were 292,360. The fair value of warrant was calculated at $3,3461 and was determined on the date of the issuance using the Black-Scholes option pricing model with the following weighted average assumptions: 1.75% risk free interest rate, expected life of 5 years, 50% annualized volatility and 0% dividend rate.

| | October 31, 2017 | | October 31, 2016 | |
|---|---|---|---|---|
| | **Number of warrants** | **Weighted average exercise price** | **Number of warrants** | **Weighted average exercise price** |
| Outstanding - beginning of year | - | $ - | - | $ - |
| Issued | 3,097,360 | 0.10 | - | - |
| Outstanding – as at period end | 3,097,360 | $ 0.10 | - | $ - |

| Number of warrants | Exercise price per warrant | Expiry date |
|---|---|---|
| 2,280,000 | $0.10 | July 4, 2022 |
| 450,000 | $0.10 | September 6, 2022 |
| 75,000 | $0.10 | September 7, 2022 |
| 292,360 | $0.10 | September 29, 2022 |
| 3,097,360 | | |

## 9 Financial instruments

The Company reports its financial instruments on its balance sheet and measures these at fair value. In limited circumstances when fair value may not be considered most relevant, they may be reported at cost or amortized cost. Gains or losses as a result of changes in fair value are recognized in the consolidated statement of operations and comprehensive loss.

The Company's financial instruments consist of cash, other receivables and accounts payable and accrued liabilities. The fair value of these financial instruments approximates the carrying value due to the short maturity or current market rate associated with these instruments.

(amounts expressed in Canadian dollars, except where indicated)

**Categories of financial instrument**

| | October 31, 2017 | | October 31, 2016 | |
|---|---|---|---|---|
| | Carrying value $ | Fair value $ | Carrying value $ | Fair value $ |
| **Financial assets** | | | | |
| *Fair value through profit and loss ("FVTPL")* | | | | |
| Cash | 155,984 | 155,984 | 1 | 1 |
| *Loans and receivables* | | | | |
| Other receivables and advances | 7,398 | 7,398 | - | - |
| **Financial liabilities** | | | | |
| *Other financial liabilities* | | | | |
| Accounts payable and accrued liabilities | 99,761 | 99,761 | - | - |

**Fair value**

Financial instruments measured at fair value are grouped into Level 1 to 3 based on the degree to which fair value is observable:

Level 1 – quoted prices in active markets for identical securities

Level 2 – significant observable inputs other than quoted prices included in Level 1

Level 3 – significant unobservable inputs

Cash is measured at Level 1.

The Company did not move any instruments between levels of the fair value hierarchy during the year ended October 31, 2017.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is currently not exposed to any interest rate risk.

**Credit Risk**

The Company is exposed to credit risk through its cash, which is held in large Canadian financial institutions with high credit rating, deposits and other receivables. The Company believes the credit risk is insignificant. The Company's exposure is limited to amounts reported within the statement of financial position.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. In order to meet its financial obligations, the Company will need to generate cash flow from the development or sale of future properties or raise additional funds.

(amounts expressed in Canadian dollars, except where indicated)

# 10 Related party transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors or companies with common directors of the Company.

The remuneration of the Company's directors and other key management personnel during the year ended October 31, 2017 and period of incorporation (November 9, 2015) to October 31, 2016 are as follows:

| | October 31, 2017 | October 31, 2016 |
|---|---|---|
| Consulting fees | $ 32,172 | $ - |

These expenses were measured at the exchange amounts agreed upon by the parties. As at October 31, 2017 the Company had amounts payable of $12,437 (October 31, 2017 - $nil) to these parties. These amounts are unsecured and non-interest bearing.

As at October 31, 2017, the Company had a prepaid advance to a shareholder for $28,998 (October 31, 2017 – $nil) The advance is non-interest bearing and unsecured.. The amount is included under prepaids and advances and was repaid subsequent to year end.

During the year ended October 31, 2017, the Company advanced $6,510 to Greenbriar Capital Corp. which is a related party as a result of having the same CEO and directors in common. The advance is non-interest bearing, unsecured and was repaid subsequent to year end.

# 11 Subsequent Events

On November 20, 2017 the Company filed a preliminary long form prospectus to qualify the distribution of a minimum of 3,500,000 common shares and a maximum of 5,000,000 common shares for minimum total gross proceeds of $350,000 up to a maximum total gross proceeds to the Company of $500,000. The common shares of the Company are being offered at a price of $0.10. As at October 31, 2017 $3,675 of costs related to the prospectus have been deferred. As of the date of these financial statements the financing had not closed nor has a receipt for the prospectus been issued.