CANNVAS MEDTECH INC.

dba TechOneSixty

FORM 2A

LISTING STATEMENT

June 26, 2018

CANNVAS MEDTECH INC.

FORM 2A

Listing Statement

TABLE OF CONTENTS

Page

1. Corporate Structure

The head office of Cannvas MedTech Inc. (the “**Issuer**”) is located at 213 Sterling Road, Suite 201, Toronto, Ontario, M6R 2B2.

The registered and records office of the Issuer is located at Suite 804-750 West Pender Street, Vancouver, British Columbia, V6C 2T7.

The Issuer was incorporated pursuant to the *Canada Business Corporations Act* on November 4, 2014 as Vapetronix Inc. under corporation number 907833-9. On June 23, 2017, Vapetronix Inc. continued from the federal jurisdiction to the jurisdiction of British Columbia and changed its name to Vapetronix Holdings Inc. On September 11, 2017, Vapetronix Holdings Inc. changed its name to Weed Points Loyalty Inc. and on September 14, 2017, was registered to do business as TechOneSixty. On December 13, 2017, Weed Points Loyalty Inc. changed its name to Cannvas MedTech Inc.

On January 16, 2018, the Issuer became a reporting issuer in the provinces of British Columbia, Alberta and Ontario when PUF Ventures Inc. (“**PUF**”) completed a plan of arrangement (the “**Plan of Arrangement**”) with the Issuer (as described in greater detail below).

The Issuer currently has no subsidiaries.

2. General Development of the Business

<u>Year Ended December 31, 2014</u>

The Issuer was incorporated pursuant to the *Canada Business Corporations Act* on November 4, 2014 as Vapetronix Inc. under corporation number 907833-9. Yari Nieken, Ian Foreman and Christopher Hornung were the first directors of the Issuer.

On November 13, 2014, Derek Ivany, the President, Chief Executive Officer and a director of PUF, transferred ownership of his medical marijuana mobile source code to the Issuer in exchange for a 100% interest in the Issuer and was issued 20,000 common shares of the Issuer (“**Common Shares**”).

On November 20, 2014, Mouse LLC, a Virginia private corporation, invested USD$20,000 in the Issuer in consideration of the purchase of 50% of the Issuer and was issued 20,000 Common Shares.

<u>Year Ended December 31, 2015</u>

On March 15, 2015, the Issuer completed a forward stock split on the basis of 6.4705 Common Shares for one Common Share.

Pursuant to a share exchange agreement dated April 2, 2015 between the Issuer, PUF and shareholders of the Issuer, the Issuer sold to PUF a 100% interest in the Issuer. The share exchange was completed by way of the transfer of all of the issued and outstanding Common Shares of the Issuer to PUF, in exchange for common shares of PUF that were issued to the shareholders of the Issuer. Accordingly, the Issuer became a wholly-owned subsidiary of PUF. PUF is a corporation incorporated under the *Business Corporations Act* (British Columbia) on June 24, 2004, with its head office located at 804-750 West Pender Street, Vancouver, British Columbia, V6C 2T7. PUF is currently a reporting issuer in the provinces of Alberta, British Columbia and Ontario and has its common shares listed on the CSE under the symbol “PUF”, on the OTC Pink Sheets under the symbol “PUFXF” and on the Frankfurt Stock Exchange under the symbol “PU3”.

On September 1, 2015, PUF announced a new product line of 1313 nicotine-free electronic cigarette ("**E Cigs**") with the newest product being "1313 Energy". During 2015, PUF agreed to transfer to the Issuer the "1313" brand and trademark of E-Cigs, marijuana Vape delivery devices and associated products.

Highlights of the Issuer's business in 2015 included the following:

- the sale of 1313's flavoured e-cigarettes in Ontario with Canada-wide expansion planned;
- 1313's nicotine e-cigarettes were ready for a planned roll-out into the US market;
- a medical marijuana mobile tracking application (WeedBeacon) was under development to track a variety of metrics for patients and physicians such as cannabis usage data, the efficacy of certain strains, and side effects; and
- the Issuer's marketing and development team intended to work with PUF on leveraging various synergies between its medical marijuana mobile application and vaporizer technology with the anticipated license from Health Canada under the Access for Cannabis for Medical Purposes Regulations to be issued to PUF's majority-owned subsidiary, AAA Heidelberg Inc.

Since 2015, and as further described below, the Issuer has shifted its focus away from activities relating to E-Cigs and related products and is now focused on developing its software and related applications.

<u>Year Ended December 31, 2016</u>

During the year ended December 31, 2016, the Issuer commenced the development of a new vaporizer technology. The Issuer incurred development costs of $210,000 throughout 2016.

<u>Year Ended December 31, 2017</u>

On June 9, 2017, Yari Nieken, Ian Foreman and Christopher Hornung ceased to be directors of the Issuer, and Shawn Moniz, Steve Loutskou and Christopher P. Cherry were appointed directors of the Issuer.

On June 23, 2017, the Issuer, as Vapetronix Inc., continued from the federal jurisdiction to the jurisdiction of British Columbia and changed its name to Vapetronix Holdings Inc. On September 11, 2017, Vapetronix Holdings Inc. changed its name to Weed Points Loyalty Inc. and on September 14, 2017, was registered to do business as TechOneSixty. The name change was implemented due to the Issuer's shift in focus to serving the community of authorized, licensed producers of medical and recreational cannabis, associated patients, as well as future consumers of cannabis products.

During 2017, the Issuer continuing to work on the development of the WeedBeacon tracking application, that synchronizes a vaporizer device to a smart phone was intended to track a variety of metrics for patients and physicians. During this year, the Issuer also worked on updating the WeedBeacon marijuana tracking program to be integrated within the Issuer's Cannvas.me platform to complete the data trail between education on cannabis and the responsible usage of cannabis. Other cannabis loyalty brand business drivers such as data mining and life sciences technologies were also under development during 2017.

On September 7, 2017, the Issuer entered into an arrangement agreement and Plan of Arrangement with PUF, as amended on October 11, 2017. The purpose of the Plan of Arrangement was to enable PUF to spin out certain proprietary technology (including technology relating to Weed Beacon), app developments and other assets to the Issuer, which at the time was a wholly-owned subsidiary of PUF. The Plan of Arrangement received shareholder approval at a meeting of the shareholders of PUF on November 24, 2017 and subsequently received court approval on November 30, 2017. The Plan of

Arrangement was completed on January 16, 2018, as described in greater detail under “Subsequent Events” below.

On September 12, 2017, the Issuer appointed Shawn Moniz as Chief Executive Officer, Christopher P. Cherry as Chief Financial Officer and Steve Loutskou as Chief Strategy Officer.

On September 29, 2017, the Issuer announced that it proposed to create a cannabis education-based loyalty program targeting the emerging cannabis market. As a component of this, the Issuer established a proprietary patient-centric data platform. The platform was intended to a allow range of entities involved in the cannabis industry, including licensed producers, patients, and consumers, to interact through a website and mobile application, with the goal of fostering awareness and loyalty rewards based on education modules for the cannabis marketplace. While the loyalty rewards program is no longer the focus of the Issuer’s business, and the Issuer has continued to develop its interactive website platform, as described in greater detail below under the heading “Products and Services”.

The Issuer entered a lease agreement in September 2017 for office space in Toronto, which is now fully occupied. A corporate communications manager and programming/project manager were hired, and management continues its discussions to hire additional staff from the life sciences, pharma and tech sectors to complement the current team.

On October 20, 2017, the Issuer completed a non-brokered private placement to raise gross proceeds of \$752,050 by the issuance of 15,041,000 Common Shares at a deemed price of \$0.05 per Common Share.

On November 29, 2017, the Issuer completed debt settlements totaling \$260,000 by the issuance of 5,200,000 Common Shares at a deemed price of \$0.05 per Common Share.

On December 1, 2017, the Issuer completed a non-brokered private placement to raise gross proceeds of \$1,035,900 by the issuance of 4,143,600 Common Shares at a deemed price of \$0.25 per Common Share.

On December 13, 2017, the Issuer changed its name from Weed Points Loyalty Inc. to Cannvas MedTech Inc. This was intended to reflect the Issuer’s increasing focus on technology development within the medical marijuana industry.

<u>Subsequent Events</u>

As noted above, the Issuer entered into an arrangement agreement and Plan of Arrangement with PUF in September 2017, for the purpose of enabling PUF to spin out certain assets to the Issuer. Prior to the completion of the Plan of Arrangement, the Issuer was a wholly-owned subsidiary of PUF. The Plan of Arrangement was received shareholder approval at a meeting of the shareholders of PUF on November 24, 2017, and received court approval on November 30, 2017.

The Plan of Arrangement was completed on January 16, 2018. At this time, PUF completed the share exchange pursuant to the Plan of Arrangement by the issuance of 7,034,281 Common Shares to shareholders of PUF (“**PUF Shareholders**”) on the basis of one Common Share for every seven shares of PUF held by PUF Shareholders who were PUF Shareholders as of the record date of October 4, 2017. Upon completion of this transaction, the Issuer became a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

On February 6, 2018, the Issuer granted a total of 1,892,500 options to purchase Common Shares exercisable at \$0.25 per Common Share until February 6, 2020 to certain directors, officers and consultants.

On February 13, 2018, the Issuer granted a total of 800,000 options to purchase Common Shares exercisable at $0.25 per Common Share until February 13, 2020 to certain consultants. On March 30, 2018, Christopher Cherry resigned as Chief Financial Officer and a director of the Issuer, and Miroslav Beganovic was appointed as the Issuer's new Chief Financial Officer. On April 4, 2018, Lindsay Hamelin and Marco Contardi were appointed directors of the Issuer.

On April 1, 2018, Steve Loutskou was appointed as Chief Operating Officer of the Issuer.

On April 3, 2018, the Issuer granted a total of 200,000 options to purchase Common Shares exercisable at $0.25 per common share until April 3, 2020 to a consultant.

On May 4, 2018, the Issuer completed non-brokered private placement to raise proceeds of $1,065,370 by the issuance of 4,261,480 units at a price of $0.25 per unit. Each unit is comprised of one Common Share and one common share purchase warrant, each warrant exercisable for one Common Share at an exercise price of $0.50 for a period of 24 months. On the same date, the Issuer completed debt settlements totaling $50,500 by the issuance of 202,000 Common Shares at a deemed price of $0.25 per Common Share and granted 372,500 options to purchase Common Shares exercisable at $0.25 per Common Share until May 4, 2020 to certain directors, officers and consultants.

2.1 Trends, Commitments, Events or Uncertainties

Management of the Issuer is not aware of any trends, commitments, events or uncertainties that are reasonably expected to have a material effect on the Issuer's business, financial condition or results of operations.

3. Narrative Description of the Business

3.1 General

<u>**Products and Services**</u>

The Issuer is a business technology company within the health sciences sector currently developing a patient-centric data-enabled learning platform for the cannabis space. The Issuer's platform services aim to empower its partners by providing educational resources that will help them to succeed as global industry participants. While the Issuer's business evolved into a health sciences educational platform with loyalty components, the loyalty program is no longer the primary focus of the Issuer's business.

The Issuer's core platform is currently focused on preparing an online repository of medical cannabis related information that pertains to a range of participants in the cannabis industry. Specifically, the Issuer is leveraging enterprise technology to create a learning platform that is intended to allow medical practitioners, licensed producers, patients and consumers to access cannabis education.

Current Products Under Development

The Issuer is currently working on development of the following products. Each of these products are intended to complement one another through supporting the development and enhancing the functioning of the Issuer's Cannvas.me platform, which is an educational website relating to the cannabis industry. In particular, the CannvasConnect and CannvasData products are intended to support data sharing and data licensing of information that is collected through and shared by the Cannvas.me platform.

- Cannvas.me – is an online website that is intended to be accessible to users through both website and mobile applications. It is designed to assist and educate people in their use of cannabis through the development of an online repository of cannabis-related information (news, articles, reviews, discussion boards and educational material). The website is intended to allow various participants in the cannabis industry, including medical practitioners, licensed producers, patients and consumers, to interact and share information.

- CannvasData – is a software application that gathers together user-generated data from users interacting on the Issuer's Cannvas.me website. This information will include comments and posts from users and bloggers, as well as articles and news reviews prepared by the Issuer, relating to cannabis. Medical journals will also be available for users to read if the Issuer establishes any partnerships in the academic community that would make this information available. Once gathered and organized, the data will be freely accessible by users of the Cannvas.me website.
- CannvasConnect – is the secure layer of data encryption that the Cannvas.me platform will use to securely store its data. CannvasConnet is based on the use of blockchain Smart Contract technology and is intended to enhance security and efficiency for users of the Issuer's Cannvas.me website.
- CannvasCreative – is the Issuer's digital agency department that designs the Issuer's creative assets in both the digital and print world. This primarily involves the creation of brochures and campaigns involving the Issuer's business and products. Through this branch of the Issuer's business, the Issuer also provides marketing and branding support and other creative services to third parties.

Operational Plan

Location

The Issuer is a British Columbia company and maintains offices in both Vancouver and Toronto - locations selected strategically to support the Issuer's initiatives.

Inventory

As a technology software firm we do not maintain inventory.

Suppliers

As a technology software firm we do not rely on suppliers.

Overall goals and milestones

As described in greater detail below, the Issuer's primary goals are to:

- Evolve the Issuer's brand and its holdings through the development and acquisitions of technologies.
- Generate revenue through data licensing agreements with third parties.
- Generate revenue through CannvasCreative, CannvasData and CannvasConnect.
- Expand the Issuer's user and client base internationally and ultimately evolve into an international company.

The Issuer is currently generating revenue through contracts that it has entered into with third parties pursuant to which the Issuer provides marketing and branding support and other creative services to its clients through CannvasCreative. After launching the Cannvas.me platform (as described in greater detail below), the Issuer hopes to generate revenue through the following:

- Data licensing agreements with third parties, through which the Issuer would license the data it has collected through CannvasData and that would provide for the sharing of data to and from the Cannvas.me platform, which would be facilitated through the Issuer's CannvasConnect product.
- Agreements relating to the provision of ad space media on the Issuer's Cannvas.me platform.

Over the next twelve months, the Issuer's primary milestones and objectives are as follows:

- **Canvass.me**: Based on current development status, the Issuer hopes to launch its Cannvas.me platform (an educational website relating to cannabis) in Q3 of 2018. As of the date of this Listing Statement, the Issuer has completed approximately 60% of the development required to launch the platform. Additionally, the Issuer has incurred all costs related to launch, such that the Issuer does not expect that any further costs will be required to achieve this milestone. The Issuer is currently engaged in, and will continue over the next twelve months to focus on, building its user base by securing registrations of end users for the Cannvas.me platform (through pre-registrations entered into on the Issuer's current website) and partnership agreements with licensed producers and clinics. These partnership agreements will be with third parties who require data such as the data gathered by the Issuer to perform industry analysis and market research for their business models and marketing campaigns. In 2018, through the Cannvas.me platform, the Issuer hopes to generate revenue through providing ad space media on its website by Q4 and has already entered into agreements with entities that provide for this. The Issuer also hopes to generate data licensing revenue by the end of Q1 2019 through licensing the data it has compiled to third parties, which will be facilitated by the CannvasData product described in greater detail below under "CannvasData". However, the generation of revenue will be dependent upon launch of the Cannavs.me platform in 2018 and growth in the user base of the Cannvas.me platform after it is launched.
- **CannvasCreative**: The Issuer's CannvasCreative division has been in operation since January 2018, and since that time the Issuer focused on showcasing the CannvasCreative portfolio to prospective clients. As of the date of this Listing Statement, the Issuer has entered into several contracts with clients, which have created a revenue stream for the Issuer. Through these contracts, the Issuer provides marketing and branding support and other creative services to its clients. The Issuer is currently in discussions with other potential clients and hopes to enter into revenue-generating agreements with additional clients. The primary milestone for this component of the Issuer's business is to continue to seek out and enter into such revenue-generating contracts, and the Issuer does not anticipate expending further costs in this regard. Assuming the continuation of services under existing and potential agreements, the Issuer expects this division of the business to continue with revenue generating sales for the remainder of 2018, and into 2019.
- **CannvasData**: The Issuer is working on the data collection processes for CannvasData, and expects to continue this development throughout the remainder of 2018 and into 2019. Once the Issuer's Cannvas.me website has launched, the Issuer expects data collection to grow as the user base for the platform begins to interact with the Issuer's other tools and services. The amalgamation of the data that is collected through CannvasData will directly link with Cannvas.me. The Issuer hopes that this data linkage will facilitate licensing of the Issuer's data set by Q1 2019 to third parties and ultimately result in revenue generation through such licensing arrangements. No additional costs are required in order to achieve these milestones.
- **CannvasConnect** will provide the Issuer with the ability to mutually share data with third parties that it has entered into data licensing agreement with, to and from the Cannvas.me platform. Due to the anticipated sales cycle, the Issuer does not anticipate that any revenue will be generated

from this technology until early Q2 2019 or later. Any revenue generated through the CannvasConnect division of the Issuer's business would be in connection with the data licensing agreements noted above. Over the next twelve months, the Issuer expects to continue working on the development and negotiation of these contracts. While additional costs required to achieve completion of this technology are unknown at this time, it is expected that some costs will need to be incurred in early 2019.

- The Issuer is actively working on the development of a medical advisory board, and during the next twelve months will seek to recruit and fill positions on this board.

As of May 31, 2018, the Issuer had working capital of $1,423,177.11. As described above, the Issuer has raised capital through several private placements, and intends to continue to do so if needed in order to achieve the milestones and business objectives described above. On October 20, 2017, the Issuer raised $752,050, on December 1, 2017, the Issuer raised $1,035,900, and on May 4, 2018, the Issuer raised $1,065,370 in non-brokered private placements for aggregate gross proceeds of $2,853,320.

As noted above, the main costs associated with launch of the Issuer's Cannvas.me platform have been incurred at this time. Over the next twelve months, the Issuer expects its costs to remain relatively consistent over each month, with approximate capital requirements of approximately $50,000 per month. These costs relate primarily to staffing requirements (specifically, payment to contractors and consultants) in order to fulfill and complete the roll out of the Cannvas.me platform, as well as to complete technical development of the CannvasData and CannvasConnect products and continue to provide services through CannvasCreative.

Management and Organization

Management Team and Employees

Our leadership team and other personnel are comprised of individuals with combined decades of experience, and together they bring expertise in business strategy, project management, marketing, IT, and finance. Our management team is comprised of: Shawn Moniz (Chief Executive Officer); Steve Loutskou (Chief Operating Officer); and Miroslav Berganovic (Chief Financial Officer).

See Section 11.8 of this Listing Statement for detailed information about the Issuer's executive officers.

The Issuer does not currently have any employees. The Chief Executive Officer, Chief Financial Officer and Chief Operating Officer provide services to the Issuer as independent contractors.

Cannvas Advisors

The Issuer is currently in the process of creating and recruiting members for three advisory boards, which relate to health initiatives, emerging technology and women in business. The Issuer is actively recruiting positions for these advisory boards, and has hopes to have positions filled in summer 2018.

Specialized Skills and Knowledge

The Issuer's development team has had official training in, and has achieved the necessary certifications required in order to develop the Issuer's products using the applicable technology in which the Issuer codes its digital solutions. Additionally, given the Issuer's focus on building an educational platform for the health industry, the Issuer has also entered into contracts with members of management and other consultants with knowledge and experience in the educational healthcare sector of the pharmaceutical and communications industry and in the pharmaceutical industry generally.

Competition

The cannabis industry is rapidly expanding both in Canada and internationally, through an increase in the number of issuers that are licensed to produce cannabis, as well as issuers that provide a wide array of ancillary services. The Issuer's business focuses primarily on education of participants in this industry. While the Issuer is aware of some other companies that are involved in this area, it is not currently aware of any direct Canadian competitors that provide all of the same services the Issuer is developing. However, due the rapid expansion of the cannabis industry, the Issuer expects to compete with both existing issuers and other issuers that may emerge and provide educational services to participants in this industry. Given the early stage of development of the Issuer's services, it is difficult at this time to provide an assessment of the Issuer's competitive position relative to such other service providers.

Industry and United States Regulatory Environment

The medical cannabis industry is among the fastest growing industries in the market today, and cannabis is increasingly being legalized for medicinal purposes across the world. As the use of cannabis is heavily regulated by legislative bodies in each jurisdiction, changes to legislation could impact the use of medicinal cannabis. At this time, the current trend domestically and internationally leans toward increasing acceptance of cannabis use.

However, there are variations in the level of acceptance and the activities that are permitted across different jurisdictions, as well as the way in which the industry is regulated. In the U.S., the legal and regulatory regime for the cannabis industry is currently subject to uncertainty, as there is a conflict between federal and state regulation. While certain states permit the use and sale of marijuana within a regulated framework, marijuana-related practices and activities remain illegal at a federal level. Specifically, in the U.S., 29 states, as well as Washington, D.C. and Puerto Rico, have legalized medical marijuana, and nine states and Washington, D.C. have legalized recreational marijuana. At the federal level, however, cannabis remains a Schedule I drug under the Controlled Substances Act of 1970. Under United States federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. As such, cannabis-related practices or activities including, without limitation, the manufacture, importation, possession, use, or distribution of cannabis, remain illegal under United States federal law.

CSA Staff Notice 51-352 (Revised) *Issuers with U.S. Marijuana-Related Activities*

On February 8, 2018, the Canadian Securities Administrators published CSA Staff Notice 51-352 (Revised) *Issuers with U.S. Marijuana-Related Activities* (the "**Staff Notice**"), which sets out disclosure expectations for issuers with U.S. marijuana-related activities. The Issuer is a digital technology company and is not engaged in, and does not have any intention to engage in, (i) any activities that would be considered direct or indirect involvement in cultivation or distribution of marijuana in the U.S. or (ii) the provision of goods and/or services to third parties who are directly involved in the U.S. marijuana industry, which are considered to constitute ancillary involvement in the U.S. marijuana industry for the purpose of the Staff Notice. The Issuer intends to provide an educational resource website about cannabis that can be used by industry participants globally. This website may include articles and other content about marijuana legislation in other jurisdictions including, but not limited to, the U.S.

As noted above, the Issuer is currently generating, or hoping to generate, revenue through the following:

- Agreements with third parties pursuant to which the Issuer provides marketing and branding support and other creative services to its clients.
- Data licensing agreements with third parties, through which the Issuer would license the data it has collected through CannvasData and mutually share data to and from the Cannvas.me platform, which would be facilitated through the Issuer's CannvasConnect product.
- Agreements relating to the provision of ad space media on the Issuer's Cannvas.me platform.

Given that the Cannvas.me platform is a website accessible through the internet, is possible that third parties in the U.S. could access the platform and register as users to receive information from it. However, the revenue-generating activities described above do not, at this time, and are not currently expected to, involve providing services (such as educational resources or otherwise) to entities in the U.S. The Issuer has not had any discussions with entities in the U.S. regarding its products and does not intend to enter into any agreement(s) (including but not limited to agreements of the nature described above) with any entity in the U.S. Further, the Issuer will provide disclaimer language on the Cannvas.me platform indicating to users that marijuana-related activities are illegal under federal law in the U.S. and that users should be aware of this when reviewing the information on the platform.

If, in the future, the Issuer were to enter into any agreements or otherwise provide services to entities in the U.S., it may be considered to be providing ancillary services in connection with the U.S. marijuana industry as described in the Staff Notice. If this occurs, prior to entering into any such agreement with respect to any such services the Issuer will file an updated listing statement that describes such services and contains the disclosure set out in the Staff Notice as applicable to its activities at that time.

4. Selected Consolidated Financial Information

4.1 Annual Financial Information

The following table provides summary financial data for the Issuer for the financial years completed on December 31, 2015, December 31, 2016 and December 31, 2017. The annual financial information below is derived from and subject to the detailed information contained in the audited annual financial statements of the Issuer and notes thereto for the years ended December 31, 2015, December 31, 2016 and December 31, 2017.

	March 31, 2018 ($)	**December 31, 2017 ($)**	**December 31, 2016 ($)**	**December 31, 2015 ($)**
Total assets	1,048,384	1,368,944	-	39,954
Total liabilities	243,157	185,504	353,126	132,862
Shareholders' equity	805,227	1,183,440	(353,126)	(92,908)
Total long-term debt	-	-	-	-
Total revenue	Nil	Nil	138,850	9,008
Net income/loss	(378,813)	(514,993)	(260,218)	(137,213)
Net loss per share (basic and diluted)	(0.01)	(0.06)	(0.04)	(0.02)

4.2 Quarterly Financial Information

The following table provides financial information for each of the eight most recently completed quarters ending at the end of December 31, 2017, being the end of the Issuer's most recently completed financial year.

	For the Three Months Ending							
	Dec 31, 2017	Sept 30, 2017	June 30, 2017	Mar, 31 2017	Dec 31, 2016	Sept 30, 2016	June 30, 2016	Mar 31, 2016
	($)	($)	($)	($)	($)	($)	($)	($)
Total revenue	-	-	-	-	-	-	-	-
Income (Loss) before discontinued operations and extraordinary items	(464,993)	(15,000)	(20,000)	(15,000)	(224,055)	(1,200)	(1,200)	(33,763)
Net income (loss)	(464,993	(15,000)	(20,000)	(15,000)	(224,055)	(1,200)	(1,200)	(33,763)
Net income (loss) per share (basic and diluted)	(0.06)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

4.3 Dividends

The Issuer has not declared nor paid dividends on its common shares and currently has no intention of paying dividends on its common shares. There are currently no restrictions that could prevent the Issuer from paying dividends.

4.4 Foreign GAAP

The Issuer's financial statements have been prepared in accordance with International Financial Reporting Standards.

5. Management's Discussion and Analysis

ANNUAL AND INTERIM MD&A

Please see the Issuer's management's discussion and analysis for the 12 month period ended December 31, 2017, and the Issuer's management's discussion and analysis for the three month period ended March 31, 2018, each of which have been filed on SEDAR.com and are attached to this Listing Statement. Please note that the management's discussion and analysis should be read together with the audited financial statements of the Issuer for the year ended December 31, 2017 and interim financial statements for the Issuer for the three month period ended March 31, 2018, and related notes attached thereto.

6. Market for Securities

The Issuer's Common Shares are currently not listed on any stock exchange. The Issuer has applied to list its Common Shares on the CSE. Listing on the CSE will be subject to the Company fulfilling all of the listing requirements of the CSE. There can be no guarantee that the Common Shares will be listed on the CSE or any other stock exchange.

7. Consolidated Capitalization

There has been no material change in the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement, being the financial year ended December 31, 2017.

Securities

7.1 Options to Purchase Securities

On September 19, 2017, the board of directors of the Issuer established a rolling stock option plan (the "**Plan**") in accordance with the policies of the CSE. The maximum number of Common Shares reserved for issuance under the Plan is 10% of the issued and outstanding Common Shares on a "rolling" basis.

The purpose of the Plan is to provide an incentive to the Issuer's directors, officers, employees, management companies and consultants to continue their involvement with the Issuer, to increase their efforts on the Issuer's behalf and to attract new qualified employees and consultants, while at the same time reducing the cash compensation that the Issuer would otherwise have to pay. The Plan is also intended to assist in aligning management and employee incentives with the interests of shareholders.

Options may be granted under the Plan to such directors, employees, consultants or management company employees of the Issuer and its subsidiaries as the Board may from time to time designate. The exercise prices shall be determined by the Board, but shall, in no event, be less than the closing market price of the listed security on the CSE on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the convertible security or the posting of notice of the proposed issuance of the convertible security with the CSE. The Plan complies with Section 2.25 of National Instrument 45-106 *Prospectus Exemptions* and provides that the number of Common Shares which may be reserved for issuance on a yearly basis to any one related person upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares calculated at the time of grant. Moreover, the Issuer cannot issue grants to related persons if in the aggregate their grants would, on a fully diluted basis, exceed 10% of the issued and outstanding Common Shares of the Issuer and cannot issue grants to a single related person that would, on a fully diluted basis, exceed 5% of the issued and outstanding Common Shares of the Issuer.

As at the date of this Listing Statement, based on 37,954,461 issued and outstanding Common Shares, the Issuer has reserved 3,795,446 Common Shares for issuance under the Plan, being 10% of the Issuer's issued share capital, of which 3,289,500 stock options are outstanding. Details regarding the options that are currently outstanding are set out in the table below.

Category of Option Holder	Number of Options	Exercise Price	Grant Date	Expiry Date
Executive officers and past executive officers of the Issuer	25,000 15,000 1,550,000 200,000	$0.05 $0.05 $0.25 $0.25	September 19, 2017 October 20, 2017 February 6, 2018 May 4, 2018	September 19, 2019 October 20, 2019 February 6, 2020 May 4, 2020
Directors and past directors of the Company who are not noted in executive officers above	75,000	$0.25	May 4, 2018	May 4, 2020
Consultants	12,000	$0.05	October 20, 2017	October 20, 2019

Category of Option Holder	Number of Options	Exercise Price	Grant Date	Expiry Date
	305,000 800,000 200,000 97,500 10,000	$0.25 $0.25 $0.25 $0.25 $0.25	February 6, 2018 February 13, 2018 April 3, 2018 May 4, 2018 June 6, 2018	February 6, 2018 February 13, 2020 April 3, 3018 May 4, 2020 June 6, 2020

8. Description of the Securities

8.1 General

The authorized capital of the Issuer consists of an unlimited number of Common Shares without par value. All Common Shares rank equally as to voting, and there are no special preference, conversion or redemption rights attached to any of the Common Shares.

As at the date of this Listing Statement, there were 37,954,461 Common Shares issued and outstanding. All of the issued Common Shares are fully paid and non-assessable.

The holders of Common Shares are entitled to receive notice of and attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each Common Share held at such meetings. In the event of liquidation, dissolution or winding-up of the Issuer, the holders of Common Shares are entitled to share rateably the remaining assets of the Issuer.

In the event of the liquidation, dissolution or winding-up of the Issuer or other distribution of its assets, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Issuer has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the Board of the Issuer.

8.2 Prior Sales

The following table sets out the prices at which the Issuer's Common Shares have been sold within the 12 months before the date of this Listing Statement.

Date Issued	Number of Securities	Issue Price Per Common Share	Aggregate Issue Price	Reason for Issuance
Apr. 2/15	7,000,000 common shares	-	(1)	share exchange agreement
Oct. 20/17	15,041,000 common shares(4)	$0.05	$752,050	private placement
Nov. 29/17	5,200,000 common shares(4)	$0.05	$260,000	debt settlements
Nov. 30/17	2,072,100 common shares(4)	$0.05	$103,605	stock option exercises

Date Issued	Number of Securities	Issue Price Per Common Share	Aggregate Issue Price	Reason for Issuance
Dec. 1/17	4,143,600 common shares	$0.25	$1,035,900	private placement
Jan. 16/18	7,034,279 common shares	$0.05	(2)	Plan of Arrangement
May 4/18	4,261,480 units (consisting of common shares and warrants)	$0.25	$1,065,370	private placement
May 4/18	202,000 common shares	$0.25	$50,500	debt settlements

(1) The Issuer completed a share exchange with PUF and issued 7,000,000 Common Shares to PUF and PUF acquired 100% of the issued and outstanding Common Shares of the Issuer. Subsequently, on January 11, 2018, PUF and the Issuer agreed to cancel and return to treasury all of the Common Shares previously acquired by PUF.

(2) Pursuant to the Plan of Arrangement with PUF, on January 16, 2018, the Issuer completed the share exchange by the issuance of 7,034,279 Common Shares to the shareholders of PUF on the basis of one Common Share for every seven shares of PUF held by PUF shareholders who were PUF shareholders as of the record date of October 4, 2017.

9. Escrowed Securities

No securities of the Issuer are currently subject to any escrow requirements or restrictions.

10. Principal Shareholders

As at the date of this Listing Statement, to the knowledge of the directors and executive officers of the Issuer, no persons beneficially owned, directly or indirectly, or exercised control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Issuer.

11. Directors and Officers

The following table sets out information relating to the directors and management of the Issuer as at the date of this Listing Statement.

Name, Municipality of Residence and Position(s) Held with the Issuer	Principal Occupation Within the Past Five Years	Common Shares Beneficially Owned or Controlled, or Directed, Directly or Indirectly[(1)]
Shawn Moniz Toronto, Ontario, Canada *Chief Executive Officer and Director*	Self-employed management consultant. Strategic Marketing Technologist and Strategic Solutions Director.	2,764,018[(2)]
Miroslav Beganovic Toronto, Ontario, Canada *Chief Financial Officer*	Chartered Accountant and Certified Professional Accountant – Sole Practitioner (2014-2018)	200,000
Steve Loutskou Toronto, Ontario, Canada *Chief Operating Officer and Director*	Self-employed management consultant. Founder and CEO of FourOneSix and founder and CEO of RidgePark.net.	2,584,759[(3)]
Lindsay Hamelin Vancouver, British Columbia, Canada *Director*	Self-employed consultant to public companies (2014-2018); paralegal, Lawson Lundell LLP (2013-2014).	138,000[(4)]
Marco Contardi Toronto, Ontario, Canada *Director*	Corporate Counsel, Grande Cheese Company.	None

Notes:

(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Issuer and has been furnished by the respective nominees. Unless otherwise indicated, each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years. The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.

(2) Of these Common Shares, 458,732 are held directly by Mr. Moniz, and 2,305,286 Common Shares are held through Fusionworx Investment Group, a company owned and operated by Mr. Moniz.

(3) Of these Common Shares, 35,784 are held directly by Mr. Loutskou, 2,543,904 Common Shares are held through FourOneSix Inc., a company owned and operated by Mr. Loutskou, and 5,071 Common Shares are held indirectly.

(4) All of these Common Shares are held indirectly by Ms. Hamelin through 1130970 BC Ltd., a company owned and operated by Ms. Hamelin.

The following table indicates the period during which each current director has served in that role.

Director	**Period Served Since**
Shawn Moniz	June 9, 2017

Director	Period Served Since
Steve Loutskou	June 9, 2017
Lindsay Hamelin	April 4, 2018
Marco Contardi	April 4, 2018

The term of office of each of the current directors will expire at the next annual meeting of the shareholders of the Issuer. Each of the directors noted above will be re-elected as directors to hold office until the next annual meeting of shareholders or until their successors are appointed.

11.1 Securities Owned by Directors and Officers

Together, the directors and officers of the Issuer beneficially own, directly or indirectly, 5,686,777 Common Shares (15%) of the issued and outstanding Common Shares of the Issuer as of the date of this Listing Statement.

11.2 Board Committees

As at the date hereof, the Issuer has the following committees:

Audit Committee, comprised of Steve Loutskou (Chair), Lindsay Hamelin and Marco Contardi. Steve Loutskou is an officer of the Company and, therefore, is not considered an independent member. Lindsay Hamelin and Marco Contardi are both independent members of the Audit Committee.

11.3 Principal Occupations

The principal occupations of the directors and officers of the Issuer are set out in the table found in section 11 of this Listing Statement.

11.4

Other than as described below, no director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Lindsay Hamelin, a director of the Issuer, previously served as a director of Wind River Energy Corp. ("**Wind River**"). During the time Ms. Hamelin was a director, Wind River was subject to cease trade orders issued by the British Columbia Securities Commission on May 20, 2015 and the Alberta Securities Commission on November 19, 2015 for failure to file annual financial statements as required under securities laws. Ms. Hamelin has no further involvement with Wind River, which was dissolved by the British Columbia Registrar of Companies on April 4, 2017.

11.5 Penalties or Sanctions

None of the Issuer's directors, officers or principal shareholders are, or have been, subject to: (i) any penalties or sanctions imposed by a court relating to Canadian securities regulation or by a Canadian securities regulatory authority, or entered into a settlement agreement with a Canadian securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

11.6 Bankruptcy or Insolvency

None of the Issuer's directors, officers or principal shareholders, or any personal holding company of such persons, has, within the last 10 years, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his, her or its assets.

11.7 Material Conflicts of Interest

There are no existing or potential material conflicts of interest between the Issuer and its directors and officers. However, certain of the directors and officers of the Issuer may serve as directors and/or officers of other companies and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties to such other companies. See "Risk Factors – Conflicts of Interest" below in this Listing Statement.

11.8 Management

Shawn Moniz (age 37) has been a director of the Issuer since June 9, 2017 and Chief Executive Officer since September 12, 2017. Mr. Moniz leads the Issuer's strategic direction and overall firm-wide success. Mr. Moniz has over 19 years of experience as a strategic marketing technologist and in the field of customer relationship management ("**CRM**"), where he was involved in brand positioning and loyalty focus, marketing automation, digital data strategy and omni-channel data driven marketing. Mr. Moniz has served as Strategic Solutions Director for three organizations, where he delivered strategic CRM solutions to numerous Fortune 500 companies with clients such as Astellas, Takeda, Abbvie, Shire, Novartis, Novo Nordisk, UCB, NBA, Air Canada, John Hancock, Yum! Brands (Taco Bell, Pizza Hut, KFC), Pitney Bowes, Tim Hortons and Kraft US / Canada, Astra Zeneca and XM Sirius Radio. His corporate leadership experience and technological expertise will help the Issuer to develop a presence in the growing cannabis economy. Mr. Moniz will devote 80% of his time to the Issuer as an independent contractor of the Issuer. Mr. Moniz has entered into a non-disclosure agreement with the Issuer.

Miroslav Beganovic (age 31) has been Chief Financial Officer since March 30, 2018. Mr. Beganovic is a Chartered Accountant and Certified Professional Accountant. He has worked for several public accounting firms including Crowe Soberman LLP (2012-2014) and prior to that, Ernst and Young LLP, where he provided services in Assurance, Audit and Taxation. Since 2014, he has been a standalone practitioner. Mr. Beganovic has had involvement with numerous financial statement audits of Canadian subsidiaries of foreign listed companies. He will devote approximately 15% of his time to the Issuer as an independent contractor, and has not entered into a non-disclosure agreement with the Issuer.

Steve Loutskou (age 35) has been a director of the Issuer since June 9, 2017, Chief Strategy Officer from September 12, 2017 to April 1, 2018 and Chief Operating Officer since April 1, 2018. Mr. Loutskou is responsible for driving growth for early-stage clients, directing the Issuer's consultant management team, and incubating strategic partnerships/accounts while initiating the development of new growth account operations. He is founder and CEO of FourOneSix (founded in 2016), a consulting and advisory company that provides solutions to businesses in the areas of technology, marketing and growth strategy. At FourOneSix, Mr. Loutskou manages a portfolio of business clients through the process of creating, promoting, and evolving their online footprint, and helping to ensure that these businesses engage in successful practices that reflect the ever-changing online market demands. He is also founder and CEO of RidgePark.net (founded in 2010), a boutique real estate investment and development company based in Toronto, Ontario. Mr Loutskou has experience in web design, virtual and bricks-and-mortar business consultation and optimization, real estate development and property management, and developing opportunities in the medical marijuana space, and has led companies from start up, through development and expansion, and maturation into stable companies. He is tasked with the management of the Issuer's client portfolios through the process of creating, promoting, and evolving their online footprint, and with ensuring that these businesses are engaged in successful practices that reflect the ever-changing online market demands. Mr. Loutskou will devote 80% of his time to the Issuer as an independent contractor of the Issuer. Mr. Loutskou has entered into a non-disclosure agreement with the Issuer.

Lindsay Hamelin (age 31) has been a director of the Issuer since April 4, 2018. Ms. Hamelin has been a self-employed consultant to public companies for the past four years. In this role, she has provided assistance to companies across a wide range of industries (including the cannabis industry) and at various stages of development. Prior to this, Ms. Hamelin spent one year at a Vancouver-based law firm as a corporate paralegal and before that, was a securities paralegal in a boutique law firm and worked in the legal department of a recruitment company in London.

Marco Contardi (age 44) has been a director of the Issuer since April 4, 2018. Mr. Contardi is a graduate of Osgoode Hall Law School, and a member of the Ontario Bar Association and the Law Society of Upper Canada. Mr. Contardi is General Counsel of a vertically integrated corporation within the manufacturing and retail sectors and has extensive corporate/commercial transactional experience. Mr. Contardi possesses demonstrable acumen in dealing with concerns associated with production, processing, and marketing activities, especially within governmentally mandated regulatory frameworks. He also has extensive experience advising and managing the structuring and implementing of acquisitions, joint ventures, strategic relationships, and corporate and project financings. Mr. Contardi advises on a wide range of complex long-term supply and other commercial agreements and arrangements.

12. Capitalization

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	37,954,461	45,592,941	100.00%	100.00%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	11,312,490	13,954,490	29.81%	30.61%
Total Public Float (A-B)	26,641,971	31,638,451	70.19%	69.39%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	4,261,480	8,522,960	11.22%	18.69%
Total Tradeable Float (A-C)	33,692,981	37,069,981	88.77%	81.31%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	9	271
100 – 499 securities	7	1,998
500 – 999 securities	3	1,943
1,000 – 1,999 securities	6	8,214
2,000 – 2,999 securities	7	17,857
3,000 – 3,999 securities	8	28,214
4,000 – 4,999 securities	2	8,286
5,000 or more securities	164	37,887,678
TOTAL:	**206**	37,954,461

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	246	11,115
100 – 499 securities	361	89,493
500 – 999 securities	187	128,031
1,000 – 1,999 securities	150	204,404
2,000 – 2,999 securities	63	157,950
3,000 – 3,999 securities	39	137,002
4,000 – 4,999 securities	16	70,733
5,000 or more securities	108	1,694,952
TOTAL:	**1,170**	**2,493,680**

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, “non-public securityholders” are persons enumerated in section (B) of the issued capital chart.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	6	11,312,490
TOTAL:	**6**	11,312,490

12.1 Provide the following details for any securities convertible or exchangeable into any class of listed securities.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	**Number of convertible / exchangeable securities outstanding**	**Number of listed securities issuable upon conversion / exercise**

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Stock options exercisable at $0.05 per share until September 19, 2019	25,000	25,000
Stock options exercisable at $0.05 per share until October 20, 2020	27,000	27,000
Stock options exercisable at $0.25 per share until February 6, 2020	1,855,000	1,855,000
Stock options exercisable at $0.25 per share until February 13, 2020	800,000	800,000
Stock options exercisable at $0.25 per share until April 3, 2020	200,000	200,000
Stock options exercisable at $0.25 per share until May 4, 2020	372,500	372,500
Stock options exercisable at $0.25 per share until June 6, 2020	10,000	10,000
TOTAL:	**3,289,500**	**3,289,500**

13. Executive Compensation

During the years ended December 31, 2015 and December 31, 2016, there were no executive officers of the Issuer.

During the year ended December 31, 2017, there were three executive officers of the Issuer: (i) Shawn Moniz, Chief Executive Officer of the Issuer; (ii) Christopher Cherry, Chief Financial Officer of the Issuer; and (iii) Steve Loutskou, Chief Operating Officer of the Issuer. Shawn Moniz, Christopher Cherry and Steve Loutskou were appointed to their respective officer positions on September 12, 2017. As of March 30, 2018, Mr. Cherry resigned as Chief Financial Officer of the Issuer.

During the year ended December 31, 2017, Shawn Moniz received $50,000 in salary, as well as 403,334 stock options at an exercise price of $0.05 per option. Mr. Moniz did not receive any other compensation during this time.

During the year ended December 31, 2017, while serving as Chief Strategy Officer of the Issuer, Steve Loutskou received $50,000 in salary, as well as 403,333 stock options at an exercise price of $0.05 per option. Mr. Loutskou did not receive any other compensation during this time.

During the year ended December 31, 2017, Christopher Cherry received 40,000 stock options at an exercise price of $0.05 per option. Mr. Cherry did not receive any other compensation during this time.

Other than the individuals noted above, no directors received any compensation during the financial years ended December 31, 2016 and December 31, 2017. None of the individuals noted above received any compensation relating to their role as directors in addition to the compensation noted above.

14. Indebtedness of Directors and Executive Officers

No director, officer, employee or former officer, director or employee of the Issuer is, or has been during the most recently completed financial year, indebted to the Issuer. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Issuer at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

15. Risk Factors

Risk Factors of the Issuer

The following risk factors should be carefully considered in evaluating the Issuer. There are a number of factors that could negatively affect the Issuer's business and the value of the Common Shares. The Issuer has sought to identify what it believes to be the most significant risks to its business, but it cannot predict whether, or to what extent, any of such risks may be realized nor can the Issuer guarantee that it has identified all possible risks that might arise. The following risk factors are associated with the Issuer pertaining to the outlook and conditions currently known to the Issuer that could have a material impact on the financial condition, operations and business of the Issuer.

The acquisition of any securities of the Issuer is speculative, involving a high degree of risk and should be undertaken only by persons whose financial resources are sufficient to enable them to assume such risks and who are able to afford a total loss of their investment. Potential investors should carefully consider all of the following risk factors before making an investment decision with respect to the Issuer's securities.

Changes in Government Regulations and Legislation and Public Perception of the Cannabis Industry

As the use of cannabis is regulated by legislative bodies in each country and/or province and state, changes to legislation could impact the use and regulation of cannabis for both medical and recreational purposes.

In the United States, the world's largest medical cannabis industry, the federal government has not legalized medical marijuana. Furthermore, the current administration is against marijuana for both medical and recreational purposes. The Issuer is currently aware of 29 states of the United States plus the District of Columbia, Puerto Rico and Guam that have laws and/or regulations that recognize, in one form or another, legitimate medical uses for cannabis and consumer use of cannabis in connection with medical treatment. Many other states are considering similar legislation. Conversely, under the Controlled Substances Act, the policies and regulations of the federal government and its agencies are that cannabis has no medical benefit and a range of activities including cultivation and the personal use of cannabis is prohibited.

Public opinion may result in a significant influence over the regulation of the cannabis industry in Canada, the United States or elsewhere. A negative shift in the public's perception of medical cannabis in the United States or any other applicable jurisdiction could affect future legislation or regulation. Among other things, such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize medical cannabis, thereby limiting the number of new participants in the industry and, as a result, the number of potential users of the Issuer's platform.

Health Care Coverage

There is a possibility that healthcare companies can refuse to cover medical cannabis costs and due to the high costs associated with medical cannabis this can lead to consumers moving to a different medical product that is covered.

Requirements for Further Financing

The Issuer presently has sufficient financial resources to undertake its currently planned activities. The Issuer is proceeding to apply for and meet the listing requirements on the CSE. The Issuer may need to obtain further financing, whether through debt financing, equity financing or other means. There can be no guarantee that the Common Shares will be listed on any stock exchange. There can be no assurance that the Issuer will be able to raise further future financing required or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause the Issuer to reduce or terminate its operations.

The Common Shares may not be qualified investments under the Income Tax Act for a Registered Plan

There is no assurance when, or if, the Common Shares will be listed on any stock exchange. If the Common Shares are not listed on a designated stock exchange in Canada before the due date for the Issuer's first income tax return or if the Issuer does not otherwise satisfy the conditions in the *Income Tax Act* to be a "public corporation", the Common Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a Common Share in circumstances where the Common Shares are not a qualified investment under the *Income Tax Act* for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant, beneficiary or holder under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

Limited Operating History

The Issuer, while incorporated in November 2014, began carrying on business in 2017 and has only very recently begun to generate revenue. The Issuer is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and likelihood of success must be considered in light of the early stage of operations.

The Issuer has limited financial resources, has a limited source of operating cash flow and there is no assurance that additional funding will be available to it for further advancement of the Issuer's business. There can be no assurance that the Issuer will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of development of the Issuer's business.

Negative Cash Flow

The Issuer has no history of earnings or cash flow from operations. The Issuer does not expect to generate material revenue or to achieve self-sustaining operations for several years, if at all.

No Market for Securities

There is currently no market through which any of the Common Shares may be sold and there is no assurance that the Common Shares will be listed for trading on a Canadian stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a Canadian stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Dividend Policy

The Issuer does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Issuer will remain subject to the discretion of its board of directors and will depend on results of operations, cash requirements and future prospects of the Issuer and other factors. Any future dividends paid by the Issuer would be subject to tax and, potentially, withholdings.

Conflicts of Interest

The directors of the Issuer may be directors, officers or shareholders of other companies, including other companies that are engaged in similar businesses to the Issuer. This may give rise to conflicts of interest in the future. The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interest which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Issuer will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at the time.

Reliance on management

The success of the Issuer is dependent upon the ability, expertise, judgment, discretion, and good faith of its management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Issuer’s business, operating results, or financial condition.

The Issuer has a history of net losses, may incur significant net losses in the future, and may not achieve or maintain profitability

The Issuer has incurred losses in recent periods. The Issuer may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Issuer expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Issuer’s revenues do not increase to offset these expected increases in costs and operating expenses, the Issuer will not be profitable.

Competition

There is potential that the Issuer will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience than the Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Issuer.

Because of the early stage of the industry in which the Issuer operates, the Issuer expects to face additional competition from new entrants. If the number of users of medical marijuana in Canada increases, the demand for products will increase and the Issuer expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, the Issuer will require a continued high level of investment in research and development, marketing, sales, and client support. The Issuer may not have sufficient resources to maintain research and development, marketing, sales, and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition, and results of operations of the Issuer.

Unfavourable publicity or consumer perception

The Issuer believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy, and quality of the medical marijuana produced. Consumer perception of the Issuer's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention, and other publicity regarding the consumption of medical marijuana products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention, or other research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Issuer's products and the business, results of operations, financial condition and cash flows of the Issuer. The Issuer's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Issuer, the demand for the Issuer's products, and the business, results of operations, financial condition and cash flows of the Issuer. Further, adverse publicity reports or other media attention regarding the safety, the efficacy, and quality of medical marijuana in general, or the Issuer's products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Product recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Issuer's products are recalled due to an alleged product defect or for any other reason, the Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Issuer has detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Issuer's significant brands were subject to recall, the image of that brand and the Issuer could be harmed.

A recall for any of the foregoing reasons could lead to decreased demand for the Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Issuer. Additionally, product recalls may lead to increased scrutiny of the Issuer's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Dependence on suppliers and skilled labour

The ability of the Issuer to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by the Issuer's capital expenditure program may be significantly greater than anticipated by the Issuer's management, and may be greater than funds available to the Issuer, in which circumstance the Issuer may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of the Issuer.

Difficulty to forecast

The Issuer must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical marijuana industry in Canada. A failure in the demand for its services to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations, and financial condition of the Issuer.

Management of growth

The Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. The inability of the Issuer to deal with this growth may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Litigation

The Issuer may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Issuer becomes involved be determined against the Issuer such a decision could adversely affect its ability to continue operating and the market price for the Issuer common shares and could use significant Issuer resources. Even if the Issuer is involved in litigation and wins, litigation can redirect significant company resources.

The market price of the Issuer's common shares may be subject to wide price fluctuations

Upon the listing of the common shares of the Issuer on a Canadian stock exchange, the market price of the Issuer's common shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Issuer, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Issuer and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of the Issuer's control In addition, stock markets have from time to time experienced extreme price and volume fluctuations, as well as general economic and political conditions which could adversely affect the market price of the Issuer's common shares.

Environmental and employee health and safety regulations

The Issuer's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. The Issuer will incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on the Issuer's operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Issuer's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations, and financial condition of the Issuer.

Risk Factors Relating to Software

Lack of experience and commitment of project manager

The project manager is the leader and the most responsible person. An inexperienced manager can jeopardize the completion of a project.

Unrealistic deadlines

Software projects may fail when deadlines are not properly set. Project initialization, completion date and time must be realistic.

Improper budget

Cost estimation of a project is very crucial in terms of project success and failure. Low cost with high expectations of large projects may cause project failure.

Lack of resources

Software and hardware resources may not be adequate. Lack of resources in terms of manpower is also a critical risk factor of software failure.

Personnel hiring

Extensive hiring and firing in a software team may lead a software project to a critical stage. Staff may not be properly assigned to specific tasks.

Understanding problems of customers

Many customers are not technical in terms of software terminologies and may not understand the developer's point of view. Developers may interpret information differently from what is provided by the clients.

Inappropriate design

Software designers have a major role in the success or failure of the project if a design is inappropriate for the project.

Market demand obsolete

Market demand may become obsolete while a project is still in progress.

16. Promoters

Each of: (i) Shawn Moniz, Chief Executive Officer and a director of the Issuer; and (ii) Steve Loutskou, Chief Operating Officer and a director of the Issuer, are promoters of the Issuer. As at the date of this Listing Statement, Shawn Moniz exercises control or direction over 2,764,018 Common Shares, being 7% of the issued and outstanding Common Shares of the Issuer, and Steve Loutskou exercises control or direction over 2,584,759 Common Shares, being 7% of the issued and outstanding Common Shares of the Issuer.

Other than as described in this section, neither of the promoters of the Issuer named above have received anything of value, including money, property, contracts, options or rights of any kind, directly or indirectly from the Issuer. As at the date of this Listing Statement, Shawn Moniz indirectly holds 750,000 options to purchase Common Shares of the Issuer, and Steve Loutskou indirectly holds 800,000 options to purchase Common Shares of the Issuer. The Issuer has not acquired, within the two years before the date of this Listing Statement or thereafter, any asset from either of the promoters named above, nor is any such acquisition contemplated as at the date of this Listing Statement.

Neither of the promoters of the Issuer named above are, or have been within the past 10 years, a director, chief executive officer or chief financial officer of any person or company that: (i) was subject to an order that was issued while the promoter was acting in the capacity of director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity of director, chief executive officer or chief financial officer. Further, neither of the promoters of the Issuer named above are, or have been within the past 10 years a director or executive officer of a person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Additionally, neither of the promoters of the Issuer named above has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter.

17. Legal Proceedings and Regulatory Actions

The Issuer is not a party to, and none of the Issuer's property is the subject matter of, any legal proceedings that are material to the Issuer, nor are any such legal proceedings contemplated.

The Issuer is not subject to any of the following:

(a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof;

(b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the Issuer's common shares; and

(c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Listing Statement.

18. Interest of Management and Others in Material Transactions

No director, officer or holder of 10% or more of the Common Shares of the Issuer, or any associate or affiliate of any director, officer or holder of 10% or more of the Common Shares of the Issuer, had any direct or indirect interest in any transaction within the three years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or would materially affect the Issuer.

19. Auditor, Transfer Agent and Registrar

On December 21, 2017, the Issuer appointed Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, as the auditor of the Issuer, located at 1140 West Pender Street, #1500 and #1700, Vancouver, British Columbia, V6E 4G1.

The transfer agent and registrar for the Issuer's Common Shares is Computershare Investor Services Inc., of 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

20. Material Contracts

The Issuer has entered into the following material contracts during the past two years:

- Share Exchange Agreement dated April 2, 2015 among the Issuer, the shareholders of the Issuer and PUF.
- Arrangement Agreement dated September 7, 2017, as amended October 11, 2017, between the Issuer and PUF.

Each of these agreements are described above under the heading "General Description of the Business".

21. Interest of Experts

No person whose profession or business gives authority to a statement made by such person and who is named in this Listing Statement as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement (being the auditors of the Issuer) has received or will receive a direct or indirect interest in the property of the Issuer or any related person of the Issuer. As at the date hereof, the aforementioned persons do not beneficially own, directly or indirectly, any securities of the Issuer or any related person of the Issuer. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as a director, officer or employee of the Issuer.

22. Other Material Facts

There are no material facts about the Issuer and its securities that are not disclosed elsewhere in this Listing Statement and that are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

23. Financial Statements

The audited financial statements for the years ended December 31, 2015, December 31, 2016 and December 31, 2017, and the interim financial statements for the three month period ended March 31, 2018 are attached hereto.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Cannvas MedTech Inc. hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Cannvas MedTech Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario, this 26th day of June, 2018.

"Shawn Moniz"	*"Miroslav Beganovic"*
Shawn Moniz, Chief Executive Officer	Miroslav Beganovic, Chief Financial Officer
"Steve Loutskou"	*"Lindsay Hamelin"*
Steve Loutskou, Director	Lindsay Hamelin, Director
"Shawn Moniz"	*"Steve Loutskou"*
Shawn Moniz, Promoter	Steve Loutskou, Promoter

CANNVAS MEDTECH INC.

(formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.)

Consolidated Financial Statements

Year Ended December 31, 2016 and 2015

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of Cannvas Medtech Inc. (formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.)

We have audited the accompanying consolidated financial statements of Cannvas Medtech Inc., which comprise the consolidated statements of financial position as at December 31, 2016 and 2015, and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of Cannvas Medtech Inc. as at December 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describe matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Cannvas Medtech Inc.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
January 26, 2018

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2016	December 31, 2015
ASSETS			
Current assets			
Cash		$ -	$ 10,321
GST recoverable		-	1,478
Prepaids		-	10,500
		-	22,299
Intellectual property	4	-	17,655
TOTAL ASSETS		**$ -**	**$ 39,954**
LIABILITIES			
Current liabilities			
Trade payables		$ 223,464	$ 3,200
Due to PUF Ventures Inc.	6	129,662	129,662
TOTAL LIABILITIES		**353,126**	**132,862**
SHAREHOLDERS' EQUITY			
Share capital	5	64,937	64,937
Deficit		(418,063)	(157,845)
TOTAL SHAREHOLDERS' EQUITY		**(353,126)**	**(92,908)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ -**	**$ 39,954**

Nature and continuance of operations (Note 1)
Subsequent events (Note 10)

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

		Years ended	
	Note	December 31, 2016	December 31, 2015
Sales		$ 138,850	$ 9,008
Write-off of inventory		-	(23,846)
Cost of goods sold		(113,835)	(10,970)
		25,015	(25,808)
Expenses			
Accounting		2,000	30
Amortization	4	4,798	767
Bad debts		-	1,989
Consulting	6	35,000	58,350
Development costs	4, 6	210,000	-
Office and sundry		17,023	25,467
Website costs		2,712	-
Travel and business development		843	2,333
		(272,375)	(88,937)
Other items			
Write-off of intellectual property	4	(12,858)	(22,918)
		(12,858)	(22,918)
Comprehensive loss for the year		**$ (260,218)**	**$ (137,213)**
Net loss per share – basic and diluted		**$ (0.04)**	**$ (0.02)**
Weighted average number of shares outstanding		**7,000,000**	**7,000,000**

Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share capital			
	Number of shares	Amount	Deficit	Total
Balance at December 31, 2014	**7,000,000**	**$ 64,937**	**$ (20,632)**	**$ 44,305**
Net and comprehensive loss	-	-	(137,213)	(137,213)
Balance at December 31, 2015	**7,000,000**	**64,937**	**(157,845)**	**(92,908)**
Net and comprehensive loss	-	-	(260,218)	(260,218)
Balance at December 31, 2016	**7,000,000**	**$ 64,937**	**$ (418,063)**	**$ (353,126)**

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended	
	December 31, 2016	**December 31, 2015**
Operating activities		
Net loss for the year	$ (260,218)	$ (137,213)
Adjustments for:		
Depreciation and amortization	4,798	767
Bad debt	-	1,989
Write-off of intellectual property	12,857	22,918
Write-off of inventory	-	23,846
Changes in non-cash working capital items:		
Receivables	1,478	(889)
Prepaids	10,500	(10,500)
Inventory	-	(22,722)
Due to related party	-	129,662
Accounts payable and accruals	220,264	(855)
Net cash flows (used in) provided by operating activities	(10,321)	7,003
Change in cash	(10,321)	7,003
Cash, beginning	10,321	3,318
Cash, ending	**$ -**	**$ 10,321**

There were no non-cash transactions during the years ended December 31, 2016 and 2015

1. NATURE AND CONTINUANCE OF OPERATIONS

Cannvas Medtech Inc. (formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.) (the "Company") was incorporated on November 24, 2014 pursuant to the Canada Business Corporations Act on June 23, 2017. On September 11, 2017, the name of the Company was changed from Vapetronix Holdings Inc. to Weed Points Loyalty Inc. and on December 13, 2017, the name of the Company was changed to Cannvas Medtech Inc.

On May 12, 2015, PUF Ventures Inc. ("PUF") acquired 100% of the Company.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. Further discussion of liquidity risk has been disclosed in Note 8.

The Company generates minimal cash flow from operations and therefore relies upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its operations to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the statement of financial position classifications used. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

The Company's corporate office is located at Suite 804, 750 Pender Street, Vancouver, British Columbia V6C 2T7.

2. BASIS OF PREPARATION

a) Basis of preparation

The consolidated financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company for year ended December 31, 2016 and 2015 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on January X, 2018.

b) Basis of consolidation

A subsidiary is an entity the Company controls when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. These consolidated financial statements include the accounts of the Company and its Canadian wholly-owned subsidiary, 1313 Wear Ltd., incorporated in British Columbia, Canada. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

2. BASIS OF PREPARATION (continued)

c) Presentation and functional currency

The functional currency of the parent company, is the Canadian dollar, which is also the presentation currency of the consolidated financial statements. The functional currency of the Company's Canadian subsidiary is also the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

d) Significant accounting judgments and estimates

The preparation of these financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. The preparation of these financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. The following are the key estimate and assumption uncertainties that have a significant risk of resulting in a material adjustment within the next financial year: impairment of non-financial assets.

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the annual financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company does not have any derivative financial instruments.

i) Financial assets

The Company classifies its financial assets into categories at initial recognition, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

(a) Fair value through profit or loss
This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value, with changes in fair value recognized in profit or loss. The Company has not classified any financial assets as fair value through profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

i) Financial assets (continued)

(b) Loans and receivables
These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company has classified cash as loans and receivables.

(c) Held-to-maturity investments
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 cost using the effective interest rate method. If there is objective evidence that the investment 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 investment, including impairment losses, are recognized in profit or loss. The Company has not classified any financial assets as held-to-maturity investments.

(d) Available-for-sale
Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income or loss ("OCI"). 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 OCI and recognized in profit or loss. The Company has not classified any financial assets as held-to-available-for-sale investments.

Transaction costs associated with fair value through profit or loss 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.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

(a) Fair value through profit or loss
This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value, with changes in fair value recognized in the statement of comprehensive loss. The Company has not classified any financial liabilities as fair value through profit and loss.

(b) Other financial liabilities
This category includes all other financial liabilities which are recognized at amortized cost using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial instrument, or, where appropriate, a shorter period. The Company has classified accounts payable and due to related parties as other financial liabilities.

b) Cash

Cash in the statement of financial position are comprised of cash at banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

c) Intellectual Property

Intellectual property is measured at cost less accumulated amortization and accumulated impairment losses. The cost of intellectual property consists of the purchase price, and any costs directly attributable to bringing the asset into use. Subsequent expenditures on intellectual property, including development costs, are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit and loss as incurred.

Intellectual property is amortized over 4 years, on the straight line method.

d) Impairment

At each financial position reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment (continued)

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss for the period.

f) Inventory

Inventory is valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less any estimated selling costs. Cost of inventory includes expenditures in acquiring the inventories and other cost incurred in bringing them to their existing location. Provision is made for obsolete, slow-moving or defective items, where appropriate.

g) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received or given up is not readily determinable, the fair market value of the shares is used to record the transaction. The fair market value of the shares is based on the trading price of those shares on the appropriate stock exchange on the date of the agreement to issue or receive shares as determined by the board of directors.

h) Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Sales revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involved with the goods, and the amount of revenue can be measured reliably. The transfer of risks and rewards occurs when the product is received by the customer.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the liability method, providing for unused tax loss carry forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is more likely than not that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

j) Loss per share

The Company presents basic and diluted loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

k) Segment reporting

The Company operates in two reportable segments: (i) the sale of e-cigarettes; and (ii) technology platform for cannabis commerce.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) New accounting standards and interpretations not yet adopted

The following accounting pronouncement has been released but has not yet been adopted by the Company:

IFRS 9, “Financial Instruments: Recognition and Measurement” replaces the requirements of IAS39, “Financial Instruments: Recognition and Measurement”. This final version of IFRS 9 brings together the classification and measurements as well as impairment and hedge accounting phases of the project to replace IAS 39. In addition to the new requirements for classification and measurement of financial assets, a new general hedge accounting model and other amendments issued in previous versions of IFRS 9, the standard also introduces new impairment requirements that are based on a forward-looking expected credit loss model. These changes are applicable for annual periods beginning on or after January 1, 2018. The Company has not yet assessed the future impact of this new standard on its financial statements.

IFRS 15, “Revenue from contracts with customers” replaces the requirements of IAS 11, “Construction Contracts”, and IAS 18, “Revenue and related interpretations”. This standard specifies the steps and timing for issuers to recognize revenue as well as requiring them to provide more informative, relevant disclosures. These changes are applicable for annual periods beginning on or after January 1, 2017, with earlier application permitted. The standard is effective for the Company’s fiscal year beginning January 1, 2018. The Company does not expect this standard to have an effect on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

4. INTELLECTUAL PROPERTY

The Company owns the exclusive rights to the “1313” electronic cigarette brand, a medicinal marijuana mobile application technology, and several research and development projects.

Balance, December 31, 2014	$ 41,340
Impairment	(22,918)
Amortization for the year	(767)
Balance, December 31, 2015	17,655
Impairment	(12,857)
Amortization for the year	(4,798)
Net book value, December 31, 2016	$ -

During the year ended December 31, 2016, the Company commenced the development on new vaporizer technology. The Company incurred development costs of $210,000 during the year ended December 31, 2016.

5. SHARE CAPITAL

a) Common shares

Authorized:
Unlimited number of common shares without par value.

Issued:
As at December 31, 2016 and 2015, the Company has 7,000,000 common shares issued and outstanding.

There were no shares issued during the years ended December 31, 2016 and 2015.

b) Warrants outstanding

There were no warrants issued or outstanding at December 31, 2016 and 2015.

c) Stock options outstanding

There were no stock options issued or outstanding at December 31, 2016 and 2015.

6. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2016, $10,000 was incurred to related parties and included in development costs. In addition, $35,000 was incurred to a director for consulting fees.

During the year ended December 31, 2015, advances of $129,662 were received from PUF, the Company's parent. At December 31, 2016 $129,662 is owing to PUF (2015 - $129,662).

During the year ended December 31, 2015 $25,000 was incurred to a director for consulting fees.

The amount due to PUF, is unsecured, non-interest bearing and due on demand.

7. SEGMENTED INFORMATION

The Company operates in two reportable segments: (i) the sale of e-cigarettes; and (ii) technology platform for cannabis commerce.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value of financial instruments

The carrying values of cash, receivables, trade payables, and due to PUF approximate their carrying values due to the immediate or short-term nature of these instruments.

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured using level 1 inputs.

b) Financial risk management

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

i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at December 31, 2016 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

iii) Market risk (continued)

(a) 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 not exposed to significant interest rate risk.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

The Company has not entered into any foreign currency contracts to mitigate foreign currency risk. The Company's sensitivity analysis suggests that a 5% change in the absolute rate of exchange for US dollars would not significantly affect its cash position at this time.

(c) Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

9. INCOME TAX

A reconciliation of the expected income tax provision to the actual income tax provision is as follows:

	2016	2015
Net loss before income taxes	$ (260,218)	$ (137,213)
Income tax rate	26%	26%
Expected income tax benefit	(67,657)	(35,675)
Change in valuation allowance	67,657	35,675
	$ -	$ -

The Company recognizes tax benefits on losses or other deductible amounts generated where it is probable the Company will generate taxable income to utilize its deferred tax assets. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2016	2015
Non-capital losses	$ 98,147	$ 35,081
Other items	10,432	5,842
Unrecognized deferred income tax assets	(108,579)	(40,923)
	$ -	$ -

10. SUBSEQUENT EVENTS

Subsequent to December 31, 2016 the Company:

a) On October 20, 2017, completed a private placement of 15,041,000 common shares at $0.05 per share for gross proceeds of $752,050.

b) On December 1, 2017, completed a private placement of 4,143,600 common shares at $0.25 per share for gross proceeds of $1,035,900.

c) granted 700,000 stock options exercisable at $0.05 per share, for two years expiring September 19, 2019 to officers, consultants and directors. 630,000 stock options were subsequently exercised.

d) granted 1,484,100 stock options exercisable at $0.05 per share, for two years expiring October 20, 2020 to officers, consultants and directors. 1,442,100 stock options were subsequently exercised.

e) On September 7, 2017, the Company and PUF entered into a Plan of Arrangement ("Arrangement"). The Arrangement was subject to Court approval, as well as approval by PUF's shareholders. Pursuant to the Arrangement, PUF will distribute 100% of the Company's shares to PUF's shareholders on a pro rata basis. PUF's shareholders will be entitled to receive one share of the Company in exchange for every seven PUF shares held as at the record date.

   Following completion of the Arrangement, (i) the Company will hold certain assets transferred to it by PUF, (ii) the Company will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and intends to apply for and meet the listing requirements on a Canadian stock exchange, (iii) each PUF shareholder will continue to be a shareholder of PUF, and (iv) all PUF shareholders as at the record date will have become shareholders of the Company.

   On January 16, 2018 the Company and PUF completed the Arrangement. As a result, the Company became a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

CANNVAS MEDTECH INC.

(formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.)

Consolidated Financial Statements

Year Ended December 31, 2017

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Cannvas MedTech Inc. (formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.)

We have audited the accompanying consolidated financial statements of Cannvas MedTech Inc. (formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.), which comprise the consolidated statements of financial position as at December 31, 2017 and 2016, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of Cannvas MedTech Inc. as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Cannvas MedTech Inc.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
April 30, 2018

CANNVAS MEDTECH INC.
(formerly Weed Point Loyalty Inc and Vapetronix Holdings Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	December 31, 2017	December 31, 2016
ASSETS			
Current assets			
Cash		$ 1,229,903	$ -
Other receivable		2,394	-
Prepaids	8	74,130	-
		1,306,427	-
Equipment	4	62,517	-
TOTAL ASSETS		**$ 1,368,944**	**$ -**
LIABILITIES			
Current liabilities			
Accounts payable	8	$ 25,140	$ 223,464
Accrued liabilities		8,000	-
Due to PUF Ventures Inc.	6	129,662	129,662
Deferred lease recovery	11	10,202	-
Deferred revenue		12,500	-
TOTAL CURRENT LIABILITIES		**185,504**	**353,126**
SHAREHOLDERS' EQUITY			
Share capital	7	2,113,869	64,937
Share-based payment reserve	7	2,627	-
Deficit		(933,056)	(418,063)
TOTAL SHAREHOLDERS' EQUITY		**1,183,440**	**(353,126)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 1,368,944**	**$ -**

Nature and continuance of operations (Note 1)
Commitments (Note 11)
Subsequent events (Note 12)

CANNVAS MEDTECH INC.
(formerly Weed Point Loyalty Inc and Vapetronix Holdings Inc.)
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

		Years ended	
	Notes	December 31, 2017	December 31, 2016
Revenue		$ -	$ 138,850
Cost of goods sold		-	(113,835)
		-	25,015
Expenses			
Accounting and legal		17,031	2,000
Amortization	4,5	1,901	4,798
Consulting	8	279,381	35,000
Development costs	5,8	50,000	210,000
Office and sundry	11	21,338	17,023
Share based compensation	7	54,066	-
Website costs		33,215	2,712
Travel and business development		17,963	843
		(474,895)	(272,376)
Other items			
Write-off of intellectual property	5	-	(12,857)
Write-off of GST receivable		(40,098)	-
		(40,098)	(12,857)
Net and comprehensive loss for the year		**$ (514,993)**	**$ (260,218)**
Net loss per share – basic and diluted		**$ (0.07)**	**$ (0.04)**
Weighted average number of shares outstanding		**7,264,971**	**7,000,000**

CANNVAS MEDTECH INC.
(formerly Weed Point Loyalty Inc and Vapetronix Holdings Inc.)
Consolidated Statement of Changes in Equity
(Expressed in Canadian Dollars)

		Share capital				
	Note	Number of shares	Amount	Share-based payment reserve	Deficit	Total
Balance at December 31, 2015		**7,000,000**	**$ 64,937**	**$ -**	**$ (157,845)**	**$ (92,908)**
Net and comprehensive loss		-	-	-	(260,218)	(260,218)
Balance at December 31, 2016		**7,000,000**	**64,937**	-	**(418,063)**	**(353,126)**
Issuance of common shares	7	19,184,600	1,787,143	-	-	1,787,143
Share issuance costs	7	-	(153,255)	-	-	(153,255)
Issuance of common shares for debt	7	5,200,000	260,000	-	-	260,000
Issuance of common shares upon exercise of options	7	2,072,100	155,044	(51,439)	-	103,605
Share based compensation	7	-	-	54,066	-	54,066
Net and comprehensive loss		-	-	-	(514,993)	(514,993)
Balance at December 31, 2017		**33,456,700**	**$ 2,113,869**	**$ 2,627**	**$ (933,056)**	**$ 1,183,440**

See accompanying notes to the consolidated financial statements

CANNVAS MEDTECH INC.
(formerly Weed Point Loyalty Inc and Vapetronix Holdings Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended December 31, 2017	December 31, 2016
Operating activities		
Net loss for the year	$ (514,993)	$ (260,218)
Adjustments for:		
Amortization	1,901	4,798
Share based compensation	54,066	-
Write-off of intangible assets	-	12,857
Write-off of receivables	40,098	-
Changes in non-cash working capital items:		
Other receivable	(32,228)	1,478
Prepaids	(74,130)	10,500
Accounts payable	51,412	220,264
Accrued liabilities	8,000	-
Deferred lease recovery	10,202	-
Deferred revenue	12,500	-
Net cash flows used in operating activities	(443,172)	(10,321)
Investing activities		
Purchase of equipment	(64,418)	-
Net cash flows used in investing activities	(64,418)	-
Financing activities		
Issuance of common shares, net of costs	1,737,493	-
Net cash flows used in financing activities	1,737,493	-
Change in cash	1,229,903	(10,321)
Cash, beginning	-	10,321
Cash, ending	**$ 1,229,903**	**$ -**
Non-cash transactions		
Common shares issued for accounts payable	$ 260,000	$ -

1. NATURE AND CONTINUANCE OF OPERATIONS

Cannvas MedTech Inc. (formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.) (the "Company") was incorporated pursuant to the Canada Business Corporations Act on November 24, 2014. On June 23, 2017, the Company continued from the federal jurisdiction to the jurisdiction of British Columbia and changed its name to Vapetronix Holdings Inc. On September 11, 2017, Vapetronix Holdings Inc. changed its name to Weed Points Loyalty Inc. and on December 13, 2017, changed its name to Cannvas MedTech Inc.

On May 12, 2015, PUF Ventures Inc., a company listed on the Canadian Securities Exchange, acquired 100% of the Company's issued shares. At December 31, 2017, PUF Ventures Inc. owned 21% of the Company's issued shares. On January 16, 2018, PUF Ventures Inc. distributed its investment in the Company to its shareholders. Consequently, the Company became a reporting issuer in British Columbia (Note 12).

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. Further discussion of liquidity risk has been disclosed in Note 9. The Company relies upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its operations to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the statement of financial position classifications used. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

The Company's corporate office is located at Suite 804, 750 Pender Street, Vancouver, British Columbia V6C 2T7.

2. BASIS OF PREPARATION

a) Basis of preparation

The consolidated financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company for year ended December 31, 2017 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 30, 2018.

2. BASIS OF PREPARATION (continued)

b) Basis of consolidation

A subsidiary is an entity the Company controls when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. These consolidated financial statements include the accounts of the Company and its Canadian wholly-owned subsidiary, 1313 Wear Ltd., incorporated in British Columbia, Canada. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

c) Presentation and functional currency

The functional currency of the parent company, is the Canadian dollar, which is also the presentation currency of the consolidated financial statements. The functional currency of the Company's Canadian subsidiary is also the Canadian dollar.

d) Significant accounting judgments and estimates

The preparation of these financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. The preparation of these financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. The following are the key estimate and assumption uncertainties that have a significant risk of resulting in a material adjustment within the next financial year: impairment of non-financial asset and share-based compensation.

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation an application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the annual financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company does not have any derivative financial instruments.

i) Financial assets

The Company classifies its financial assets into categories at initial recognition, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

i) Financial assets (continued)

(a) Fair value through profit or loss

This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value, with changes in fair value recognized in profit or loss. The Company has not classified any financial assets as fair value through profit or loss.

(b) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company has classified cash and other receivable as loans and receivables.

(c) Held-to-maturity investments

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 cost using the effective interest rate method. If there is objective evidence that the investment 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 investment, including impairment losses, are recognized in profit or loss. The Company has not classified any financial assets as held-to-maturity investments.

(d) Available-for-sale

Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income or loss ("OCI"). 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 OCI and recognized in profit or loss. The Company has not classified any financial assets as available for sale.

Transaction costs associated with fair value through profit or loss 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.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

(a) Fair value through profit or loss

This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value, with changes in fair value recognized in the statement of comprehensive loss. The Company has not classified any financial liabilities as fair value through profit and loss.

(b) Other financial liabilities

This category includes all other financial liabilities which are recognized at amortized cost using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial instrument, or, where appropriate, a shorter period. The Company has classified accounts payable and amounts due to PUF Ventures Inc. as other financial liabilities.

b) Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

c) Intellectual Property

Intellectual property is measured at cost less accumulated amortization and accumulated impairment losses. The cost of intellectual property consists of the purchase price, and any costs directly attributable to bringing the asset into use. Subsequent expenditures on intellectual property are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit and loss as incurred.

d) Equipment

Equipment is stated at historical cost less accumulated amortization and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Equipment (continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Amortization is calculated on a straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The amortization rates applicable to each category of property, plant and equipment are as follows:

Class of property, plant and equipment	Amortization rate
Computer equipment	33%
Furniture and fixtures	20%
Leasehold improvements	Term of lease

e) Impairment

At each financial position reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss for the period.

f) Share capital

i) Common shares

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Share capital (continued)

ii) Non-monetary consideration

Where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received or given up is not readily determinable, the fair market value of the shares is used to record the transaction. The fair market value of the shares is based on the trading price of those shares on the appropriate stock exchange on the date of the agreement to issue or receive shares.

g) Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Sales revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involved with the goods, and the amount of revenue can be measured reliably. The transfer of risks and rewards occurs when the product is received by the customer.

Revenue from services is recognized when the services are rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

h) Share-based payment transactions

The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Where the share options are awarded to employees, the fair value is measured at grant date, and each tranche is recognized on the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Where share options are granted to non-employees, fair value is measured at grant date at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

All share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the liability method, providing for unused tax loss carry forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is more likely than not that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

j) Loss per share

The Company presents basic and diluted loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) New accounting standards and interpretations not yet adopted

The following accounting pronouncement has been released but has not yet been adopted by the Company:

IFRS 9 Financial Instruments

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 *Financial Instruments* (IFRS 9) as a first phase in its ongoing project to replace IAS 39. IFRS 9, which is to be applied retrospectively, is tentatively effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities. This new standard has not yet been adopted and management has assessed that there will be no impact on the Company's consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. EQUIPMENT

	Computer equipment	Furniture and fixtures	Leasehold improvements	Total
Cost:				
Balance, December 31, 2016	$ -	$ -	$	$ -
Additions	18,209	19,639	26,570	64,418
Balance, December 31, 2017	$ 18,209	$ 19,639	$ 26,57	$ 64,418
Amortization:				
Balance, December 31, 2016	$ -	$ -	$	$ -
Charge for the year	919	982	-	1,901
Balance, December 31, 2017	$ 919	$ 982	$	$ 1,901
Net book value:				
Balance, December 31, 2016	$ -	$ -	$	$ -
Balance, December 31, 2017	$ 17,290	$ 18,657	$ 26,57	$ 62,517

(Expressed in Canadian Dollars)

5. INTELLECTUAL PROPERTY

The Company was previously a Canadian vaporizer and electronic cigarette company registered in the Province of Ontario. The Company, owns the exclusive rights to the "1313" electronic cigarette brand, a medicinal marijuana mobile application technology, and several research and development projects.

Balance, December 31, 2015	17,655
Impairment	(12,857)
Amortization for the year	(4,798)
Net book value, December 31, 2016 and 2017	$ -

During the year ended December 31, 2016, the Company commenced the development on new vaporizer technology. The Company incurred development costs of $50,000 (2016 - $210,000) during the year ended December 31, 2017.

6. DUE TO PUF VENTURES INC.

The balance due to PUF Ventures Inc. is unsecured, non-interest bearing, and has no fixed terms of repayment (Note 8).

7. SHARE CAPITAL

a) Common shares

Authorized:

Unlimited number of common shares without par value.

Issued:

As at December 31, 2017, the Company has 33,456,700 (2016 – 7,000,000) common shares issued and outstanding.

On October 20, 2017, the Company issued 15,041,000 common shares at a price of $0.05 per share for gross proceeds of $752,050. The Company incurred share issuance costs of $75,205 related to this private placement (Note 8).

On November 29, 2017, the Company issued 5,200,000 common shares with a fair value of $260,000 for settlement of $260,000 of accounts payable.

On November 30, 2017, the Company issued 2,072,100 common shares upon exercise of stock options at a price of $0.05 for proceeds of $103,605.

On December 1, 2017, the Company issued 4,143,600 common shares at a price of $0.25 per share for gross proceeds of $1,035,093. The Company incurred share issuance costs of $78,050 related to this private placement (Note 8).

b) Warrants

(Expressed in Canadian Dollars)

There were no warrants issued or outstanding during the years ended December 31, 2017 and 2016.

7. SHARE CAPITAL (continued)

c) Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, and consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares.

The changes in stock options during the years ended December 31, 2017 and 2016 are as follows:

	Year ended December 31, 2017		Year ended December 31, 2016	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	-	$ -	-	$ -
Options granted	2,184,100	0.05	-	-
Options exercised	(2,072,100)	0.05	-	-
Options outstanding, ending	112,000	$ 0.05	-	$ -
Options exercisable, ending	112,000	$ 0.05	-	$ -

Details of options outstanding as at December 31, 2017 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding
$0.05	1.72 years	70,000
$0.05	2.81 years	42,000
$0.05	2.13 years	112,000

On September 19, 2017, the Company granted 700,000 stock options to directors and consultants of the Company, exercisable at $0.05 for a period of two years. On October 20, 2017, the Company granted 1,484,100 stock options to directors and officers of the Company, exercisable at $0.05 for a period of three years. All options vest immediately on the date of grant. The Company recognized $54,066 in share based compensation for the year ended December 31, 2017 (2016 - $nil).

The fair value of stock options granted was determined using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	Year ended December 31, 2017
Expected life of options	2-3 years
Annualized volatility	80%
Risk-free interest rate	1.50%
Dividend rate	0%

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

d) Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

8. RELATED PARTY TRANSACTIONS

Included in accounts payable is $4,501 (2016 - $Nil) due to directors and officers of the Company. Included in prepaids is $53,333 (2016 - $Nil) prepaid to a company controlled by a related party. Amounts due to and due from related parties are unsecured, non-interest bearing and due on demand.

The Company incurred the following transactions with companies that are controlled by directors and related parties of the Company:

	Years ended	
	December 31, 2017	December 31, 2016
Consulting fees	$ 260,000	$ 35,000
Development costs	50,000	10,000
Share-based compensation	45,995	-
	$ 355,995	$ 45,000

The Company paid finder's fees, which have been included in share issuance costs totaling $153,255 with a company controlled by a related director (Note 7).

PUF Ventures Inc. is a significant shareholder of the Company; therefore the balance due to PUF Ventures Inc. is a related party balance (Note 6).

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value of financial instruments

The carrying values of cash, other receivable, accounts payable and amounts due to PUF Ventures Inc. approximate their carrying values due to the immediate or short-term nature of these instruments.

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured using level 1 inputs.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Financial risk management

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

i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at December 31, 2017 and expected cash flows for the next 12 months are sufficient to fund the Company's ongoing operational needs. The Company may need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof. Liquidity risk is assessed as high.

iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

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

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency. Foreign currency risk is assessed as low.

(c) Capital management

(Expressed in Canadian Dollars)

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consist of equity and cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

10. INCOME TAX

A reconciliation of the expected income tax provision to the actual income tax provision is as follows:

	Years ended	
	December 31, 2017	**December 31, 2016**
Net loss before income taxes	$ (514,993)	$ (260,218)
Income tax rate	26%	26%
Expected income tax benefit	(133,898)	(67,657)
Non-deductible items and other	38,068	-
Change in valuation allowance	95,830	67,657
	$ -	$ -

The Company recognizes tax benefits on losses or other deductible amounts generated where it is probable the Company will generate taxable income to utilize its deferred tax assets. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	December 31, 2017	**December 31, 2016**
Non-capital losses	$ 164,109	$ 98,147
Share issuance costs	31,877	-
Equipment	(2,009)	-
Other items	10,432	10,432
Unrecognized deferred income tax assets	(204,409)	(108,579)
	$ -	$ -

The Company has non-capital losses available for carryforward of $631,189 which expire between 2035 and 2037.

11. COMMITMENTS

On November 1, 2017, the Company entered into a three year office lease agreement. Future payments required under this operating lease are as follows:

2018	$ 49,263
2019	51,013
2020	43,725
	$ 144,001

During the year ended December 31, 2017, the Company recognized an expense of $8,162 (2016 - $Nil) resulting from lease payments incurred.

The Company is renting 25% of the office space to PUF Ventures Inc. During the year ended December 31, 2017, the Company received $12,243 from PUF Ventures Inc. for one year of office rental, of which $2,041 was recognized as a recovery in office expenses and $10,202 is recognized as deferred lease recovery.

12. SUBSEQUENT EVENTS

a) On September 7, 2017, the Company entered into a Plan of Arrangement ("Arrangement") with PUF Ventures Inc. whereby PUF Ventures Inc. will distribute 100% of the Company's shares to PUF Ventures Inc.'s shareholders on a pro rata basis. PUF Ventures Inc.'s shareholders will be entitled to receive one share of the Company in exchange for every seven PUF Ventures Inc. shares held as at the record date.

   Following completion of the Arrangement, (i) the Company will hold certain assets transferred to it by PUF Ventures Inc., (ii) the Company will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and intends to apply for and meet the listing requirements on a Canadian Stock Exchange, (iii) each PUF Ventures Inc. shareholder will continue to be a shareholder of PUF Ventures Inc., and (iv) all PUF Ventures Inc. shareholders as at the record date will have become shareholders of the Company.

   On January 16, 2018, the Company and PUF Ventures Inc. completed the Arrangement and issued 7,034,281 common shares to the shareholders of PUF Ventures Inc. As a result, the Company became a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

   On January 11, 2018, the Company cancelled 7,000,000 common shares previously held by PUF Ventures Inc.

b) On February 6, 2018, the Company granted 1,892,500 stock options to directors, officers and consultants, exercisable at $0.25 for a period of two years. Of the total, 1,872,500 stock options vest immediately on the date of grant and 20,000 stock options vest as 10,000 on July 1, 2018 and 10,000 on December 1, 2018.

c) On February 13, 2018, the Company granted 800,000 stock options to consultants of the Company, exercisable at $0.25 for a period of two years. The options vest immediately on the date of grant.

d) On April 3, 2018, the Company granted 200,000 stock options to an officer of the Company, execisable at $0.25 for a period of two years. The options vest immediately on the date of grant.

CANNVAS MEDTECH INC.

(formerly Weed Point Loyalty Inc. and Vapetronix Holdings Inc.)

Interim Condensed Consolidated Financial Statements

Three Months Ended March 31, 2018

(Unaudited - Expressed in Canadian Dollars)

Notice to Readers

Under National Instrument 51-102, Part 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Cannvas Medtech Inc. for the three months ended March 31, 2018 have been prepared in accordance with International Accounting Standard 34 for Interim Financial Reporting under International Financial Reporting Standards. These condensed interim consolidated financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The Company's independent auditors have not performed an audit or review of these condensed interim consolidated financial statements.

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Interim Condensed Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2018	December 31, 2017
			(audited)
ASSETS			
Current assets			
Cash		$ 859,124	$ 1,229,903
Other receivable		-	2,394
Prepaids	7	123,042	74,130
		982,166	1,306,427
Equipment	4	66,218	62,517
TOTAL ASSETS		**$ 1,048,384**	**$ 1,368,944**
LIABILITIES			
Current liabilities			
Accounts payable	7	$ 73,988	$ 25,140
Accrued liabilities		8,000	8,000
Due to PUF Ventures Inc.	5	129,662	129,662
Deferred lease recovery	9	7,142	10,202
Deferred revenue		24,365	12,500
TOTAL CURRENT LIABILITIES		**243,157**	**185,504**
SHAREHOLDERS' EQUITY			
Share capital	7	2,114,469	2,113,869
Share-based payment reserve	7	2,627	2,627
Deficit		(1,311,869)	(933,056)
TOTAL SHAREHOLDERS' EQUITY		**805,227**	**1,183,440**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 1,048,384**	**$ 1,368,944**

Nature and continuance of operations (Note 1)
Commitments (Note 9)
Subsequent events (Note 10)

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Interim Condensed Consolidated Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

		Three months ended	
	Note	**March 31, 2018**	**March 31, 2017**
Sales		$ -	$ -
Write-off of inventory		-	-
Cost of goods sold		-	-
		-	-
Expenses			
Accounting and legal		5,610	-
Amortization	4	4,330	-
Consulting	7	274,967	-
Development costs		-	15,000
Office and sundry	9	46,639	-
Website costs		4,527	-
Travel and business development		42,740	-
		(378,813)	(15,000)
Comprehensive loss for the year		**$ (378,813)**	**$ (15,000)**
Net loss per share – basic and diluted		**$ (0.01)**	**$ (0.00)**
Weighted average number of shares outstanding		**33,462,700**	**7,000,000**

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Share capital				
	Number of shares	Amount	Share-based payment reserve	Deficit	Total
Balance at December 31, 2016	**7,000,000**	**$ 64,937**	**$ -**	**$ (418,063)**	**$ (353,126)**
Net and comprehensive loss	-	-	-	(15,000)	(15,000)
Balance at March 31, 2017	**7,000,000**	**64,937**	**-**	**(433,063)**	**(368,126)**
Balance at December 31, 2017	**33,456,700**	**$ 2,113,869**	**2,627**	**$ (933,056)**	**$ 1,183,440**
Issuance of common shares upon exercise of options	34,281	600	-	-	600
Net and comprehensive loss	-	-	-	(378,813)	(378,813)
Balance at March 31, 2018	**33,490,981**	**$ 2,114,469**	**$ 2,627**	**$ (1,311,869)**	**$ 805,227**

See accompanying notes to the consolidated financial statements

Cannvas Medtech Inc.
(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)
Interim Condensed Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2018	March 31, 2017
Operating activities		
Net loss for the year	$ (378,813)	$ (15,000)
Adjustments for:		
Depreciation and amortization	4,330	-
Changes in non-cash working capital items:		
Other receivable	2,394	-
Prepaids	(48,912)	-
Accounts payable	48,848	15,000
Deferred lease recovery	(3,060)	-
Deferred revenue	11,865	-
Net cash flows (used in) provided by operating activities	(363,348)	-
Investing activities		
Purchase of equipment	(8,031)	-
Net cash flows used in investing activities	(8,031)	-
Financing activities		
Issuance of common shares, net of costs	600	-
Net cash flows used in financing activities	600	-
Change in cash	(370,779)	-
Cash, beginning	1,229,903	-
Cash, ending	**$ 859,124**	**$ -**

There were no non-cash transactions during the periods ended March 31, 2018 and 2017

1. NATURE AND CONTINUANCE OF OPERATIONS

Cannvas Medtech Inc.(formerly Weed Points Loyalty Inc. and Vapetronix Holdings Inc.)(the "Company") was incorporated on November 24, 2014 pursuant to theCanada Business Corporations Act on June 23, 2017. On September 11, 2017, the name of the Company was changed from Vapetronix Holdings Inc. to Weed Points Loyalty Inc. and on December 13, 2017, the name of the Company was changed to Cannvas Medtech Inc.

On May 12, 2015, PUF Ventures Inc. ("PUF") acquired100% of the Company.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. Further discussion of liquidity risk has been disclosed in Note 8.

The Company generates minimal cash flow from operations and therefore relies upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its operations to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the statement of financial position classifications used. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

The Company's corporate office is located at Suite 804, 750Pender Street, Vancouver, British Columbia V6C 2T7.

2. BASIS OF PREPARATION

a) Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS34") using accounting policies consistent with International Financial Reporting Standards ("IFRS").

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements of the Company for period ended March 31, 2018 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on May 30, 2018.

2. BASIS OF PREPARATION (continued)

b) Basis of consolidation

A subsidiary is an entity the Company controls when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. These consolidated financial statements include the accounts of the Company and its Canadian wholly-owned subsidiary, 1313 Wear Ltd., incorporated in British Columbia, Canada. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

c) Presentation and functional currency

The functional currency of the parent company, is the Canadian dollar, which is also the presentation currency of the consolidated financial statements. The functional currency of the Company's Canadian subsidiary is also the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

d) Significant accounting judgments and estimates

The preparation of these financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. The preparation of these financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. The following are the key estimate and assumption uncertainties that have a significant risk of resulting in a material adjustment within the next financial year: impairment of non-financial assets.

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the annual financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company does not have any derivative financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

i) Financial assets

The Company classifies its financial assets into categories at initial recognition, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

(a) Fair value through profit or loss

This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value, with changes in fair value recognized in profit or loss. The Company has not classified any financial assets as fair value through profit or loss.

(b) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company has classified cash and other receivable as loans and receivables.

(c) Held-to-maturity investments

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 cost using the effective interest rate method. If there is objective evidence that the investment 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 investment, including impairment losses, are recognized in profit or loss. The Company has not classified any financial assets as held-to-maturity investments.

(d) Available-for-sale

Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income or loss ("OCI"). 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 OCI and recognized in profit or loss. The Company has not classified any financial assets as available for sale.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

i) Financial assets (continued)

Transaction costs associated with fair value through profit or loss 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.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

(a) Fair value through profit or loss

This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value, with changes in fair value recognized in the statement of comprehensive loss. The Company has not classified any financial liabilities as fair value through profit and loss.

(b) Other financial liabilities

This category includes all other financial liabilities which are recognized at amortized cost using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial instrument, or, where appropriate, a shorter period. The Company has classified accounts payable and amounts due to PUF Ventures Inc. as other financial liabilities.

b) Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Equipment

Equipment is stated at historical cost less accumulated amortization and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Amortization is calculated on a straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The amortization rates applicable to each category of property, plant and equipment are as follows:

Class of property, plant and equipment	**Amortization rate**
Computer equipment	33%
Furniture and fixtures	20%
Leasehold improvements	Term of lease

d) Impairment

At each financial position reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss for the period.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Share capital

i) Common shares

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

ii) Non-monetary consideration

Where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received or given up is not readily determinable, the fair market value of the shares is used to record the transaction. The fair market value of the shares is based on the trading price of those shares on the appropriate stock exchange on the date of the agreement to issue or receive shares.

f) Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Sales revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involved with the goods, and the amount of revenue can be measured reliably. The transfer of risks and rewards occurs when the product is received by the customer.

Revenue from services is recognized when the services are rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

g) Share-based payment transactions

The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Where the share options are awarded to employees, the fair value is measured at grant date, and each tranche is recognized on the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Where share options are granted to non-employees, fair value is measured at grant date at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Share-based payment transactions (continued)

All share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

h) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the liability method, providing for unused tax loss carry forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is more likely than not that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

i) Loss per share

The Company presents basic and diluted loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

(Unaudited - Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) New accounting standards and interpretations not yet adopted

The following accounting pronouncement has been released but has not yet been adopted by the Company:

IFRS 9 Financial Instruments

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 *Financial Instruments* (IFRS 9) as a first phase in its ongoing project to replace IAS 39. IFRS 9, which is to be applied retrospectively, is tentatively effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities. This new standard has not yet been adopted and management has assessed that there will be no impact on the Company's consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. EQUIPMENT

		Computer equipment		Furniture and fixtures		Leasehold improvements		Total
Cost:								
Balance, December 31, 2017	$	18,209	$	19,639	$	26,570	$	64,418
Additions		3,016		-		5,015		8,031
Balance, March 31, 2018	$	21,225	$	19,639	$	31,585	$	72,449
Amortization:								
Balance, December 31, 2017	$	919	$	982	$	-	$	1,901
Charge for the year		1,768		982		1,580		4,330
Balance, December 31, 2017	$	2,687	$	1,964	$	1,580	$	6,231
Net book value:								
Balance, December 31, 2017	$	17,290	$	18,657	$	26,570	$	62,517
Balance, December 31, 2017	$	18,537	$	17,675	$	30,006	$	66,218

5. DUE TO PUF VENTURES INC.

The balance due to PUF Ventures Inc. is unsecured, non-interest bearing, and has no fixed terms of repayment (Note 8).

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL

a) Common shares

Authorized:
Unlimited number of common shares without par value.

Issued:
As at March 31, 2018 the Company has 33,490,981 shares issued and outstanding (2017 – 33,456,700).

There were a total of 34,281 common shares issued during the three months ended March 31, 2018

b) Warrants outstanding

There were no warrants issued or outstanding at March 31, 2018 and December 31, 2017.

c) Stock options outstanding

The Company issued 2,692,500 in stock options during the first three months ended March 31, 2018 (2017 – 2,184,100). A total of 2,804,500 in stock options remain outstanding at March 31, 2018 (2017 – 112,000).

7. RELATED PARTY TRANSACTIONS

Included in accounts payable is $28,250 (2017 - $4,501) due to directors and officers of the Company. Included in prepaids is $103,819 (2017 - $53,333) prepaid to a company controlled by a related party. Amounts due to and due from related parties are unsecured, non-interest bearing and due on demand.

The Company incurred the following transactions with companies that are controlled by directors and related parties of the Company:

	Three months ended	
	March 31, 2018	**March 31, 2017**
Consulting fees	$ 84,750	$ -
Development costs	-	15,000
	$ 84,750	$ 15,000

PUF Ventures Inc. is a significant shareholder of the Company; therefore the balance due to PUF Ventures Inc. is a related party balance (Note 5).

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value of financial instruments

The carrying values of cash, receivables, trade payables, and due to PUF approximate their carrying values due to the immediate or short-term nature of these instruments.

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

a) Fair value of financial instruments (continued)

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured using level 1 inputs.

b) Financial risk management

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

i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at March 31, 2018 and expected cash flows for the next 12 months are sufficient to fund the Company's ongoing operational needs. The Company may need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof. Liquidity risk is assessed as high.

iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) 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 not exposed to significant interest rate risk.

(Unaudited - Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Financial risk management (continued)

iii) Market risk (continued)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

The Company has not entered into any foreign currency contracts to mitigate foreign currency risk. The Company's sensitivity analysis suggests that a 5% change in the absolute rate of exchange for US dollars would not significantly affect its cash position at this time.

(c) Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

9. COMMITMENTS

On November 1, 2017, the Company entered into a three year office lease agreement. Future payments required under this operating lease are as follows:

2018	$ 49,263
2019	51,013
2020	43,725
	$ 144,001

10. SUBSEQUENT EVENTS

Subsequent to March 31, 2018, the Company:

a) On April 3, 2018, the Company granted 200,000 stock options to a consultant of the Company, exercisable at $0.25 for a period of two years. The options vest immediately on the date of grant.

b) On May 2, 2018, the Company issued 202,000 common shares with a fair value of $50,500 for settlement of $50,500 of accounts payable.

c) On May 4, 2018, the Company granted 372,500 stock options to consultants, directors and an officer of the Company, exercisable at $0.25 for a period of two years. 292,500 options vest immediately on the date of grant and 80,000 options vest quarterly with the first 20,000 options vesting on June 1, 2018.

10. SUBSEQUENT EVENTS (continued)

d) Also on May 4, 2018, the Company issued 4,261,480 units pursuant to a private placement at a price of $0.25 per unit for gross proceeds of $1,065,370. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of $0.50 per share for a period of 2 years.