BEE VECTORING TECHNOLOGIES INTERNATIONAL INC.

(FORMERLY UNIQUE RESOURCES CORP.)

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended September 30, 2015 and September 30, 2014

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Bee Vectoring Technologies International Inc. (Formerly Unique Resources Corp.)

We have audited the accompanying consolidated financial statements of Bee Vectoring Technologies International Inc. and its subsidiary which comprise the consolidated statements of financial position as at September 30, 2015 and September 30, 2014 and the consolidated statements of loss and 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.

Auditors' 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, whether due to fraud or error.

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 judgement, 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 Bee Vectoring Technologies International Inc. and its subsidiary as at September 30, 2015 and September 30, 2014, 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 indicates the existence of material uncertainties that may cast significant doubt about Bee Vectoring Technologies International Inc.'s ability to continue as a going concern.

Collins Barrow Toronto LLP

Chartered Professional Accountants
Licensed Public Accountants
January 22, 2016
Toronto, Ontario

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)
Consolidated Statements of Financial Position
(expressed in Canadian Dollars)

as at		**September 30, 2015**		September 30, 2014
ASSETS				
Current assets				
Cash	**$**	**1,590,627**	$	8,099
Sales tax receivable		**98,730**		29,472
Prepaid expenses and deposits		**163,822**		-
		1,853,179		37,571
Deposits (note 5)		**-**		66,076
Intangible assets (note 6)		**356,117**		223,265
Moulds and dies (note 7)		**42,945**		57,261
Property, plant and equipment (note 5)		**308,113**		6,635
	$	**2,560,354**	$	390,808
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**103,198**	$	269,613
Due to related parties (note 8)		**15,144**		41,249
Promissory notes payable (note 9)		**-**		494,846
		118,342		805,708
Convertible debentures (note 10)		**-**		195,000
		118,342		1,000,708
SHAREHOLDERS' EQUITY (DEFICIT)				
Share capital (note 12)		**4,622,284**		19
Subscriptions received in advance (note 11)		**351,000**		-
Contributed surplus (note 14)		**625,015**		-
Warrants (note 13)		**447,124**		-
Deficit		**(3,603,411)**		(609,919)
		2,442,012		(609,900)
	$	**2,560,354**	$	390,808

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Note 20)
SUBSEQUENT EVENTS (Note 21)

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

Approved by the Board of Directors

"Michael Collinson"
Director

"Jim Molyneux"
Director

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)

Consolidated Statements of Loss and Comprehensive Loss

For the years ended September 30, 2015 and September 30, 2014

(expressed in Canadian Dollars)

		2015		2014
Expenses				
Office and general (note 19)	**$**	**614,837**	$	482,071
Interest on debentures		**5,570**		-
Stock based compensation (note 14)		**616,427**		-
Government grants		**-**		(71,030)
Project expenses		**-**		17,620
Listing expense (note 4)		**1,756,658**		-
		2,993,492		428,661
Net loss and comprehensive loss	**$**	**(2,993,492)**	$	(428,661)
Basic and diluted loss per common share (note 15)	**$**	**(0.20)**	$	(0.07)
Weighted average number of common shares outstanding - basic and diluted		**14,788,469**		5,932,858

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

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)

Consolidated Statements of Cash Flows

For the years ended September 30, 2015 and September 30, 2014

(expressed in Canadian Dollars)

		2015		2014
Cash flow from operating activities				
Net loss for the period	**$**	**(2,993,492)**	$	(428,661)
Items not affecting cash				
Stock based compensation (note 14)		**616,427**		-
Services settled with issuance of debenture (note 10)		**100,000**		-
Interest settled with issuance of common shares (note 10)		**5,903**		-
Listing expense (note 4)		**1,756,658**		-
Amortization		**57,649**		15,331
Net changes in non-cash working capital items				
Sales tax receivable		**(86,947)**		(15,230)
Prepaid expenses and deposits		**(58,522)**		-
Accounts payable and accrued liabilities		**(248,445)**		169,253
		(850,769)		(259,307)
Cash flow from investing activities				
Cash received on acquisition		**46,656**		-
Government grants		**-**		4,998
Deposit for equipment		**-**		(66,076)
Additions to intangibles		**(132,852)**		(138,276)
Additions to property, plant and equipment		**(278,735)**		(1,352)
		(364,931)		(200,706)
Cash flow from financing activities				
Subscriptions received in advance (note 11)		**351,000**		-
(Payment) proceeds of promissory notes (note 9)		**(250,000)**		258,246
Net proceeds from the issue of shares and warrants (note 12)		**2,674,033**		-
Advances from related parties		**(26,105)**		12,201
Proceeds from issuance of convertible debentures (note 10)		**49,300**		195,000
		2,798,228		465,447
Increase in cash		**1,582,528**		5,434
Cash, beginning of year		**8,099**		2,665
Cash, end of year	**$**	**1,590,627**	$	8,099
Supplementary cash flow information:				
Shares issued for services	**$**	**100,000**	$	50,000
Shares issued for payment of interest	**$**	**5,903**	$	-

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

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)
Consolidated Statements of Changes in Shareholders' Equity
For the years ended September 30, 2015 and September 30, 2014
(expressed in Canadian Dollars)

	Share Capital						
	Number of shares	Amount	Advance share subscriptions	Warrants	Contributed Surplus	Deficit	Total
Balance, October 1, 2013	14,020,000	$ 19	$ -	$ -	$ -	$ (181,258)	$ (181,239)
Shares issued on exercise of options	434,148	-	-	-	-	-	-
Net loss	-	-	-	-	-	(428,661)	(428,661)
Balance, September 30, 2014	**14,454,148**	**$ 19**	**$ -**	**$ -**	**$ -**	**$ (609,919)**	**$ (609,900)**
Balance, October 1, 2014	14,454,148	$ 19	$ -	$ -	$ -	$ (609,919)	$ (609,900)
Consolidation of shares (i)	(8,431,588)	-	-	-	-	-	-
Acquisition of the Company by BEE (note 4)	19,200,000	1,505,641	-	294,666	8,588	-	1,808,895
Shares issued to settle non-interest bearing convertible debentures (note 10)	1,075,000	245,000	-	-	-	-	245,000
Shares issued to settle interest bearing convertible debentures (note 10)	532,360	105,203	-	-	-	-	105,203
Shares issued to settle notes payable (note 9)	1,224,230	244,846	-	-	-	-	244,846
Shares issued in connection with the private placement (note 12(i))	12,426,200	3,106,550	-	-	-	-	3,106,550
Share issue costs related to the private placement - cash (note 12(i))	-	(432,517)	-	-	-	-	(432,517)
Common shares issued as finance fees (note 12(i))	320,000	80,000	-	-	-	-	80,000
Common shares issued as finance fees (note 12(i))	-	(80,000)	-	-	-	-	(80,000)
Fair value of agent warrants issued in connection with the private placement (note 12(i))	-	(114,934)	-	114,934	-	-	-
Fair value of finders warrants issued in connection with the private placement (note 12(i))	-	(37,524)	-	37,524	-	-	-
Stock based compensation (note 14)	-	-	-	-	616,427	-	616,427
Subscriptions received in advance of private placement (note 21)	-	-	351,000	-	-	-	351,000
Net loss	-	-	-	-	-	(2,993,492)	(2,993,492)
Balance, September 30, 2015	**40,800,350**	**$ 4,622,284**	**$ 351,000**	**$ 447,124**	**$ 625,015**	**$ (3,603,411)**	**$ 2,442,012**

(i) Unique Resources common shares were consolidated on the basis of one post-consolidation common share for each 2.4 pre-consolidation common shares, immediately prior to closing of the reverse takeover transaction

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

1. Nature of operations and going concern

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.) (the "Company") was incorporated under the laws of the province of British Columbia, Canada on May 20, 2011. Bee Vectoring Technology Inc. ("BEE"), a wholly owned subsidiary of the Company is focused on the control of pests and enhancement of crops and ornamentals through the use of biological controls in a variety of application processes.

On June 1, 2015, the Company entered into a share exchange agreement with BEE pursuant to which the Company would acquire all of the issued and outstanding shares of BEE (the "Transaction") in exchange for 19,200,000 post – consolidated common shares of the Company. Upon completion of the Transaction, BEE became a wholly owned legal subsidiary of Unique Resources Corp. ("Unique"), and Unique changed its name to Bee Vectoring Technologies International Inc. on June 30, 2015. The acquisition was classified as a Reverse Take-over defined in Policy 5.2 by the TSX Venture Exchange Inc. (the "Exchange"). The combined entity continues to carry out the business of BEE as previously constituted.

The Company commenced trading under the symbol BEE on July 7, 2015. The address of the Company's registered office is Suite 800 - 789 West Pender St. Vancouver, BC, V6C 1H2.

These consolidated financial statements were approved for issuance by the Board of Directors on January 22, 2016.

Going concern assumption

These consolidated financial statements are prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its asset and discharge its liabilities in the normal course of business for the foreseeable future.

The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to raise financing necessary to discharge its liabilities as they become due and generate positive cash flows from operations. To date the Company has not obtained its registration label to produce Bio Control under the PMRA or EPA, and has not generated revenue from operations. During the year ended September 30, 2015, the Company incurred a net loss of $2,993,492 (2014 – $428,661), and as of that date, the Company's deficit was $3,603,411 (2014 – $609,919). At September 30, 2015, the Company has current assets of $1,853,179 (2014 - $37,571) and current liabilities of $118,342 (2014 – $805,708) resulting in working capital (deficit) of $1,734,837 (2014 – ($768,137)).

These conditions have resulted in material uncertainties that may cast significant doubt about the Company's ability continue as a going concern in the foreseeable future. The consolidated financial statements do not give effect to adjustments that may be necessary, should the Company be unable to continue as a going concern. If the going concern assumption is not used then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to these consolidated financial statements.

2. Basis of presentation

a) Statement of compliance

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"), effective September 30, 2015.

b) Basis of measurement

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The consolidated financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

2. Basis of presentation (continued)

c) Significant accounting estimates and judgments

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

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Intangible assets valuation
The values associated with intangible assets involve significant estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives. These estimates and assumptions could affect the Company’s future results if the current estimates of future performance and fair values change. These determinations will affect the amount of amortization expense on definite life intangible assets recognized in future periods. The Company assesses impairment by comparing the recoverable amount of an intangible asset with its carrying value. The recoverable amount is defined as the higher of value in use, or fair value less cost to sell. The determination of the recoverable amount involves management estimates.

Useful life of moulds and dies
Significant estimates are made as to the useful lives of moulds and dies, which have been estimated to be five years. Refer to the significant accounting policy in Note 3 for details.

Useful life of property, plant and equipment
Significant estimates are made as to the useful lives of property, plant and equipment. Refer to the significant accounting policy in Note 3 for details.

Share-based payments
The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of stock options and of common share purchase warrants issued. The model requires the input of subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company’s stock options and common share purchase warrants.

2. Basis of presentation (continued)

d) Basis of consolidation

These consolidated financial statements include the accounts of the Company and those of its wholly-owned legal subsidiary BEE. The Company has accounted for the Transaction as a reverse takeover (note 4), therefore, for accounting purposes, BEE, the legal subsidiary, has been treated as the accounting parent company, and Unique, the legal parent has been treated as the accounting subsidiary in these consolidated financial statements.

The financial statements of the accounting subsidiary are included in the consolidated financial statements from the date that control commences until the date control ceases.

The functional currency of the Company and BEE is the Canadian Dollar, which is the presentation currency of the consolidated financial statements.

All intercompany transactions and balances have been eliminated in preparing the consolidated financial statements.

3. Significant accounting policies

Intangible Assets
The Company has intangible assets consisting of legal costs related to the application of three patents. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in profit or loss as incurred.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there are indications that the intangible asset may be impaired. Intangible assets which are not yet available for use are tested annually for impairment regardless of whether impairment indicators exist. The amortization method and amortization period of an intangible asset with a finite life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization is recognized in statement of comprehensive loss on a straight-line basis over the estimated useful lives of intangible assets from the date the patent is granted and is available for use. No patents have been granted to date.

Moulds and Dies
Moulds and dies are recorded initially at cost and subsequently at cost less accumulated amortization and accumulated impairment losses (if any). Amortization is provided over the expected useful lives of the moulds and dies using the straight line depreciation method. The moulds and dies have an expected useful life of 5 years.

Property and Equipment
Equipment and furniture are recorded initially at cost and subsequently at cost less accumulated amortization and accumulated impairment losses (if any). Amortization is provided over an asset’s expected useful life using the following methods and annual rates:

Equipment	20 years	straight line
Computer	3 years	straight line
Office furniture	20 %	declining balance
Site equipment	20 %	declining balance
Telephone equipment	20 %	declining balance
Leasehold improvements		straight-line over life of lease

3. Significant accounting policies (continued)

Property and Equipment (continued)
Residual values, useful lives and methods of amortization are reviewed at each financial year end and adjusted prospectively (if needed).

Recognition of revenue from Government Grants
The Company recognizes revenue from government grants when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received. Funding from government grants is presented as income by way of a reduction in expenses, unless it is for the reimbursement of an asset, in which case, it is accounted for as a reduction in the carrying amount of the applicable asset.

Income Taxes
Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Share Capital
Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Financial Instruments
Financial assets
The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired principally for the purpose of being resold in the near term. They are carried on the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive loss.

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.

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 intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest 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 the statement of comprehensive loss.

3. Significant accounting policies (continued)

Financial Instruments (continued)
Financial assets (continued)
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. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of comprehensive loss.

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 described above.

The Company has classified its cash as loans and receivables.

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

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 on the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive loss.

Other financial liabilities - This category includes accounts payables and accrued liabilities, due to related parties, promissory notes payable and convertible debentures which are carried at amortized cost.

Compound Financial Instruments
Compound financial instruments issued by the Company comprise convertible debentures that are convertible to share capital upon a going public transaction, and that the number of shares to be issued varies dependent on the details of this transaction. The convertible debentures are treated as liabilities upon inception, with no amount being allocated to equity as they are contingently convertible and also convertible to a variable number of shares.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. 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. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. Finite life intangible assets not yet available for use are tested annually for impairment.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount, but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized in profit or loss for the period.

3. Significant accounting policies (continued)

Stock option plan
The Company has a stock option plan (the "Plan") which is discussed in note 14. The Company uses the fair value-based method of accounting for stock-based compensation arrangements.

Share based payment transactions
Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby they render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically measured, they are measured at fair value of the share-based payment. The fair value of the share based payments is recognized together with a corresponding increase in equity over a period that services are provided or goods are received.

The costs of equity settled transactions with employees are measured by reference to the fair value at the date on which they are granted. The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative cost is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in contributed surplus. Upon exercise of the stock options, the consideration paid, together with the amount previously recognized in contributed surplus, is recorded as an increase in share capital. No expense is recognized for awards that do not ultimately vest. The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

Foreign currency translation
Within each entity, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at that date. Foreign exchange differences arising on translation are recognized in the consolidated statements of operations. Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rate at the date of the transaction.

Loss per share
The calculation of loss per common share in the current year is based on the reported net loss divided by the weighted average number of shares of the legal acquiree (BEE) outstanding during the period to the RTO multiplied by the exchange ratio in the RTO and the actual number of ordinary shares of the legal acquirer (Unique) outstanding from the RTO date to the end of the year.

The loss per share for the comparative year is calculated as the loss of the legal subsidiary (BEE), divided by the weighted average number of shares outstanding shares during the comparative year of the legal parent (Unique). Diluted loss per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. As the potentially dilutive equity instruments are anti-dilutive, basic and diluted earnings per share are the same.

3. Significant accounting policies (continued)

Accounting Standards Issued But Not Yet Applied

The Company has reviewed changes to accounting standards that become effective in future periods. Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below:

IFRS 9, Financial Instruments ("IFRS 9") was updated and re-issued by the IASB on July 24, 2014 and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of consolidated financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The standard is effective for period's beginning on or after January 1, 2018.

IAS 1 "Presentation of Financial Statements Amendments" was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures. The effective date is for annual periods beginning January 1, 2016. Entities may still choose to apply IAS 1 immediately, but are not required to do so.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets were amended by the IASB in May 2014. Amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The effective date is for annual periods beginning January 1, 2016. Earlier application is permitted, but not required.

4. Reverse Takeover

Effective June 30, 2015, Unique acquired 100% of the issued and outstanding common shares of BEE in exchange for 19,200,000 post-consolidated common shares of the Company. The resulting post-reverse takeover and post-concurrent financing issued outstanding common shares amounted to 40,800,350; (i) Unique shareholders 6,022,560 common shares; (ii) BEE shareholders 22,031,590 common shares; and (iii) other shareholders 12,746,200 common shares. As a result of this share issuance, the shareholders of BEE obtained 54% of the post-consolidation common shares of Unique and, consequently, control of Unique.

(expressed in Canadian dollars)

4. Reverse Takeover (continued)

Upon closing of the Transaction, among other things the Company:

- Issued 12,426,200 common shares in a $3,106,550 private placement
- Issued 320,000 common shares as a finance fee for the private placement
- Issued 1,075,000 common shares to settle $245,000 non-interest bearing convertible debentures.
- Issued 532,360 common shares to settle $99,300 interest bearing convertible debentures plus accrued interest of $5,903;
- Issued 1,224,230 common shares to settle a $244,846 note payable.

The substance of the transaction is a reverse takeover of the non-operating company (Unique) and no goodwill or intangible asset representing the stock exchange listing has been recorded. The transaction does not constitute a business combination as the Company does not meet the definition of a business under IFRS 3. As a result, the Transaction was recorded by the Company as a listing expense which reflects the difference between the fair value of the BEE common shares to the Unique shareholders less the net fair value of the Unique assets acquired. BEE has been identified as the accounting acquirer, and Unique, the legal parent, has been treated as the accounting subsidiary in these consolidated financial statements. As BEE was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these consolidated financial statements at their historical carrying value. Unique's results of operations have been included from June 30, 2015, the date of the completion of the Transaction.

The amount assigned to listing expense of $1,756,658 is the difference between the fair value of the consideration and the net identifiable assets of the Company deemed acquired by BEE and included in the consolidated statement of operations and comprehensive loss.

The fair value of the consideration of the Transaction includes the fair value of 6,022,560 common shares deemed issued to the Company's shareholders, and was estimated to be $1,505,641 based on the value per share in the Private Placement, that closed concurrently with the closing of the Transaction, the fair value of 2,708,333 warrants issued to the Company's pre-Transaction warrant holders, and the fair value of 375,000 options issued to the Company's pre-Transaction option holders. The fair value of the warrants were estimated to be $294,666 and was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free rate of 0.49%, an expected volatility of 107%, an expected yield rate of nil and an expected life of one and a half years. The fair value of the options was estimated to be $8,588 and was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free rate of 0.58%, an expected volatility of 107%, an expected yield rate of nil and an expected life of 90 days.

The allocation of the fair value transferred is as follows:

Consideration		
Value of common shares issued	$	1,505,641
Value of warrants deemed issued to former warrant holders of Unique		294,666
Value of options deemed issued to former option holders of Unique		8,588
Total fair value of the consideration given up		1,808,895
Net assets acquired		52,237
Reverse takeover listing expense	$	1,756,658

The consideration and allocation reflects the best estimates and assumptions of the management of the Company after taking into account all available information.

As a result, the total reverse takeover listing expense amounts to $1,756,658.

(expressed in Canadian dollars)

5. Property, plant and equipment

	Equipment	Computer	Furniture	Site equipment	Leasehold improvements	Telephone Equipment	Total
Cost							
As at September 30, 2013	$ 11,297	$ -	$ -	$ -	$ -	$ -	$ 11,297
Additions	-	1,352	-	-	-	-	1,352
Government grant	(4,999)	-	-	-	-	-	(4,999)
As at September 30, 2014	6,298	1,352	-	-	-	-	7,650
Additions	-	-	5,163	260,238	63,130	16,280	344,811
As at September 30, 2015	$ 6,298	$ 1,352	$ 5,163	$ 260,238	$ 63,130	$ 16,280	$ 352,461
Accumulated amortization							
As at September 30, 2013	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization	565	450	-	-	-	-	1,015
As at September 30, 2014	565	450	-	-	-	-	1,015
Amortization	315	451	516	27,952	11,386	2,713	43,333
As at September 30, 2015	$ 880	$ 901	$ 516	$ 27,952	$ 11,386	$ 2,713	$ 44,348
				-	-		
Net book value							
As at September 30, 2014	$ 5,733	$ 902	$ -	$ -	$ -	$ -	$ 6,635
As at September 30, 2015	$ 5,418	$ 451	$ 4,647	$ 232,286	$ 51,744	$ 13,567	$ 308,113

During 2014, the Company entered into an agreement with a supplier for sealing/packing equipment in the amount of US$125,000 requiring a 50% deposit ($66,076 CDN) and the balance due on delivery. In the fourth quarter of 2015, the Company received the equipment and paid the remaining balance.

6. Intangible assets

Intangible assets consist of legal fees incurred towards the registration of various patents as follows:

	Patents
Cost	
As at September 30, 2013	$ 84,989
Additions	138,276
As at September 30, 2014	223,265
Additions	132,852
As at September 30, 2015	$ 356,117

(expressed in Canadian dollars)

7. Moulds and dies

		Moulds and dies
Cost		
As at September 30, 2013	$	71,576
Additions		-
As at September 30, 2014		71,576
Additions		-
As at September 30, 2015	$	71,576
Accumulated amortization		
As at September 30, 2013	$	-
Amortization		14,315
As at September 30, 2014		14,315
Amortization		14,316
As at September 30, 2015	$	28,631
Net book value		
As at September 30, 2014	$	57,261
As at September 30, 2015	$	42,945

8. Related party balances and transactions

As at September 30, 2015, $15,144 (2014 - $41,429) was due to certain shareholders. The amounts are non-interest bearing and are due on demand.

During the year ended September 30, 2015, the Company was charged $7,500 (plus HST) (2014 – $nil), by CFO Advantage Inc., a Company owned by the Chief Financial Officer of the Company, for the services of the Chief Financial Officer.

Key management includes members of the board, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the years ended September 30, 2015 and 2014:

	2015	2014
Salary, consulting fees and other short-term benefits	**$ 19,375**	$ -
Share based payments	**301,642**	-
	$ 321,017	$ -

In connection to the Transaction, Chelsian Sales and Marketing Inc., a company controlled by the CEO of the Company, received 1,224,230 common shares of the Company. The shares were received on conversion of a note payable (note 9).

During the year ended September 30, 2015, the Company issued $nil (2014 - $72,500) of convertible debentures to related parties (note 10).

9. Promissory notes payable

On September 9, 2013, the Company entered into a letter of intent with CT Developers Ltd., ("CT"), whereby CT was to acquire all of the issued and outstanding shares of the Company at a deemed value of $8,000,000 in exchange for 32,000,000 common shares of CT (the "Transaction Shares") to be issued at a deemed value of $0.25 per share. CT is a Capital Pool Company as defined by Policy 2.4 Capital Pool Companies of the TSX Venture Exchange and pursuant to Section 8.5 of the Policy and in connection with the Qualifying Transaction. CT advanced funds in the amounts of $150,000 and $100,000 for an aggregate amount of $250,000 to the Company. The advances are evidenced by two promissory notes, non-interest bearing and whereby the Company has agreed to repay CT at the earlier of: (1) following completion of the Qualifying Transaction and (ii) within 30 days following termination of the Qualifying Transaction. The note was repaid in cash on June 30, 2015, following the close of the Transaction.

On October 1, 2013 a promissory note was issued in favour of Chelsian Sales and Marketing Inc. ("Chelsian") for advances made to the Company in the amount of $236,600, non-interest bearing and due on demand. The Company is related to Chelsian Sales and Marketing Inc. ("Chelsian") by virtue of common control. The note was amended on March 1, 2014 to include additional advances in the amount of $8,246 for a total of $244,846 and with terms that should the Company seek listing on the TSX Venture Exchange or the Toronto Stock Exchange or any other stock exchange, the full amount owing is to convert into common shares of the acquiring party at a price per common share equal to a 20% discount of the price of the common shares at the time of such listing by the Company, or the common shares of an affiliated company by way of reverse take-over, amalgamation or other corporate change. These amounts were converted into 1,224,230 common shares of the Company on June 30, 2015, following the close of the Transaction (note 4 and 8).

10. Convertible debentures

On November 1, 2013 and March 1, 2014 the Company issued unsecured, convertible debentures in the aggregate principal amounts of $95,000 and $50,000 respectively. Both of these debentures were non-interest bearing and had maturity dates of two years from the date of issue. The $50,000 debenture was issued to legal counsel in lieu of legal fees outstanding.

On September 2, 2014 the Company issued a convertible debenture in the aggregate principal amount of $50,000, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company. Both the principal and outstanding interest are convertible into common shares.

On October 9, 2014 the Company issued a convertible debenture in the aggregate principal amount of $40,800, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company.

On February 13, 2015 the Company issued a convertible debenture in the aggregate principal amount of $3,500 with a maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company. Both the principal and outstanding interest are convertible into common shares.

On February 23, 2015 the Company issued a convertible debenture in the aggregate principal amount of $5,000 with a maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company. Both the principal and outstanding interest are convertible into common shares.

On March 28, 2015 the Company extended a previously outstanding convertible debenture of $50,000 for an additional $25,000, with a new maturity date of March 27, 2016, with all other conditions remaining the same. The convertible debenture was issued in lieu of legal fees owing to legal counsel of the Company, an unrelated party.

(expressed in Canadian dollars)

10. Convertible debentures (continued)

On June 30, 2015, the Company issued a convertible debenture in the aggregate principal amount of $75,000, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually, and secured by a general security agreement over the assets of the Company. The convertible debenture was issued in lieu of legal fees owing to legal counsel of the Company, an unrelated party.

Should the Company seek listing on the TSX Venture Exchange or the Toronto Stock Exchange or any other stock exchange, the full amount owing on these debentures is to convert into common shares of the acquiring party at a price equal to 20% discount to the price of common shares at the time of such listing by the Company, except for the $75,000 debenture issued on March 28, 2015 and the $75,000 debenture issued on June 30, 2015, which are to convert into common shares of the acquiring party at a price per common share equal to the common shares at the time of such listing by the Company, or the common shares of an affiliated company by way of reverse-take over, amalgamation or other corporate change. As the convertible debentures are contingently convertible following the proposed listing, they have been classified as a liability in their entirety, and no equity conversion feature has been bifurcated.

In accordance with the conversion terms above, on June 30, 2015 (the closing date of the Transaction) all of the outstanding non-interest bearing convertible debentures were converted to 1,075,000 common shares of the Company (note 4) and all of the outstanding interest-bearing convertible debentures including $5,903 of interest were converted to 532,360 common shares of the Company (note 4).

11. Subscriptions received in advance

The Company received $351,000 (2014 – $nil) in advance of a private placement that closed subsequent to the year end (note 20).

12. Share capital

Authorized
Unlimited number of common shares without par value

Issued and outstanding

	Number of Common Shares	Share Capital
Balance September 30, 2014 and September 30, 2013	14,454,148	$ 19
Consolidation of shares	(8,431,588)	-
Shares issued on RTO *(note 4)*	19,200,000	1,505,641
Shares issued to settle non-interest bearing convertible debentures *(note 10)*	1,075,000	245,000
Shares issued to settle interest bearing convertible debentures *(note 10)*	532,360	105,203
Shares issued to settle notes payable *(note 9)*	1,224,230	244,846
Shares issued in connection with the private placement [i]	12,426,200	3,106,550
Share issue costs related to the private placement - cash	-	(432,517)
Common shares issued as finance fees [i]	320,000	80,000
Common shares issued as finance fees [i]	-	(80,000)
Fair value of agent warrants issued in connection with the private placement [i]	-	(114,934)
Fair value of finders warrants issued in connection with the private placement [i]	-	(37,524)
Balance September 30, 2015	40,800,350	$ 4,622,284

(expressed in Canadian dollars)

12. Share capital (continued)

(i) In conjunction with the Transaction and prior to the completion of the Transaction, the Company completed a private placement (the "Private Placement") of 12,426,200 subscription receipts (the "Subscription Receipts") with Canaccord Genuity Corp. acting as agent (the "Agent") for gross proceeds of $3,106,550. On completion of the escrow release conditions set out in the subscription receipt agreement entered into among the Company, BEE, the Agent, and Equity Financial Services Inc. dated June 30, 2015, each Subscription Receipt was automatically exchanged for one post-consolidation common share of the Company resulting in the issuance of 12,426,200 post consolidated common shares.

In connection with the Private Placement, the Company paid the Agent cash commissions and fees of $374,717, issued the Agent and its selling group 708,160 Agent's warrants ("Agent's Warrants"), and issued the Agent 320,000 common shares with a value of $80,000 in respect of corporate finance fees. Each Agent's Warrant entitles the holder to purchase one (1) common share at a price of $0.25 for a period of three years from the date of issuance. Additionally, the Company paid cash commissions to finders of $57,800 and issued finders 231,200 finder's warrants with each finders warrant having the same terms as the Agent's Warrants. The Agent Warrants were valued at $114,934 using the Black-Scholes option pricing model using the following assumptions: Term – 3 years; Volatility – 107%; Interest rate – 0.59%. The Finder's Warrants were valued at $37,524 using the Black-Scholes option pricing model with the same assumptions as the Agent Warrants.

Immediately prior to the completion of the Transaction, the Company consolidated its common shares, options and warrants on the basis one (1) post-consolidation common share, option or warrant for each 2.4 pre-consolidation common shares, options or warrants.

13. Warrants

The exercise price, expiry date, and fair value assigned to the warrants issued and outstanding as at September 30, 2015 and September 30, 2014 are as follows:

	Number of warrants	Weighted average strike price
Balance, September 30, 2014	-	
Deemed issued in connection with the Transaction (note 4)	2,708,333	0.36
Agent warrants issued in connection with the private placement (note 12(i))	708,160	0.25
Finders warrants issued in connection with the private placement (note 12 (i))	231,200	0.25
Outstanding and exercisable - September 30, 2015	**3,647,693**	

The fair value of the compensation warrants (Agent and Finders warrants) granted during the year ended September 30, 2015 of $152,458 (2014 - $nil) was estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate ranging of 0.49%- 0.59% (2014 – nil), expected dividend yield of $nil (2014 - $nil), expected volatility of 107%, strike price as stated above, expected life of 1.5- 2.75 years (2014 – nil) and forfeiture rate of nil.

All warrants issued during the year and warrants outstanding as September 30, 2015, vested on the grant date. The warrants entitle the holders to purchase the stated number of common shares at the exercise price on or before the expiry date. At September 30, 2015, the following warrants were outstanding:

Exercise price	Number of outstanding exercisable warrants	Weighted average remaining contractual life (in years)	Expiry date
0.36	2,708,333	1.50	Thursday, March 30, 2017
0.25	708,160	2.75	Saturday, June 30, 2018
0.25	231,200	2.75	Saturday, June 30, 2018
	3,647,693	1.82	

(expressed in Canadian dollars)

14. Stock options

On closing of the Transaction, the Company adopted a rolling stock option plan, which authorizes the Board of Directors to grant stock options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each stock option may not be less than market price of the Company's stock calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's stock option plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion.

On June 30, 2015, in connection with the Transaction, the Company had a deemed issuance of 375,000 stock options to former officers and directors of the Company. These options were valued at $8,588 using the Black-Scholes option pricing model using the following assumptions: Expected life – 90 days; Volatility – 107%; Interest rate – 0.58%; Dividend yield – nil; Forfeiture rate – nil; stock price - $0.25.

On June 30, 2015, the Company issued 50,000 options to a public relations consultant upon closing of the Transaction. These options were valued at $12,200 using the Black-Scholes option pricing model using the following assumptions: Expected life – 5 years; Volatility – 107%; Interest rate – 0.59%; Dividend yield – nil; Forfeiture rate – nil; stock price - $0.25. These options shall vest in equal increments of 12,500 options on each of the dates that are 3, 6, 9, and 12 months following the closing of the Reverse Takeover.

On July 6, 2015, the Company issued 2,840,000 options to officers, directors and consultants of the Company. These options were valued at $549,142 using the Black-Scholes option pricing model using the following assumptions: Expected life – 5 years; Volatility 107%; Interest rate – 0.83%; Dividend yield – nil; Forfeiture rate – nil; stock price - $0.25.

On August 8, 2015, the Company issued 1,600 options a consultant of the Company. These options were valued at $371 using the Black-Scholes option pricing model using the following assumptions: Expected life – 5 years; Volatility 107%; Interest rate – 0.72%; Dividend yield – nil; Forfeiture rate – nil; stock price - $0.30.

On September 7, 2015, the Company issued 100,000 options to a consultant of the Company. These options were valued at $24,862 using the Black-Scholes option pricing model using the following assumptions: Expected life – 5 years; Volatility 107%; Interest rate – 0.81%; Dividend yield – nil; Forfeiture rate – nil, stock price - $0.32.

On September 28, 2015, the Company modified terms of 275,833 stock options previously issued to former officers and directors of the Company. The modification extended the expiry date of these options from September 28, 2015 to June 30, 2016. These options were fully vested prior to modification, and had a value of $0 at time of modification. The modified options were valued at $35,698 using the Black-Scholes option pricing model using the following assumptions: Expected life – 270 days; Volatility – 107%; Interest rate – 0.52%; Dividend yield – nil; Forfeiture rate – nil, stock price - $0.36.

Below is a summary of transaction for the years ended September 30, 2015 and 2014:

Transaction	Date Issued	# Options
Balance, September 30, 2014	-	-
Deemed issuance to former officers and directors	6/30/2015	375,000
Expired - September 28, 2015	6/30/2015	(99,167)
Granted in connection with the Transaction	6/30/2015	50,000
Granted to officers and directors	7/6/2015	2,840,000
Granted to a consultant	8/8/2015	1,600
Granted to a consultant	9/7/2015	100,000
Balance, September 30, 2015		3,267,433

(expressed in Canadian dollars)

14. Stock options (continued)

As at September 30, 2015 the Company had the following stock options outstanding:

Date Issued	# Options	Value	Exercise Price	Expiry date
6/30/2015	275,833	$ 44,286	0.36	6/30/2016
6/30/2015	50,000	6,354	0.25	6/30/2018
7/6/2015	2,840,000	549,142	0.25	7/6/2020
8/8/2015	1,600	371	0.30	8/8/2020
9/7/2015	100,000	24,862	0.31	9/7/2020
	3,267,433	$ 625,015		

The total number of options exercisable at year end is 3,229,933. The weighted average expiry date of the options is 4.40 years. The weighted average exercise price of the options is $0.26.

The deemed issuances to former officers and directors at June 30, 2015 of $8,588 were recorded as reverse takeover listing expenses, and the remaining options issued and vested during the year of $616,427 were recorded as stock based compensation.

15. Loss per share

The warrants and options outstanding were excluded from the computation of diluted loss per share for 2015 and 2014 because their impact was anti-dilutive.

16. Income Taxes

Provision for income taxes

No deferred tax asset has been recognized because of the uncertainty as to the utilization of the losses for income tax purposes. The Company has accumulated losses for Canadian income tax purposes expiring as follows:

2032	19,756
2033	161,502
2034	162,082
2035	690,009
Total	1,033,349

(expressed in Canadian dollars)

16. Income Taxes (continued)

The Company has share issue costs of $531,981 available for deduction against future Canadian taxable income over the next four years.

		2015		2014
Loss before income taxes	**$**	**2,993,492**	$	428,661
Tax rate		**26.5%**		26.5%
Calculated income tax recovery		**793,275**		113,595
Stock based compensation		**(163,353)**		
Non-deductible expense and other		**(1,164)**		-
Non-deductible listing expense		**(465,514)**		-
Change in deferred taxes not recognized		**(163,244)**		(113,595)
Income tax expense	**$**	**-**	$	-

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

		2015		2014
Deferred income tax assets				
Non-capital loss carry forwards	**$**	**273,837**	$	90,985
Property and equipment		**19,340**		3,704
Share issue costs		**140,975**		-
Legal fees included in CEC pool		**66,581**		-
		500,733		94,689
Less: Deferred taxes not recognized		**(500,733)**		(94,689)
	$	**-**	$	-

17. Financial instruments

Fair Value
Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, due to related parties, promissory notes and convertible debentures. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values because of the short-term maturities of these items.

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

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include deposits.

17. Financial instruments (continued)

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest bearing cash.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company’s maximum exposure to credit risk at the end of the reporting period is the carrying value of its financial assets. Cash is held with a large financial institution in Canada, and management believes that exposure to credit risk is not significant.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. See note 1 for further disclosure on the going concern assumption.

The Company's accounts payable and accrued liabilities are subject to normal trade terms and have contractual maturities payable within 30 days for 2015 and 2014. At September 30, 2015, the Company has current assets of $1,853,179 (2014 - $37,571) and current liabilities of $118,342 (2014 – 805,708) resulting in working capital (deficit) of $1,743,837 (2014 – ($768,137)).

18. Capital management

The Company’s objectives when managing capital are: to safeguard the Company’s ability to continue as a going concern; to maintain an optimal capital structure, while ensuring the Company’s strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company’s underlying assets. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options, warrants, contributed surplus and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company’s planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

The Company is operating at a loss. As such, the Company is dependent on external financing to fund its activities. In order to pay for its operating expenses, the Company will spend its existing working capital and raise additional amounts as needed and if available. Management reviews its capital management approach on an ongoing basis.

(expressed in Canadian dollars)

19. Office and general

		2015		2014
Accounting and audit	**$**	**77,890**	$	51,326
Advertising and marketing		**52,532**		9,148
Amortization		**57,649**		15,331
Consulting		**129,510**		73,977
Freight		**1,343**		-
Insurance		**11,193**		-
Interest and bank charges		**8,970**		7,918
Legal		**173,020**		199,922
Occupancy costs		**(7,983)**		54,289
Office and general		**33,441**		10,407
Salaries and benefits		**17,029**		31,925
Transfer agent		**19,192**		-
Travel		**31,540**		27,828
Warehouse supplies		**9,511**		-
	$	**614,837**	$	482,071

20. Commitments

Effective November 1, 2015, the Company has a lease commitment for premises, which expires October 31, 2020, requiring the following approximate annual payments:

2016	$	49,026
2017		53,483
2018		55,064
2019		56,789
2020		58,515
thereafter		4,888
	$	277,765

21. Subsequent events

The Company completed a non-brokered private placement on November 5, 2015 through the sale and issuance of 3,973,575 common shares ("Shares") of the Company at a price of $0.27 per Share for gross proceeds of C$1,072,865 (the "Offering"). $351,000 of proceeds were received prior to September 30, 2015, and recorded as subscriptions received in advance (note 11). The Company paid commissions to finders under the Offering consisting of cash fees of C$79,110 and the issue of 293,000 finder's warrants. Each finder's warrant entitles the holder to purchase one Share of the Company at a price of C$0.27 per Share until April 22, 2017.

On November 4, 2015, 18,600 warrants were exercised into 18,600 common shares at $0.25 per share, for proceeds of $4,625.

On November 12, 2015, 25,000 warrants were exercised into 25,000 common shares at $0.25 per share, for proceeds of $6,250.

On November 16, 2015, the Company granted 75,000 stock options to a consultant of the Company. These options have an exercise price of $0.43 per share. Their expiry date is November 16, 2020. These options are exercisable immediately commencing on the grant date.

On January 15, 2016, 19,500 warrants were exercised into 19,500 common shares at $0.25 per share, for proceeds of $4,875.