First Access Medical Inc.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
FOR THE THREE MONTHS ENDED SEPTEMBER, 2015 and 2014

(Expressed in Canadian Dollars)

First Access Medical Inc.

Interim Condensed Statements of Financial Position (Unaudited)
As at:

		September 30, 2015		March 31, 2014
Assets				
Current assets				
Cash and equivalents (Note 4)	**$**	**189,525**	$	231,103
Prepaid expenses		**-**		6,780
		189,525		237,883
Property and equipment (Note 5)		**-**		862,475
	$	**189,525**	$	1,100,358
Liabilities				
Current				
Accounts payable	**$**	**-**	$	138,485
Shareholders' Equity				
Share Capital (Note 6)		**980**		753,125
Warrants		**772,667**		712,180
Share-based payment reserve		**550,000**		550,000
Deficit		**(40,466)**		(1,140,932)
		1,283,181		874,373
	$	**1,283,181**	$	1,012,858

Nature of operations and Going Concern (Note 1)
Subsequent events (Note 11)

Approved on behalf of the Board of Directors

"Vasilios, Panagiotakopoulos"
CEO and Director

"Bojan Krasic"
CFO and Director

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

First Access Medical Inc.

Interim Condensed Statements of Loss and Comprehensive Loss (Unaudited)
For the three months ended September 30, 2015 and September 30, 2014

		Three months Ended September 30,		Six months Ended September 30,	
		2015	**2014**	**2015**	**2014**
Expenses					
Marketing and promotion	$	**-**	-	**-**	**50,426**
Professional services		**-**	-	**-**	**-**
General and administrative		**20,126**	9,889	**49,716**	**32,068**
Research and development		**-**	-	**-**	**-**
Share-based compensation		**-**	-	**-**	**-**
Rent and facilities		**20,340**	20,340	**40,680**	**40,680**
Other		**-**	-	**-**	**-**
Net loss and comprehensive loss	$	**40,466**	30,229	**90,396**	123,174
Weighted average number of outstanding shares (Basic and diluted)		**13,396,667**	12,500,000	**13,396,667**	12,500,000
Net loss per share, basic and diluted	$	**0.00**	0.00	**0.01**	0.01

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

First Access Medical Inc.

Interim Condensed Statements of changes in Shareholders' Equity (Unaudited)
For the three months ended September 30, 2015 and September 30, 2014

	Share Capital					
	Number of common shares	Amount	Warrants	Share-based payment reserve	Deficit	Total
Balance at July 8, 2013	-	$ -	$ -	$ -	$ -	$ -
Shares issued for cash (note 6-i)	10,000,000	1,000	-	-	-	1,000
Equity financing (note 6-ii and 7)	2,500,000	725,000	525,000	-	-	1,250,000
Share issue costs (note 6-ii)	-	(144,018)	-	-	-	(144,018)
Agent options (note 6-ii and 7)	-	(90,000)	90,000		-	-
Share-based compensation (note 7)	-	-	-	550,000	-	550,000
Net loss and comprehensive loss for the period	-	-	-	-	(30,229)	(30,229)
Balance at March 31, 2014	12,500,000	$ 491,982	$ 615,000	$ 550,000	$ (30,229)	1,626,753
Balance at September 30, 2014	12,500,000	$ 491,982	$ 615,000	$ 550,000	$ (30,229)	1,626,753
Equity financing	716,667	358,333.50	157,667	-	-	516,001
Equity Financing (note 6-iv)	180,000	59,400				
Net loss and comprehensive loss for the year	-	-	-	-	(40,466)	(40,466)
Balance at March 31, 2015	**13,396,667**	**909,716**	**772,667**	**550,000**	**(70,695)**	**2,102,288**
Balance at September 30, 2015	**13,396,667**	**909,716**	**772,667**	**550,000**	**(70,695)**	**2,102,288**

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

First Access Medical Inc.

Interim Comdensed Statements of Cash Flows (Unaudited)
For the three months ended September 30, 2015 and 2014

	Six Months Ended September 30, 2015	**Six Months Ended** September 30, 2014
Operating activities		
Net loss	**(89,436)**	(122,974)
Adjustments not affecting cash		
Share-based compensation	**-**	-
Changes in non-cash operating working capital		
Prepaid expenses	**-**	(6,780)
Accounts payable	**-**	138,485
Cash Flows provided by (used in) operationg activities	**(89,436)**	8,731
Cash Flows provided by Financing activities		
Issuance of shares, net of share issue costs		1,106,982
Cash Flows used in Investing activities		
Purchase of property and equipment	**-**	-
Net increase (decrease) in cash during the period	**(89,436)**	1,115,713
Cash, beginning of the period	**228,991**	-
Cash, end of the period	**139,555**	1,115,713

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

1. Nature of operations and Going Concern

First Access Medical Inc. (“FAM” or the “Company”) was incorporated on July 8, 2013 under the Canada Business Corporations Act. Its registered office and its main facility in development is located at 1653 Hwy 6 North, Hamilton, Ontario.

The Company is in the application process and has submitted its application to Health Canada (Healthy Environments and Consumer Safety Branch) on January 31, 2014 to become a "Licensed Producer" under the Marihuana for Medical Purposes Regulations (The “MMPR”).

As at the date of the preparation of the financial statements, the main activities are conducted to comply with MMPR and preparation of facilities.

These financial statements have been prepared on the going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at September 30, 2015 the Company had not yet achieved profitable operations, has deficit of $70,694 (March 31, 2015: $1,140,932) and for the 3 months ended as at that date has a net loss of $40,465 (2014: $30,229). The Company will require additional financing in order to conduct its planned business operations, meet its ongoing levels of corporate overhead and discharge its liabilities and commitments as they come due, all of which casts substantial doubt upon the Company’s ability to continue as a going concern.

Management’s view is that the success of the Company is dependent upon financing the remaining portion of its capital requirements and, obtaining approval from Health Canada in order to produce, sell and distribute medicinal cannabis in Canada and achieving profitable operations.

The financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the reported revenues and expenses and the balance sheet classifications used. Such adjustments if required, could be material.

The financial statements were approved by management on December 13, 2015.

2. Basis of preparation

Statement of compliance

These condensed interim financial statements for the three months ended September 30, 2015 have been prepared in accordance with IAS 34, “Interim financial reporting”, as issued by the International Accounting Standards Board (“IASB”) and therefore, do not contain all disclosures required by International Financial Report Standards (”IFRS”) for annual financial statements. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended March 31, 2015, which have been prepared in accordance with IFRS.

3. Significant accounting policies

a) The accounting policies adopted are consistent with those of the previous financial year.

b) Critical accounting estimates and judgments:
The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods.

Share-based compensation:
In calculating the share-based compensation expense, key estimates such as the value of the common shares, the rate of forfeiture of options granted, the expected life of the option, the volatility of the value of the Company's common shares and the risk free interest rate are used.

Warrants:
In calculating the value of the warrants, key estimates such as the value of the common share, the volatility of the value of the Company's common shares and the risk free interest rate are used.

4. Cash and equivalents

		September 30, 2014		September 30, 2013
h at bank and in hand	**$**	**189,525**	$	196,758
h in trust account		**-**		-
	$	**189,525**	$	**196,758**

Cash in trust account represents funds held in trust from subscription of units

5. Property, and equipment

		Production equipment		**IT and related Equipment**		**Leasehold Improvements**		**Total**
Cost								
At Sept 30, 2014	$	148,272	$	226,267	$	527,246	$	901,785
Additions		-		-		-		-
At Sept 30, 2015	**$**	**148,272**	**$**	**226,267**	**$**	**527,246**	**$**	**901,785**

5. Property, and equipment (continued)

Items of Property and Equipment for $901,785 (March 31, 2015: $862,475) have not been depreciated, since they are related to a production facility in development and were not ready for the use as of September 30, 2015.

6. Share capital

The Company is authorized to issue an unlimited number of common shares.

	Number of Shares	Amount
Common Shares		
Balance at June 30, 2015	13,396,667	$ 812,525
Shares issued for cash, net of issuance costs	-	-
Balance at September 30, 2015	13,396,667	$ 812,525

	Number of Shares	Amount
Common Shares		
Balance at March 31 and September 30, 2014	12,500,000	$ 552,469

Based on the Black-Scholes pricing model, these warrants had an allocated fair value of $30,600 (Assumptions used were as follows: expected volatility – 151.21%, risk-free interest rate – 0.57%, expected dividend yield – 0% and expected life of 1 years).

i) On March 5, 2014 the company issued 10,000,000 shares at $0.0001 per share.

6. Share Capital (continued)

ii) On March 11, 2014, the Company completed a private placement offering raising aggregate gross proceeds of $1,250,000 through the sale of 2,500,000 units at $0.50 per unit. Each unit comprised one common share and one warrant of the Company. Based on the Black-Scholes pricing model, these options have been allocated a fair value of $525,000 (Assumptions used were as follows: expected volatility – 154.28%, risk-free interest rate – 1.05%, expected dividend yield – 0% and expected life of 2 years).

Total issuance costs related to the offering were $234,018.

The Agents are to be paid, along with the related expenses, a cash commission equal to seven percent (7%) of the gross proceeds raised. In addition, the Agents received options ("Agent options") entitling them to subscribe for 10% of the number of units issued. The cash commission of 7% is due by December 31, 2016 and the agents can elect to receive such compensation as Broker options. Due to the terms the company issued 250,000 options to purchase one unit (comprised of one common share and one warrant). Each agent option entitles the holder to purchase one unit at a price of $0.50 for a period of 24 months. Based on the Black-Scholes pricing model, these options had an estimated fair value of $90,000 (Assumptions used were as follows: expected volatility – 154.28%, risk-free interest rate – 1.05%, expected dividend yield – 0% and expected life of 2 years).

iii) During January to March 2015 the company completed a non-brokered private placement raising aggregate gross proceeds of $358,323 through the sale of 716,667 units at $0.50 per unit. Each unit comprises one common share and one warrant of the Company. Based on the Black-Scholes pricing model, these options had an allocated fair value of $157,667 (Assumptions used were as follows: expected volatility – 248.91%, risk-free interest rate – 0.47%, expected dividend yield – 0% and expected life of 1 years.

iv) During April and May 2015 the company completed a non-brokered placement raising aggregate gross proceeds of $90,000 through the sale of 180,000 units at $0.50 per unit. Each unit comprised one common share and one warrant of the Company. Based on the Black-Scholes pricing model, these warrants had an allocated fair value of $30,600 (Assumptions used were as follows: expected volatility – 151.21%, risk-free interest rate – 0.57%, expected dividend yield – 0% and expected life of 1 years).

7. Warrants

As of September 30 and March 31, 2015 the company has the following warrants outstanding with the corresponding average exercised prices:

	Number of warrants	Weighted average exercise price
		$
Issued on March 11, 2014, as part of units sold	2,500,000	0.50
Issued on March 11, 2014, as compensation to agents	250,000	0.50
Balance as at March 31, 2014	2,750,000	0.50
Issued during January to March 2015	716,667	0.50
Balance as at September 30, 2015	**3,466,667**	**0.50**

Warrants issued on March 11, 2014 are exercisable into one common share until the date that is the earlier of: (a) 30 days following the date the Company provides notice to warrant holders that it has received its licence to produce marihuana from Health Canada; or (b) 36 months following the issue date at an exercise price of $0.50.

Warrants issued during January to March 2015 are exercisable into one common share until the date that is the earlier of: (a) 30 days following the date the Company provides notice to warrant holders that it has received its licence to produce marihuana from Health Canada; or (b) 24 months following the issue date at an exercise price of $0.50.

Warrants issued during April and May 2015 are exercisable into one common share until the date that is the earlier of: (a) 30 days following the date the Company provides notice to warrant holders that it has received its licence to produce marihuana from Health Canada; or (b) 24 months following the issue date at an exercise price of $0.50.

8. Share-based Compensation and stock options

As of September 30 and March 31, 2015, the company has the following options outstanding with the corresponding average exercise prices:

	Number of options	Weighted average exercise price
		$
Granted on March 28, 2014	1,250,000	0.50
Granted on July 28, 2014	1,250,000	0.50
Granted during June to September 2015	170,000	0.50
Balance as at March 31, 2015 and 2014	**2,670,000**	**0.50**

8. Share-based Compensation and stock options (continued)

On May 5, 2015 the Board of Directors approved special compensation to directors and officers granting 1,250,000 options to purchase common shares Each option is exercisable into one common share until the date that is the earlier of: (a) five years from the date that company completes a public listing; or (b) six years from the date of grant at an exercise price of $0.50. Based on the Black-Scholes pricing model, these options had an estimated fair value of $562,500 which vested immediately. (Assumptions used were as follows: expected volatility – 293.86%, risk-free interest rate – 1.38%, expected dividend yield – 0% and expected life of 6 years).

On June 25, 2015 the Board of Directors approved special compensation to consultants granting 80,000 options to purchase common shares Each option is exercisable into one common share until the date that is the earlier of: (a) five years from the date that company completes a public listing; or (b) six years from the date of grant at an exercise price of $0.50. Based on the Black-Scholes pricing model, these options had an estimated fair value of $36,000 which vested immediately. (Assumptions used were as follows: expected volatility – 293.62%, risk-free interest rate – 1.54%, expected dividend yield – 0% and expected life of 6 years).

On August 25, 2015 the Board of Directors approved special compensation to consultants granting 100,000 options to purchase common shares Each option is exercisable into one common share until the date that is the earlier of: (a) five years from the date that company completes a public listing; or (b) six years from the date of grant at an exercise price of $0.50. Based on the Black-Scholes pricing model, these options had an estimated fair value of $45,000 which vested immediately. (Assumptions used were as follows: expected volatility – 293.62%, risk-free interest rate – 1.54%, expected dividend yield – 0% and expected life of 6 years).

9. Related party transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

Companies owned and/or controlled by certain directors of the Company provided services or sale of items of property and Equipment which are included in the financial statements as follows:

	3 Months Ended September 30, 2015	3 Months Ended September 30, 2014
Expenses:		
Research and Development	$10,100	-
Rent	$20,340	$20,340

	3 Months Ended September 30, 2015	3 Months Ended September 30, 2014
Assets:		
Additions to Leasehold improvements	-	-
Additions to IT and related equipment	-	-

9. Related party transactions (continued)

As at September 30 and March 31, 2015 there are no outstanding payables to related companies.

10. Commitments

As at September 30, 2015 and 2014 the company has no significant contractual obligations or commitments (See Note 11a).

11. Subsequent events

a) On October 2, 2015 a service provider of the company accepted a deferral of a portion of $100,000 of its outstanding payable to be paid before December 31, 2016.