

Unaudited Condensed Interim Financial Statements

BRADMER PHARMACEUTICALS INC.

Six month periods ended June 30, 2017 and 2016
(All Amounts Expressed in United States dollars)

BRADMER PHARMACEUTICALS INC.

Condensed Interim Statements of Financial Position

As at

(All amounts expressed in United States dollars)

	Note	June 30, 2017	December 31 2016
Assets			
Current assets			
Cash		\$ 334,263	\$ 413,894
Amounts receivable		3,059	3,413
Prepaid expenses		6,086	1,176
Total assets		\$ 343,408	\$ 418,483
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	12	\$ 23,850	\$ 36,759
Shareholders' Equity			
Share capital	6	1,769,440	1,710,138
Contributed surplus	8	1,955,285	1,889,755
Accumulated other comprehensive income		781,668	895,332
Deficit		(4,186,835)	(4,113,501)
Total shareholders' equity		319,558	381,724
Total liabilities and shareholders' equity		\$ 343,408	\$ 418,483

Nature of Operations (Note 1)

Notice to Readers (Note 3)

Commitments (Note 13)

Approved on behalf of the Board:

"Dale Boden"

Dale Boden, Director

"Charles Lilly"

Charles Lilly, Director

See accompanying notes

BRADMER PHARMACEUTICALS INC.

Condensed Interim Statements of Comprehensive Income

(All amounts expressed in United States dollars)

	Six Months Ended June 30		Three Months Ended June 30	
	2017	2016	2017	2016
Expenses				
General and administrative	\$ 60,520	\$ 68,778	\$ 32,306	\$ 42,330
Other Income				
Interest	56	58	29	29
Foreign exchange (loss)/income	(12,870)	(25,346)	(7,705)	330
Loss for the period	(73,334)	(94,066)	(39,982)	(41,971)
Other comprehensive (loss)/income	(113,664)	(193,340)	(82,866)	10,231
Comprehensive (loss) for the period	\$ (186,998)	\$ (287,406)	\$ (122,848)	\$ (31,740)
Loss per share				
Basic and diluted (Note 9)	\$ 0.004	\$ 0.005	\$ 0.002	\$ 0.002
Weighted average number of shares outstanding	19,659,726	19,659,726	19,659,726	19,659,726

See accompanying notes

BRADMER PHARMACEUTICALS INC.

Condensed Interim Statements of Changes in Shareholders' Equity

For the six months ended June 30

(All amounts expressed in United States dollars)

		Share capital			Accumulated		Total
	Number of	Amount	Contributed		Other	Deficit	Shareholders'
	shares		surplus		Comprehensive		equity
					Income/ (Loss)		
Balance, January 1, 2016	19,659,726	\$ 1,659,105	\$1,833,363	\$	985,568	\$ (3,977,951)	\$ 500,085
Foreign currency translation adjustment	-	105,982	117,113		(193,340)	-	29,755
Loss for the period	-	-	-		-	(94,066)	(94,066)
Balance, June 30, 2016	19,659,726	\$ 1,765,087	\$ 1,950,476	\$	792,228	\$ (4,072,017)	\$ 435,774
Balance, January 1, 2017	19,659,726	\$ 1,710,138	\$ 1,889,755	\$	895,332	\$ (4,113,501)	\$ 381,724
Foreign currency translation adjustment	-	59,202	65,530		(113,664)	-	11,168
Loss for the period	-	-	-		-	(73,334)	(73,334)
Balance, June 30, 2017	19,659,726	\$ 1,769,440	\$ 1,955,285	\$	781,668	\$ (4,186,835)	\$ 319,558

See accompanying notes

BRADMER PHARMACEUTICALS INC.

Condensed Interim Statements of Cash Flows

For the six months ended June 30

(All amounts expressed in United States dollars)

	2017	2016
Cash flows from operating activities		
(Loss) for the period	\$ (73,335)	\$ (94,066)
Adjustments for:		
Foreign currency translation adjustment	10,892	18,367
	(62,442)	(75,699)
Change in non-cash operating items		
Amounts receivable	354	(349)
Prepaid expenses	(4,910)	(4,803)
Accounts payable and accrued expenses	(12,909)	4,109
	(79,907)	(76,742)
Effect of exchange rate fluctuations on cash held	276	11,388
Decrease in cash	(79,631)	(65,354)
Cash at beginning of period	413,894	520,758
Cash at end of period	\$ 334,263	\$ 455,404

See accompanying notes

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

1. NATURE OF OPERATIONS

Bradmer Pharmaceuticals Inc. ("Bradmer" or the "Company") is a public company incorporated under the Business Corporations Act (Ontario).

The Company is currently seeking a business transaction. Apart from the balance of accounts payable and accrued liabilities, there are currently no material outstanding bills or contract related liabilities and the Company envisions minimal spending until it enters into a transaction.

The common shares of Bradmer were delisted from the Toronto Stock Exchange ("TSX") on March 26, 2010, and were listed on the NEX Board of the TSX Venture Exchange on March 29, 2010.

The office address of the Company is Wildeboer Dellelce Place, Suite 800, 365 Bay St., Toronto, Ontario, M5H 2V1, Canada.

These financial statements were approved and authorized for issuance by the Board of Directors on August 1, 2017.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

(a) Statement of compliance

The condensed interim financial statements of the Company comply with International Financial Reporting Standards ("IFRS") and *IAS 34 Interim Financial Reporting*.

(b) Functional and presentation currency

The financial statements are presented in United States ("US") dollars. The functional currency of the Company is Canadian dollars.

3. NOTICE TO READERS OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating as such.

The Company's independent auditors, Collins Barrow Toronto LLP, have not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada ("CPA Canada") for a review of interim financial statements by an entity's auditor.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these financial statements, unless otherwise indicated.

(a) Foreign currency translation

Functional currency, as described in IAS 21 the Effects of Changes in Foreign Exchange Rates, is the currency of the primary economic environment in which the Company operates. The presentation currency is US dollars to anticipate a potential transaction with a US Company. In accordance with IAS 1 Presentation of Financial Statements, comparative information is also presented in US dollars.

Transactions which are denominated in other currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. The carrying values of monetary assets and liabilities denominated in foreign currencies are adjusted at each statement of financial position date to reflect exchange rates prevailing at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period adjusted for effective interest and payments during the period, and the amortized cost in the foreign currency translated at the exchange rate at the end of the period. Foreign exchange gains and losses are recognized in earnings. On the translation from the functional currency to the presentation currency, statements of financial position accounts including share capital and contributed surplus are translated using the exchange rate on the reporting date, except for deficit which is translated at the historical rate and income and expenses which are translated at exchange rates at the dates of the transactions. Resulting exchange differences are recognized in other comprehensive income.

(b) Revenue recognition

Revenue arising from cash yielding interest is recognized when reasonable assurance exists regarding measurement and collectability, resulting in interest being recognized on a time-proportion basis. Fees from advisory services are recognized as services are provided.

(c) Share-based payment

The Company maintains a stock option incentive plan described in Note 7 that grants purchase options on its common shares to employees, directors, officers and consultants of the Company. The purpose of the stock option plan is to align management interests with those of shareholders by providing an additional incentive to improve company performance and increase the share price on a long-term basis. The grant of stock options represents a benefit given to management and directors and constitutes additional compensation borne by the Company. This is valued at the fair value of the Company's stock options. The compensation expense is equal to the value of the option at grant date, measured using the Black-Scholes model. This compensation paid is recorded in expenses with a corresponding increase in contributed surplus, and recognized over the vesting period of the benefit granted. Share-based payments to non-employees are measured at the date the Company obtains the goods or the counterparty renders service.

For equity settled share-based payment transactions, the Company measures goods or services received, directly at their fair value, unless that fair value cannot be estimated reliably, in which case the Company measures their value by reference to the fair value of equity instruments granted.

For awards with graded vesting, the fair value of each tranche is recognized over its respective vesting period. At each reporting date, the Company reassesses its estimates of the number of awards that are expected to vest and recognizes the impact of any revision in the statement of comprehensive income with a corresponding adjustment to equity.

Any consideration received on exercise of stock options is credited to share capital.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Earnings/Loss per share

Earnings/loss per common share is calculated by dividing the net earnings/loss for the period by the weighted average number of common shares outstanding during the period. Diluted per share amounts do not differ from basic share amounts as the effect of outstanding options is anti-dilutive for all periods presented.

(e) Income taxes

The Company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases ("temporary differences") and loss carryforwards. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is generally recognized in income in the period that includes the date of substantive enactment. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(f) Financial Instruments

Financial assets:

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss whose transaction costs are expensed.

Financial assets are classified into the following categories: financial assets 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets classified as FVTPL are subsequently measured at fair value with any resultant gain or loss recognized in profit and loss. Financial assets classified as available for-sale are subsequently measured at fair value with any resultant gain or loss being recognized directly under other comprehensive income. Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. When available-for-sale financial assets are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss.

Financial assets classified as loans and receivables and held to maturity, are subsequently measured at amortized cost using the effective interest rate method.

Financial liabilities:

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities:

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant year. The effective interest rate is the rate that exactly

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Financial Instruments (cont'd)

discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

De-recognition of financial liabilities:

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Company's financial instruments consist of the following:

<u>Financial Instrument</u>	<u>Classification</u>
Cash and amounts receivable	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

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

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs). As of June 30, 2017 and December 31, 2016, none of the Company's financial instruments other than cash is recorded at fair value on the statements of financial position. Cash is considered to be a level 1 investment on the fair value hierarchy.

(g) Comprehensive income:

Comprehensive income, composed of income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income includes foreign currency translation adjustments net of related income taxes. The components of comprehensive income are disclosed in the statements of comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income which is presented as a category in shareholders' equity.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Future change in accounting policies

The following standard has been issued but is not yet effective:

IFRS 9 Financial Instruments was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. 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. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The effective date of IFRS 9 was deferred to years beginning on or after January 1, 2018. Earlier application is permitted.

The Company is currently evaluating the impact of IFRS 9 on its financial statements-

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires the Company's management to make certain estimates and assumptions that they consider reasonable and realistic.

Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions which could impact the reported amount of the Company's assets, liabilities, equity or earnings. These estimates and assumptions relate to recognition of deferred taxes.

6. SHARE CAPITAL

Authorized

Unlimited voting common shares without par value

Unlimited preferred shares, issuable in series

Issued common shares:	Number	Amount
Balance, January 1, 2016	19,659,726	\$ 1,659,105
Foreign currency translation adjustment	-	51,033
Balance, December 31, 2016	19,659,726	\$ 1,710,138
Foreign currency translation adjustment	-	59,202
Balance June 30, 2017	19,659,726	\$ 1,769,440

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

7. SHARE-BASED PAYMENT

The Company has a stock option plan (the "Plan"), which provides employees, directors, officers and consultants of the Company with the opportunity to acquire common shares of the Company through the exercise of stock options. Stock options granted under the Plan are limited to a maximum term of ten years with generally a vesting of one-third on each anniversary of the award.

A summary of the status of the Company's Plan is as follows:

	Number of stock options	Weighted average exercise price
Outstanding, June 30, 2017 and December 31, 2016	1,950,000	\$ 0.11Cdn

At June 30, 2017, 1,950,000 (December 31, 2016 – 1,950,000) options are fully vested and exercisable.

The Company has assumed a nil forfeiture rate. As required under IFRS, the estimates of the number of equity-settled awards that vest are adjusted to the actual numbers that vest, unless forfeitures are due to market-based conditions.

The Plan is based on a rolling percentage of options issuable of up to 10% of the Company's outstanding common shares. As of June 30, 2017 and December 31, 2016, the Company had 19,659,726 common shares issued and outstanding resulting in authorization to issue a maximum 1,965,972 options under the Plan.

The following table summarizes stock options outstanding and exercisable at June 30, 2017:

Exercise price	Number of common shares	Options outstanding and exercisable		
		Weighted average remaining contractual life	Weighted average exercise price	Expiry date
\$ 0.10Cdn	1,500,000	4.1	\$ 0.10Cdn	July 21, 2021
0.16Cdn	450,000	2.0	0.16Cdn	June 25, 2019
	1,950,000	3.6	\$ 0.11	

The estimated fair value of options granted to the Company's employees, directors and consultants is calculated at the grant date and amortized in an accelerated format over the vesting year of the options. The fair value of non-employee awards is estimated on the date when goods or services are received at the value of the options awarded as the fair value of goods and services received could not be reliably measured.

There were no stock option awards during the six month periods ended June 30, 2017 and 2016.

The above options were not included in the computation of diluted net loss per share (Note 9) as they were anti-dilutive for all periods presented.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

8. CONTRIBUTED SURPLUS

Balance, January 1, 2016	\$ 1,833,363
Foreign currency translation adjustment	56,392
Balance, December 31, 2016	\$ 1,889,755
Foreign currency translation adjustment	65,530
Balance June 30, 2017	\$ 1,955,285

9. NET LOSS PER COMMON SHARE

The following table sets forth the computation of net loss per common share.

Six months ended June 30	2017	2016
Loss for the period	\$ 73,334	\$ 94,066
Weighted average number of common shares outstanding	19,659,726	19,659,726
Loss for the period per common share	\$ 0.004	\$ 0.005

10. CAPITAL MANAGEMENT

The Company's primary objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company does not plan to raise additional funds through the issuance of equity and warrants, but will continue to explore business development opportunities.

The Company includes equity, comprised of issued share capital, contributed surplus and deficit, in the definition of capital. In its capital structure, the Company considers its stock option plans for key employees and officers.

The Company is not subject to any capital requirements imposed by a regulator and there has been no change with respect to the overall capital risk management strategy during the six months ended June 30, 2017.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk disclosures

Exposure to credit, interest rate and currency risks arises in the normal course of the Company's business.

Interest rate risk

The Company has no significant exposure to interest rate risk as the level of cash held by the Company does not meet the threshold for the payment of interest by the Company's primary bank.

Foreign currency risk

The Company is exposed to foreign currency risk on transactions that are denominated in a currency other than the CDN\$ as well as financial assets and liabilities, primarily cash, denominated in foreign currencies of \$325,000 (Cdn\$422,000). The currency giving rise to this risk is the US\$.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

June 30, 2017 and 2016

(All amounts expressed in United States dollars unless otherwise stated)

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Credit risk (cont'd)

The maximum exposure to credit risk of the Company at year-end is the carrying value of its cash.

The Company manages credit risk by maintaining bank accounts with Schedule I banks in Canada and major banks in the United States and investing only in cash. Cash totaling \$229,000 (December 31, 2016 - \$309,000) is held with one Canadian chartered bank. The Company's cash is not subject to any external restrictions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

As at June 30, 2017, the Company has accounts payable and accrued expenses of approximately \$24,000 due within 12 months and has cash of approximately \$334,000 to meet its current obligations. As a result, the Company has minimal liquidity risk at this time.

Sensitivity analysis

In managing currency risks the Company aims to reduce the impact of short-term fluctuations on the earnings. Over the longer-term, however, permanent changes in foreign exchange would have an impact on earnings.

12. RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2017, the Company incurred legal fees of approximately \$17,800 (2016 - \$20,000) to a law firm, Wildeboer Dellelce LLP ("WD"), a partnership in which one of the partners was a director of the Company until July 2013 and has continued as a consultant to the Company. Such transactions were conducted under normal business terms. Included in accounts payable and accrued liabilities as at June 30, 2017 is \$6,200 (December 31, 2016 - \$7,900) owing to this firm.

The Company also paid fees to Wildlaw Capital Markets Inc. ("WCM"), a related company of WD by virtue of the partners of WD also being beneficial shareholders of WCM, for financial and administrative services in the amount of \$27,000 during the six months ended June 30, 2017 (2016 - \$27,000). Included in accounts payable and accrued liabilities as at June 30, 2017 is \$9,200 (December 31, 2016 - \$13,400) owing to this firm.

Key Management Compensation

Key management includes Chief Executive Officer, Chief Financial Officer and directors. The compensation paid or payable to key management is shown below in Cdn\$:

Six months ended June 30	2017	2016
	\$ 36,000	\$ 36,000

13. COMMITMENTS

Financial and Administrative Services

Effective July 1, 2011, Bradmer entered into an agreement with WCM to provide financial and administrative services for Cdn\$6,000 per month. This agreement was in force until December 31, 2016. The agreement may be extended or renewed by mutual agreement of the parties. The agreement was not renewed on December 31, 2016.

BRADMER PHARMACEUTICALS INC.

Notes to the Condensed Interim Financial Statements

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(All amounts expressed in United States dollars unless otherwise stated)

13. COMMITMENTS (cont'd)

Financial Advisory Services

On August 11, 2011, Bradmer entered into an agreement with WCM as its exclusive financial advisor (i) in respect of any potential business transactions, including a merger, acquisition or reverse takeover; (ii) to complete a review of the Company's current capital market strategy; and (iii) to provide advice with respect to the financing of any transaction. This agreement was in force until December 31, 2016. The agreement may be extended or renewed by mutual agreement of the parties.

As consideration for WCM providing the services hereunder, the Company agreed to pay to WCM in cash, equity or a combination of the two, a fee equal to:

- (a) if the gross value of the transaction is Cdn\$100 million or less, an amount that is 3% of the gross value of such transaction; or
- (b) if the gross value of the transaction is greater than Cdn\$100 million but not in excess of Cdn\$200 million, an amount that is equal to 2% of the gross value of the transaction; or
- (c) if the gross value of the transaction is greater than Cdn\$200 million, an amount that is equal to 1% of the gross value of the transaction.

If the transaction is not completed because an alternative transaction is entered into by the Company, the Company shall pay to WCM, in cash, a fee equal to Cdn\$100,000, together with all of WCM's expenses and disbursements incurred to the date of such agreement or transaction.

The agreement was not renewed on December 31, 2016.