

Pounder Venture Capital Corp.
(A Capital Pool Corporation)

Interim Condensed Financial Statements

For the three month periods ended March 31, 2015 and 2014

Pounder Venture Capital Corp.
(A Capital Pool Corporation)

Interim Condensed Financial Statements

March 31, 2015

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Unaudited Interim Condensed Financial Statements

Responsibility for interim condensed financial statements

Pounder Venture Capital Corp.'s interim condensed financial statements have been prepared by management in accordance with International Financial Reporting Standards consistently applied. These interim statements are presented on the accrual basis of accounting. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Corporation is responsible for both the integrity and objectivity of the interim condensed financial statements, management is satisfied that these interim condensed financial statements have been fairly presented.

Auditor involvement

The auditor of Pounder Venture Capital Corp. has not performed a review of the unaudited interim condensed financial statements for the three month periods ending March 31, 2015 and 2014.

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Interim Condensed Statements of Financial Position

As at,		March 31, 2015	December 31, 2014
Assets			
Current assets			
Cash	\$	23,465	\$ 284,991
Accounts receivable		3,475	3,475
	\$	26,940	\$ 288,466
Equity and Liabilities			
Current liabilities			
Accounts payable and accrued liabilities (note 7)	\$	255,284	\$ 240,947
Subscription liability (note 11)		-	270,000
		255,284	510,947
Equity (Deficit)			
Share capital (note 5)		739,511	739,511
Reserves (note 6)		79,200	79,200
Deficit		(1,047,055)	(1,041,192)
		(228,344)	(222,481)
	\$	26,940	\$ 288,466

Nature and continuance of operations (note 2)**Approved by the Board of Directors on May 28, 2015:**(signed) "Thomas A. Patterson", Director(signed) "Steven M. Mintz", Director

Pounder Venture Capital Corp.

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Statements of Loss and Comprehensive Loss

**For the three months ended
March 31,**

	2015	2014
Expenses		
General and administrative	\$ 488	\$ 1,853
Listing and filing fees	3,646	2,294
Business investigation costs	-	81,540
Consulting fees	-	13,711
Professional fees	1,729	3,558
Net loss and comprehensive loss	\$ (5,863)	\$ (102,956)
Net loss per share – basic and diluted	\$ (0.00)	\$ (0.01)
Weighted average number of shares outstanding	7,147,690	7,147,690

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Statements of Equity (Deficit)

For the years ended		Share capital		Reserves		Deficit		Total equity (deficit)
Balance at December 31, 2013	\$	739,511	\$	79,200	\$	(566,323)	\$	252,388
Total comprehensive loss		-		-		(102,956)		(102,956)
Balance at March 31, 2014	\$	739,511	\$	79,200	\$	(669,279)	\$	149,432
Total comprehensive loss		-		-		(371,913)		(371,913)
Balance at December 31, 2014	\$	739,511	\$	79,200	\$	(1,041,192)	\$	(222,481)
Balance at December 31, 2014	\$	739,511	\$	79,200	\$	(1,041,192)	\$	(222,481)
Total comprehensive loss		-		-		(5,863)		(5,863)
Balance at March 31, 2015	\$	739,511	\$	79,200	\$	(1,047,055)	\$	(228,344)

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Statements of Cash Flows

**For the three months ended
March 31,****2015****2014**

Cash provided by (used in):**Operating activities**Net loss \$ **(5,863)** \$ (102,956)

Non-cash working capital items

Accounts receivable - -

Accounts payable and accrued liabilities **14,337** 13,793

8,474 (89,163)

Financing activitiesRepayment of subscription proceeds **(270,000)** -

Decrease in cash **(261,526)** (89,163)**Cash, beginning of year** **284,991** 284,278

Cash, end of period \$ **23,465** \$ 195,115

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Notes to the Interim Condensed Financial Statements

March 31, 2015 and 2014

1. Incorporation

Pounder Venture Capital Corp. (the "Corporation") was incorporated under the Business Corporation Act (Alberta) on September 17, 2009 and is classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange").

The address of the Corporation's registered and head office is P.O. Box 77042 RPO HWY.7, Markham, Ontario, L3P 0C8.

2. Nature and continuance of operations

The Corporation's principal business activity is to identify and evaluate opportunities for an acquisition of an asset, assets or a business that will meet the definition of a "Qualifying Transaction" ("QT") as defined in Policy 2.4 of the Exchange.

These financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") with the assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Corporation's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of an interest in properties, assets or businesses which qualifies as a QT. Such an acquisition will be subject to regulatory approval and maybe subject to shareholder approval.

The Corporation was unable to complete such a transaction prior to the deadline, as a result, on April 2, 2012, the Corporation transferred to the NEX of the Exchange. The Corporation is currently investigating potential transactions and is attempting to raise sufficient funds through a private placement in order to continue operations.

Should the Corporation be unable to ability to raise sufficient financing to maintain operations and then be unable to complete a QT, the Corporation may be unable to realize on the carrying value of its net assets.

These factors cast significant doubt about the Corporation's ability to continue as a going concern. Management is actively pursuing a private placement subsequent to year end.

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3. Summary of significant accounting policies

Basis of presentation

These unaudited interim condensed financial statements for the three months ended March 31, 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Specifically they have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*. The unaudited interim condensed financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2014 which have been prepared in accordance with IFRS.

The policies applied in these financial statements are based on IFRS issued and outstanding as of May 28, 2015, the date the Board of Directors approved the statements.

The significant accounting policies used in the preparation of these unaudited interim condensed financial statements are described in Note 3 of the audited financial statements for the year ended December 31, 2014. There have been no changes since December 31, 2014.

(a) Future accounting pronouncements

The following pronouncements and amendments are effective for annual periods beginning on or after January 1, 2015 unless otherwise stated. Adopting these standards is expected to have minimal or no impact on the consolidated financial statements.

- i) IFRS 9 - Financial Instruments: is intended to replace IAS 39 Financial Instruments: Recognition and Measurement and uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing multiple rules in IAS 39. For financial liabilities designated at fair value through profit or loss, a Company can recognize the portion of the change in fair value related to the change in the Company's own credit risk through other comprehensive income (loss) rather than profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39, and incorporates new hedge accounting requirements. The new standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is currently assessing the potential impact of the adoption of IFRS 9 on the Company's financial statements.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have material impact on the Corporation.

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Notes to the Interim Condensed Financial Statements

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4. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities as of March 31, 2015 and December 31, 2014 consists of the following:

	March 31, 2015	December 31, 2014
Trade accounts payable	\$ 212,134	\$ 174,731
Accrued liabilities	43,150	66,216
	\$ 255,284	\$ 240,946

5. Share capital**Authorized**

Unlimited number of common shares

Unlimited number of preferred shares, issuable in series

Issued and outstanding common shares:

	March 31, 2015		December 31, 2014	
	Number	Amount	Number	Amount
Balance, beginning of year	7,147,690	\$ 739,511	7,147,690	\$ 739,511
Issuance of share capital	-	-	-	-
Share issue costs	-	-	-	-
Balance, end of year	7,147,690	\$ 739,511	7,147,690	\$ 739,511

During the three months ended March 31, 2015 and year ended December 31, 2014, there were no share capital transactions.

Escrow

The Corporation has 3,245,000 (December 31, 2014 – 3,245,000) common shares subject to an escrow agreement whereby 10% of the shares will be released upon completion and approval of the Corporation's qualifying transaction. An additional 15% of the escrowed common shares will be released on each 6 month anniversary thereafter unless otherwise permitted by the Exchange.

Common shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions.

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6. Reserves**Share option plan**

The Corporation has adopted an incentive share option plan which provides that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of completion of the IPO. Such options will be exercisable up to five years from the date of grant. The fair value of each option grant will be estimated on the date of grant using the Black-Scholes option pricing model.

Notwithstanding anything to the contrary in the share option plan, any options granted prior to the issuance of a final exchange bulletin must comply with the CPC Policy, including without limitation the restriction from granting options prior to the completion of the Qualifying Transaction to optionees providing investor relations services to the Corporation.

Any common shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

A summary of the reserves as at December 31, 2014 and 2013, and the changes during the years then ended is as follows:

	March 31, 2015		December 31, 2014	
	Number of options	Fair value recorded	Number of options	Fair value recorded
Balance, beginning of year	519,769	\$ 79,200	755,784	\$ 79,200
Expiry of stock options	-	-	(195,000)	-
Expiry of finders warrants	-	-	(41,015)	-
Balance, end of year	519,769	\$ 79,200	519,769	\$ 79,200

The Corporation announced on July 26, 2013, the granted of 519,769 stock options to two of its directors. The options have an exercise price of \$0.10 per share and will expire on July 24, 2018 and vested in full on issuance.

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7. Related party transactions

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount which is the amount of consideration established and approved by the related parties. The following related party transactions were incurred during the years ended December 31, 2014 and 2013:

During the year ended December 31, 2014, financing and consulting costs of \$97,039 (2013 - \$nil) were paid to a Company for which a director is Chairman. The costs were in relation to the concurring private placement for the potential Qualifying Transaction that was abandoned after year end. As of December 31, 2014, \$51,839 (2013 - \$nil) is included in accounts payable and accrued liabilities.

During the year ended December 31, 2014, accounting services of \$6,968 (2013 - \$nil) were paid to a Company of a shareholder. As of December 31, 2014, all amounts were full paid.

There were no related party transactions during the three months ended March 31, 2015.

8. Capital management

The Corporation's objectives when managing capital which has not changed during the three months ended March 31, 2015 and year ended December 31, 2014 are:

- To safeguard the Corporation's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

In the management of capital, the Corporation includes equity in the definition of capital. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Pursuant to Exchange policies, the maximum amount of cash the Corporation may spend for purposes other than identifying and evaluating assets or business projects is the lower of 30% of the gross proceeds raised from the issuance of shares or \$210,000. For the Corporation, the maximum amount is \$210,000.

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9. Financial instruments

As at March 31, 2015 and December 31, 2014 the Corporation's financial instruments are cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The amounts reflected in the statement of financial position are carrying amounts and approximate their fair values due to the short-term nature and negligible credit losses. These financial instruments are classified as follows:

- Cash and cash equivalents, level 1 fair value measurement
- Accounts payable and accrued liabilities – other financial liability

The Corporation does not use derivative instruments or hedges to manage risks because the Corporation's exposure to credit risk, interest rate risk and currency risk is small.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's cash and cash equivalents is exposed to credit risk, however the risk is deemed small because the counterparty is a highly rated bank. The Corporation's accounts receivable is exposed to credit risk, however the risk is deemed small because of the credit worthiness of the counterparty.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's cash and cash equivalents are exposed to interest rate risk as the Corporation invests cash and cash equivalents at floating rates of interest in highly liquid instruments. Fluctuations in interest rates impact the value of cash and cash equivalents.

c) Currency risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's exposure to currency risk is negligible because all of the Corporation's operations and transactions are in one country, being Canada, with all monetary assets in Canadian dollars.

d) Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation's accounts payable and accrued liabilities are all current and due within 90 days of the statement of financial position date. The Corporation ensures that it has sufficient capital to meet short term financial obligations after taking into account cash and cash equivalents on hand.