

ORD MOUNTAIN RESOURCES CORP.

FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Ord Mountain Resources Corp.

We have audited the accompanying financial statements of Ord Mountain Resources Corp. (the "Company"), which comprise the statements of financial position as at February 28, 2017 and February 29, 2016, the statements of comprehensive loss, cash flows, and changes in equity for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company'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 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 financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2017 and February 29, 2016, and its financial performance and 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 financial statements which describes the material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Vancouver, BC, Canada
June 28, 2017



Chartered Professional Accountants

ORD MOUNTAIN RESOURCES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

As at	Notes	February 28, 2017	February 29, 2016
ASSETS			
Current			
Cash and cash equivalents		\$ 13,201	\$ 70,130
Restricted cash	4	50,000	-
Sales tax receivable		4,252	1,226
Total assets		\$ 67,453	\$ 71,356
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable	7	\$ 70,961	\$ 9,238
Deposit	4	50,000	-
Total liabilities		120,961	9,238
Shareholders' Equity			
Share capital	9	405,452	405,452
Contributed surplus		64,061	64,061
Deficit		(523,021)	(407,395)
Total shareholders' equity		(53,508)	62,118
Total liabilities and shareholders' equity		\$ 67,453	\$ 71,356

Nature of Operations and Going Concern (Note 1)

Subsequent Events (Note 11)

On behalf of the Board:

"Gong (Michael) Chen"

Gong (Michael) Chen
Director

"Steve Paquin"

Steve Paquin
Director

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

ORD MOUNTAIN RESOURCES CORP.
STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Year ended February 28, 2017		Year ended February 29, 2016	
Expenses				
Accounting and audit	\$	15,836	\$	9,630
Administration		6,000		6,000
Bank service charges and interest		218		60
Filing fees		6,679		6,679
Legal fees		77,208		7,642
Meals and entertainment		52		62
Office supplies and office expenses		1,302		741
Transfer agents services		8,145		5,927
Travel expenses		186		73
Total Expenses	\$	115,626	\$	36,814
Net loss and comprehensive loss for the year		(115,626)		(36,814)
Deficit, beginning of the year		(407,395)		(370,581)
Deficit, end of the year	\$	(523,021)	\$	(407,395)
Basic and diluted loss per share	\$	(0.05)	\$	(0.02)
Weighted average number of common shares outstanding		2,370,000		2,370,000

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

ORD MOUNTAIN RESOURCES CORP.

(A Capital Pool Company)

STATEMENTS OF CASH FLOW

(Expressed in Canadian Dollars)

	Year ended February 28, 2017	Year ended February 29, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the year	\$ (115,626)	\$ (36,814)
Changes in non-cash operating working capital:		
Sales tax receivable	(3,026)	(95)
Restricted cash	(50,000)	-
Accounts payable and accrued liabilities	61,723	7,279
Deposit	50,000	-
Net cash flows used in operating activities	(56,929)	(29,630)
DECREASE IN CASH AND CASH EQUIVALENTS	(56,929)	(29,630)
Cash and cash equivalents, beginning of the year	70,130	99,760
Cash and cash equivalents, end of the year	\$ 13,201	\$ 70,130
Supplemental disclosure with respect to cash flow		
Interest paid in cash	\$ -	\$ -
Interest received in cash	\$ -	\$ -
Income tax paid in cash	\$ -	\$ -

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

ORD MOUNTAIN RESOURCES CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Capital Stock		Contributed		Total
	Shares	Amount	Surplus	Deficit	Shareholders' Equity
Balance, February 28, 2015	2,370,000	\$ 405,452	\$ 64,061	\$(370,581)	\$ 98,932
Net loss for the year				(36,814)	(36,814)
Balance, February 29, 2016	2,370,000	\$ 405,452	\$ 64,061	\$(407,395)	\$ 62,118
Net loss for the year				(115,626)	(115,626)
Balance, February 28, 2017	2,370,000	\$ 405,452	\$ 64,061	\$(523,021)	\$ (53,508)

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

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on January 7, 2010 under the *Business Corporations Act* (British Columbia) and is a Capital Pool Company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange"). The Company's prospectus, dated May 7, 2010 was filed and accepted by the Exchange and the British Columbia and Alberta Securities Commissions effective May 12, 2010 pursuant to the provisions of the British Columbia and Alberta Securities Acts. The common shares of the Company were listed on the Exchange effective at the opening of trading on Friday, May 28, 2010.

The Company was initially registered using the name of Silverland Capital Corp. On December 24, 2010, the Company changed its name from Silverland Capital Corp. to Sino Environ-Energy Tech Corp. and continued out of British Columbia and into Cayman Island as its corporate jurisdiction. On December 16, 2011, the Company changed its name from Environ-Energy Tech Corp. to Ord Mountain Resources Corp. The head office and principal address of the Company is located at 758 Riverside Drive, Unit 46, Port Coquitlam, British Columbia, Canada V3B 7V8.

The Company did not complete its Qualifying Transaction within the prescribed time frame and in accordance with the TSX Venture Exchange (the "Exchange") Policy 2.4., the Company's tier classification was changed from Tier 2 to NEX effective June 1, 2012.

The Company has not generated any sales revenues and has incurred accumulated losses of \$523,021 since inception. In view of these conditions, the ability of the Company to continue as a going concern depends upon the injection of a successful project, achieving a profitable level of operations and also on the ability of the Company to obtain necessary financing to fund ongoing operations. The Company's ability to achieve these objectives cannot be determined at this time.

	February 28 2017	February 29 2016
Deficit	\$ (523,021)	\$ (407,395)
Working capital	\$ (53,508)	\$ 62,118

These Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's continuing operations as intended are dependent upon the Company's ability to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business. Such an acquisition will be subject to regulatory approval and may be also subject to shareholder approval. In order to continue as a going concern and meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to identify, obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. As such, there is material uncertainty related to these events and conditions that may cast significant doubt on the Company's ability to continue as a going concern.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Accounting Standard (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These Financial Statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these Financial Statements have been prepared using the accrual basis of accounting.

These Financial Statements were authorized to issue by the audit committee and Board of Directors of the Company on June 28, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure.

Judgment is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management’s estimates and judgment have been applied include:

- **Going Concern**
The Company’s ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as, expectations of future events that are believed to be reasonable under the circumstances.
- **Deferred taxes**
Deferred tax assets are recognized for all deductible temporary differences, to the extent it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. In addition, the valuation of tax credits receivable requires management to make judgments on the amount and timing of recovery.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional and Presentation Currencies

The Canadian dollar is both the Company's functional currency and presentation currency.

Share-based Payments

The fair value of the options granted to directors and employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the options are earned. Share-based payments to non-employees are measured at the grant date by using the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, the fair value of the equity instruments issued are recorded at the date the goods or services are received. The offset to the recorded cost is to contributed surplus. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus is transferred to share capital.

Income Taxes

Income tax expense 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, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences do not result in deferred tax assets or liabilities: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable income or loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Loss per Share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to calculate diluted earnings per share. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of conversions or exercise of options and warrants if they would be anti-dilutive.

Comprehensive Loss

Comprehensive loss is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. Certain gains and losses are presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings. The Company has no other comprehensive loss during the years ended February 28, 2017 and February 29, 2016.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less when purchasing. There were no cash equivalents as at February 28, 2017 and February 29, 2016.

Financial Instruments

Financial assets

Financial assets are classified into one of four categories:

- a) Fair value through profit or loss ("FVTPL");
- b) Held-to-Maturity ("HTM");
- c) Loans and receivables; and
- d) Available for sale ("AFS").

Financial assets at fair value through profit or loss ("FVTPL")

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss. The Company classified its cash and cash equivalents as FVTPL which is measured at fair value.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets (continued)

Held to maturity ("HTM")

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized costs using the effective interest method. If there is objective evidence that the asset 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 statements of comprehensive loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Available for sale ("AFS")

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 equity. 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 statements of comprehensive loss.

Financial liabilities

Financial liabilities are classified into one of two categories:

- a) Fair value through profit or loss; and
- b) Other financial liabilities

Fair value through profit or loss

This category comprises of derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with the changes in fair value recognized in the statements of comprehensive loss.

Other financial liabilities

This category includes accounts payable and deposit, which is recognized at amortized cost.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

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 impacted.

For all financial assets objective evidence of impairment could include:

- a) significant financial difficulty of the issuer or counterparty; or
- b) default or delinquency in interest or principal payments; or
- c) it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

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.

Capital Disclosures

The Company manages its capital, consisting of shareholders' equity, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analyzed by the management and approved by the board of directors.

The Company's objectives when managing capital are:

- a) to safeguard the Company's ability to continue as a going concern;
- b) to facilitate the completion of a corporate objectives.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity and monthly review of financial results. As disclosed previously, there are restrictions on the use of cash.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards and interpretations

New accounting standards effective March 1, 2016

(i) IAS 1 – Presentation of Financial Statements

In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements. This amendment does not have a significant impact on the Company's financial statements.

Accounting Standards Issued But Not yet Effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

Standard effective for annual periods beginning on or after January 1, 2018

(ii) IFRS 9 Financial Instruments

This is a finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39. The standard contains requirements in the following areas:

- Classification and measurement - Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk.
- Impairment - The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.
- Hedge accounting - Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- Derecognition - The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 with early adoption permitted, and must be applied retrospectively with some exemptions permitted. The Company does not anticipate this amendment to have a significant impact on its financial statements.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

4. QUALIFYING TRANSACTION

On June 22, 2016 the Company entered into a business combination agreement (the “Definitive Agreement”) with Penta 5 Packaging Inc. (“Penta 5”) and 1080199 B.C. Ltd., being a wholly owned subsidiary of the Company, (“Subco”) whereby the Company has agreed to acquire all of the issued and outstanding shares of Penta 5 (the “Transaction”). The Company is a capital pool company (“CPC”) and intends for the Transaction to constitute as a qualifying transaction under the TSX Venture Exchange (the “Exchange” or “TSX-V”) Policy 2.4 – Capital Pool Companies. Upon successful completion of the Transaction, The Company is expected to be a Tier 2 industrial issuer. Under the terms of the Definitive Agreement, each shareholder of Penta 5 will receive one common share of the Company at a deemed price of USD \$0.50 per share in exchange for each common share of Penta 5. The Transaction, if completed, will be structured as a three-cornered amalgamation whereby Penta 5 will amalgamate with Subco (the “Amalgamation”).

Completion of the Transaction is subject to certain conditions, including the following:

1. An interim non-brokered private placement consisting of (a) 1,000,000 shares of Penta 5 at a price of USD \$0.25 per share for gross proceeds of USD \$250,000, and (b) 1,000,000 shares of Penta 5 at a price of CAD \$0.25 per share for gross proceeds of CAD \$250,000;
2. a non-brokered private placement of 10,000,000 shares of Penta 5 at a price of USD \$0.50 per share for gross proceeds of USD \$5,000,000; and
3. the acquisition of Penta 5 USA and, in consideration of which, Penta 5 will issue 41,000,000 shares to the members of Penta 5 USA.

Following closing of the above financings of Penta 5 and its acquisition of Penta 5 USA, Penta 5 is expected to have issued and outstanding of 67,000,000 common shares. Immediately prior to the Amalgamation, the issued and outstanding common shares of the Company are expected to be 2,370,000. Following the Amalgamation, the issued and outstanding of the Company is expected to be 69,370,000.

The closing of the Transaction is expected to occur on the fifth business day following the date on which all of the conditions precedent to the completion of the transactions contemplated in the Definitive Agreement, but no later than September 30, 2016, or such other date as may be agreed to by the parties in writing.

Generally, each of the Company, Subco and Penta 5 agreed to bear its own respective professional fees and expenses incurred in connection with the Transaction. Penta 5 has paid CAD \$30,000 as a non-refundable deposit to the Company’s legal counsel in trust (the “Deposit”), which will be released to the Company in the event of the termination of the Definitive Agreement. In addition, in the event of the termination of the Definitive Agreement, Penta 5 agreed to be responsible for the payment of the fees and expenses of The Company’s legal counsel incurred in connection with the Continuation, i.e. change of the Company’s jurisdiction of incorporation from the Cayman Island to the province of British Columbia. As of February 28, 2017, CAD \$30,000 was received by the Company’s legal counsel in trust and the balance was recognized as the restricted cash and deposit.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

4. QUALIFYING TRANSACTION (continued)

On September 30, 2016, the Company entered into an amendment agreement (the "Amendment Agreement") to the Definitive Agreement with Penta 5 and 1080199 B.C. Ltd., whereby the parties agreed to extend the completion deadline to November 30, 2016 and Penta 5 agreed to pay an additional CAD \$20,000 as a non-refundable deposit to the Company, which will be held by the Company's legal counsel in escrow and released to the Company in the event of the termination of the Definitive Agreement, as amended. Such amount has been received by the Company's legal counsel as of year end.

In addition, pursuant to the Amendment Agreement, the definition of the "Interim Financing" was amended to mean the private placement financing of (i) 887,200 shares of Penta 5 at a price of USD \$0.25 per share for gross proceeds of USD \$221,800, and (ii) 1,810,000 shares of Penta 5 at a price of CAD \$0.25 per shares for gross proceeds of CAD \$452,500 and the definition of the "Transaction Financing" was amended to mean the private placement financing of 11,000,000 units of Penta 5 at a price of USD \$0.50 per unit for proceeds of USD \$5,500,000 with each unit consisting of one share of Penta 5 and one half of one share purchase warrant of Penta 5 (the "Penta 5 Warrant") entitling the holder to purchase one share of Penta 5 at a price of USD \$1.00 per share for a period of one year from the date of issue. The Amendment Agreement also provides that all Penta 5 Warrants outstanding as at the effective time of the amalgamation will be deemed to be amended to grant the holder the right to acquire a number of shares of the Company equal to the number of shares of Penta 5 that could previously be acquired pursuant to the Penta 5 Warrants with an exercise price equal to the exercise price of the Penta 5 Warrants for a period of one year from the date of issue of the Penta 5 Warrants.

On October 5, 2016, the additional CAD \$20,000 as non-refundable deposit was received, which will be held by the Company's legal counsel in escrow and released to the Company in the event of the termination of the Definitive Agreement, as amended.

On December 29, 2016, the Company announced that it has received conditional acceptance from the TSX Venture Exchange (the "Exchange") relating to its proposed reverse takeover with Penta 5 USA LLC. A filing statement prepared in accordance with the requirements of the Exchange in connection with the Transaction has been filed with the Exchange and the applicable Canadian securities regulators on SEDAR. Also see Note 11 for subsequent events.

5. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

As at February 28, 2017, the Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts payable and deposit. The fair values of cash and cash equivalent, restricted cash, accounts payable and deposit approximate their carrying values due to the relatively short-term to maturity. The fair value of cash and cash equivalents and restricted cash is based on level 1 inputs of the fair value hierarchy.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

6. FINANCIAL RISK MANAGEMENT

Credit risk

The Company is exposed to credit risk with respect to its cash.

The Company's maximum exposure to credit risk is its cash balance of \$13,201 (February 29, 2016 - \$70,130) and restricted cash of \$50,000 (February 29, 2016 - \$Nil).

The Company manages credit risk with respect to its cash by maintaining deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution. The restricted cash was held in trust by the Company's lawyers.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company has cash at February 28, 2017 in the amount of \$13,201 (February 29, 2016 - \$70,130). The Company believes it has the capability to raise further funds to discharge its liabilities.

At February 28, 2017, the Company had accounts payable of \$70,961 (February 29, 2016 - \$9,238), which are due in the short term (under 90 days).

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 risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a) Interest rate risk

Interest rate risk consists of two components:

To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate risk on cash and cash equivalents; and

To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

ORD MOUNTAIN RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the years ended February 28, 2017 and February 29, 2016

(Expressed in Canadian dollars)

6. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposure to foreign currency risk is minimal as most of its monetary assets and liabilities are denominated in Canadian dollars.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

There were no changes in the Company's approach to risk during the year ended February 28, 2017.

7. ACCOUNTS PAYABLE

The average credit period of purchases is 1 month. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The following is an aging analysis of accounts payable:

	Current	31 - 60 days	61 - 90 days	> 90 days	TOTAL
February 28, 2017	36,851	5,964	6,872	21,274	70,961
February 29, 2016	3,434	5,526	278	-	9,238

8. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders' equity. The Company has no debt obligations. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

The Company raises capital through the issuance of its capital stock to fund identification and evaluation of assets or a business for acquisition. Although the Company has been successful at raising funds in the past through issuance of common shares, there can be no assurance that it will continue to be able to do so in the future.

There were no changes to the Company's approach to capital management during the years ended February 28, 2017 and February 29, 2016.

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NOTES TO THE FINANCIAL STATEMENTS

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9. SHARE CAPITAL

- a) Authorized: Unlimited common shares with no par value
Unlimited preferred shares with no par value

- b) Issued and Outstanding:

Preferred shares – Nil

Common shares – 2,370,000 shares

- c) Escrow Shares

All of the common shares of the Company issued at less than \$0.20 per common share (being the price of the common shares sold pursuant to the Company's initial public offering as a Capital Pool Company), being the 1,200,000 common shares issued at \$0.10 per common share, were deposited in escrow pursuant to the terms of the Escrow Agreement, the form of which is prescribed by the Exchange, and will be released from escrow in stages over a period of up to three years after the date of Final Exchange Bulletin (issued for the completion of the Qualifying Transaction).

In connection with the Exchange Policy 2.4, 600,000 common shares of the Company purchased by the directors of the Company and held in escrow were cancelled effective May 29, 2012. As a result, 600,000 common shares remain to be held in escrow and to be released as follows:

In the event the Company becomes a Tier 2 issuer in accordance with the policies of the Exchange, the release of the common shares in escrow is as follows:

Release Dates	Percentage of Total Escrowed Securities to be Released	Total number of Escrowed Securities to be Released
Date of Final Exchange Bulletin	10%	60,000
6 months following the Final Exchange Bulletin	15%	90,000
12 months following the Final Exchange Bulletin	15%	90,000
18 months following the Final Exchange Bulletin	15%	90,000
24 months following the Final Exchange Bulletin	15%	90,000
30 months following the Final Exchange Bulletin	15%	90,000
36 months following the Final Exchange Bulletin	15%	90,000
Total	100%	600,000

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9. SHARE CAPITAL (continued)

c) Escrow Shares (continued)

In the event the Company becomes a Tier 1 issuer in accordance with the policies of the Exchange, the release of the common shares in escrow is as follows:

Release Dates	Percentage of Total Escrowed Securities to be Released	Total number of Escrowed Securities to be Released
Date of Final Exchange Bulletin	25%	150,000
6 months following the Final Exchange Bulletin	25%	150,000
12 months following the Final Exchange Bulletin	25%	150,000
18 months following the Final Exchange Bulletin	25%	150,000
Total	100%	600,000

d) Stock Options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX Venture Exchange (the "Stock Option Plan") which provides that the Board of Directors ("Board") of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company options to purchase common shares, provided that the number of shares reserved for the issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares, exercisable for a period and the exercise price to be determined by the Board at the time the option is granted.

There was no stock options outstanding at February 28, 2017 and February 29, 2016.

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10. RELATED PARTY TRANSACTIONS

Mr. Valent Chan was appointed chief financial officer & corporate secretary of the Company effective September 18, 2015. Mr. Chan received fees for administration services as follows:

	Year ended February 28, 2017	Year ended February 29, 2016
Administration	\$6,000	\$6,000
	\$6,000	\$6,000

Included in Accounts Payable, \$1,000 (February 29, 2016 - \$1,500) was due to the CFO as at February 28, 2017. There were no other related party transactions during the periods ended February 28, 2017 and 2016.

Other than related party transactions mentioned above, key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits.

11. SUBSEQUENT EVENTS

On March 29, 2017, the Company, announced that it had entered into an extension agreement with Penta 5 Packaging Inc. ("Penta 5") whereby the Company had agreed to extend the completion deadline for closing of the acquisition of Penta 5 (the "Transaction") to May 31, 2017 (the "Extension"). In consideration of the Extension, Penta 5 paid an additional non-refundable deposit of USD \$15,000 to the Company.

On May 5, 2017, the Company, announced that, further to its news release of March 29, 2017, it was advised by Penta 5 Packaging Inc. ("Penta5"), with whom Ord had entered into a business combination agreement as the Company's Qualifying Transaction, had engaged Giving Back Finance Inc. (the "Investor") to provide funding in the amount of USD \$5,400,000 (the "Financing") to satisfy the financing condition relating to the Qualifying Transaction. It was contemplated that after completion of the Qualifying Transaction, the Investor will also provide guidance to Penta5 on potential strategic joint ventures and potential partners in regards to the expansion and development of Penta5.

The Financing would consist of 18,000,000 units of Penta5 securities ("Units") at a price of USD \$0.30 per Unit for gross proceeds of USD \$5,400,000. Each Unit would consist of one common share of Penta 5 and one-half of one share purchase warrant (each a "Warrant"), with each whole Warrant entitling the holder to purchase one additional common share of Penta 5 at a price of \$0.60 per share for a period of one year from the date of issue. It was contemplated under the business combination agreement that the Units would be exchanged for units of the Company's securities pursuant to a three-cornered amalgamation.

The Financing and the amendments to the Qualifying Transaction remain subject to the approval of the TSX Venture Exchange.

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12. INCOME TAXES

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of comprehensive loss for the years ended February 28, 2017 and February 29, 2016:

	2017	2016
Loss before taxes	\$ (115,626)	\$ (36,814)
Statutory tax rate	26.00%	26.00%
Expected income tax recovery	\$ (30,063)	\$ (9,572)
Non-deductible items	2,190	8
Change in estimates	-	4,504
Change in deferred tax asset not recognized	27,873	5,060
Total income taxes expense (recovery)	-	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Unrecognised deductible temporary differences at February 28, 2017 and February 29, 2016 are comprised of the following:

	2017	2016
Non capital loss carryforwards	\$495,456	\$411,677
Transaction costs	23,425	-
Total unrecognised deductible temporary differences	\$518,881	\$411,677

The Company has non capital loss carry forwards of approximately \$527,277 (2016: \$411,677) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

EXPIRY	\$
2030	53,282
2031	75,913
2032	95,851
2033	57,357
2034	45,358
2035	47,133
2036	36,783
2037	83,779
TOTAL	495,456

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12. INCOME TAXES (continued)

The deferred tax assets have not been recognized because at this stage of the Company's development, it is not probable that future taxable profit will be available against which the Company can utilize such deferred tax assets.