

KAIZEN CAPITAL CORP.

FINANCIAL STATEMENTS

MARCH 31, 2015

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Kaizen Capital Corp.

We have audited the accompanying financial statements of Kaizen Capital Corp., which comprise the statements of financial position as at March 31, 2015 and 2014 and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditors' 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 the 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 the auditors' 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, these financial statements present fairly, in all material respects, the financial position of Kaizen Capital Corp. as at March 31, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Kaizen Capital Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

June 19, 2015



KAIZEN CAPITAL CORP.

**STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31,
(Expressed in Canadian dollars)**

	2015	2014
ASSETS		
Current		
Cash	\$ 35,060	\$ 10,001
Total assets	<u>\$ 35,060</u>	<u>\$ 10,001</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ 7,405	\$ 8,352
Total liabilities	<u>7,405</u>	<u>8,352</u>
Shareholders' equity		
Share capital (Note 4)	345,753	282,753
Equity reserves (Note 4)	26,770	26,770
Deficit	<u>(344,868)</u>	<u>(307,874)</u>
Total shareholders' equity	<u>27,655</u>	<u>1,649</u>
Total liabilities and shareholders' equity	<u>\$ 35,060</u>	<u>\$ 10,001</u>

Basis of presentation (Note 2)

On behalf of the Board:

Signed: "Richard Graham"

Director

Signed: "Sandra Lee"

Director

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

KAIZEN CAPITAL CORP.
STATEMENTS OF COMPREHENSIVE LOSS
YEARS ENDED MARCH 31,
(Expressed in Canadian dollars)

	2015	2014
EXPENSES		
Office facilities and administrative services (Note 5)	\$ 12,600	\$ 12,600
Office and sundry	400	551
Professional fees	6,344	13,352
Shareholder information	1,271	319
Transfer agent, listing and fees	<u>16,379</u>	<u>17,078</u>
Loss and comprehensive loss for the year	\$ (36,994)	\$ (43,900)
Basic and diluted loss per common share (Note 4)	\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding (Note 4)	2,492,397	1,825,000

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

KAIZEN CAPITAL CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Equity Reserves	Deficit	Total
	Number of Shares	Amount			
Balance, March 31, 2013	1,825,000	\$ 282,753	\$ 26,770	\$ (263,974)	\$ 45,549
Loss for the year	-	-	-	(43,900)	(43,900)
Balance, March 31, 2014	1,825,000	282,753	26,770	(307,874)	1,649
Private placement	1,200,000	63,000	-	-	63,000
Loss for the year	-	-	-	(36,994)	(36,994)
Balance, March 31, 2015	3,025,000	\$ 345,753	\$ 26,770	\$ (344,868)	\$ 27,655

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

KAIZEN CAPITAL CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31,
(Expressed in Canadian dollars)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	\$ (36,994)	\$ (43,900)
Changes in non-cash working capital items:		
Amounts receivable	-	158
Accounts payable and accrued liabilities	<u>(947)</u>	<u>(144)</u>
Net cash used in operating activities	<u>(37,941)</u>	<u>(43,886)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement	<u>63,000</u>	<u>-</u>
Net cash provided by financing activities	<u>63,000</u>	<u>-</u>
Change in cash during the year	25,059	(43,886)
Cash, beginning of year	<u>10,001</u>	<u>53,887</u>
Cash, end of year	<u>\$ 35,060</u>	<u>\$ 10,001</u>

Supplemental disclosures with respect to cash flows (Note 8)

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

1. NATURE OF OPERATIONS

Kaizen Capital Corp. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on January 20, 2010. The Company is classified as a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4 (“Policy 2.4”). The Company’s registered office address is Suite 1900, 520 – 3rd Avenue SW, Calgary, AB, and its principal place of business is Suite 1703, 595 Burrard Street, Vancouver, BC. As a CPC, the Company’s immediate objective is to identify and acquire either operating assets or a business, subject to shareholders’ approval, that meet the criteria of a Qualifying Transaction as defined by the TSX-V (“Qualifying Transaction”). Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4.

In July 2012, the Company held its annual and special meeting of its shareholders, at which it approved the transfer of its share listing to the TSX-V’s NEX board and the cancellation of 575,000 shares held by certain non-arm’s length parties of the Company.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on June 19, 2015.

2. BASIS OF PRESENTATION

a) Statement of Compliance

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

b) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting.

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

c) Going Concern

The Company’s ability to continue operations as intended is dependent upon its ability to identify, evaluate and negotiate an acquisition of a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be 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 obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. As such, these material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue its existence.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value net of transaction costs, if applicable. Measurement in subsequent periods depends on whether the financial instrument has been classified as “fair value through profit or loss”, “loans and receivables”, “available-for-sale”, “held-to-maturity”, or “financial liabilities measured at amortized cost” as follows:

i. **Financial assets**

Financial assets held by the Company include cash. Cash is measured at fair value through profit or loss and changes to fair value subsequent to initial recognition are recorded in net income (loss) for the period in which they occur.

ii. **Impairment of financial assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the fair value or estimated future cash flows of an asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

iii. **Financial liabilities**

Financial liabilities comprise accounts payable and accrued liabilities which are classified as other financial liabilities measured at amortized cost using the effective interest rate method. Under this classification, all cash flows from these financial instruments are discounted, where material, to their present value. Over time, this present value is accreted to the future value of remaining cash flows, and this accretion is recorded as interest expense.

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Share-based compensation (cont'd...)

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Share purchase warrants

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to equity reserves and as a share issue cost.

The Company uses the residual value method of accounting for warrants included in a share unit offering. When warrants are attached to common shares issued by the Company as part of a share unit offering, the proceeds from the unit sale are bifurcated first to the common shares at their fair market value on the date of issuance. Any excess in the purchase price of the unit as a whole and the fair market value of the common shares issued on the date of unit sales is attributed to the value of warrants. This fair value is recorded as an increase to equity reserves.

When share purchase warrants are exercised, the cash proceeds along with the amount previously recorded in equity reserves are recorded as share capital.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow.

Diluted earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, basic per share amounts are the same as on a diluted basis as the result would be anti-dilutive.

Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Significant estimates made by management include the following:

i. Valuation of stock options and share purchase warrants

Management uses the Black-Scholes pricing model to determine the fair value of employee stock options and share purchase warrants issued for goods or services. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

ii. Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

Future changes in accounting policies

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period. These standards have been assessed to not have a significant impact on the Company's financial statements:

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Future changes in accounting policies (cont'd...)

(a) IFRS 3, Business Combinations

IFRS 3 is amended to provide clarification related to (i) contingent consideration in a business combination and (ii) scope exception for joint arrangements. These amendments are effective for fiscal years beginning on or after July 1, 2014.

(b) IFRS 8, Operating Segments

IFRS 8 is amended to require (i) disclosure of judgments made by management in aggregating segments, and (ii) a reconciliation of segment assets to the entity's assets when segment assets are reported. These amendments are effective for fiscal years beginning on or after July 1, 2014.

(c) IFRS 16, Property, Plant and Equipment and IFRS 38, Intangible Assets

IFRS 16 is amended to classify how gross carrying amount and accumulated depreciation are treated where an entity uses the revaluation model. These amendments are effective for fiscal years beginning on or after July 1, 2014.

(d) IFRS 24, Related Party Transactions

IFRS 24 is amended to (i) revise definition of "related party" to include an entity that provides key management personnel services to the reporting entity or its parent, and (ii) clarify related disclosure requirements. These amendments are effective for fiscal years beginning on or after July 1, 2014.

(e) IFRS 9, Financial Instruments

The IASB intends to replace IAS 39 – "*Financial Instruments: Recognition and Measurement*" in its entirety with IFRS 9 in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39. IFRS 9 requires that all financial assets be classified as subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified as subsequently measured at amortized cost except for financial liabilities classified as at fair value through profit or loss, financial guarantees and certain other exceptions. IFRS 9 can currently be adopted voluntarily, but is mandatory for years beginning on or after January 1, 2018.

4. SHAREHOLDERS' EQUITY

Authorized share capital

Unlimited common shares, without par value
Unlimited preferred shares issuable in series

KAIZEN CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2015
(Expressed in Canadian dollars)

4. SHAREHOLDERS' EQUITY (cont'd...)

Share issuance

On September 9, 2014, the Company completed a non-brokered private placement of 1,200,000 common shares at a price of \$0.0525 per share for gross proceeds of \$63,000.

There were no shares issued during the year ended March 31, 2014.

Escrow shares

As at March 31, 2015, 575,000 (March 31, 2014 – 575,000) common shares are held in escrow and will be released over 36 months following the completion of a Qualifying Transaction.

Stock options and Agent's warrants

The Company adopted an incentive stock option plan (the "Option Plan") which allows the Company's Board of Directors, at its discretion and in accordance with TSX-V requirements, to grant non-transferable options to purchase common shares to its directors, officers, employees and technical consultants to the Company. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to five years from the date of grant and vesting terms will be determined at the time of grant by the Board of Directors.

No stock options were granted during the years ended March 31, 2015 and 2014.

The Company may grant warrants on a stand-alone basis, to agents or brokers as compensation for facilitating a financing. Alternatively, warrants may be included with the Company's shares into share units which are sold to raise funds. No warrants were issued in the years ended March 31, 2015 and 2014. There were no agent's warrants or share purchase warrants outstanding as of March 31, 2015 and 2014.

Outstanding stock options of the Company are as follows:

	Expiry Date	Exercise Price	Balance, March 31, 2013	Exercised	Expired	Balance, March 31, 2015 and 2014
Stock options	June 30, 2015	\$0.20	150,000	-	-	150,000
Total stock options			150,000	-	-	150,000
Weighted average exercise price						\$0.20

The outstanding options are exercisable as at March 31, 2015 and 2014.

KAIZEN CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2015
(Expressed in Canadian dollars)

4. SHAREHOLDERS' EQUITY (cont'd...)

Per share amounts

Weighted average per share amounts for the years ended March 31, 2015 and 2014 are calculated as follows:

	Years ended March 31,	
	2015	2014
Numerator		
Net loss	\$(36,994)	\$(43,900)
Denominator		
Weighted average number of common shares outstanding, basic and diluted	2,492,397	1,825,000
Loss per common share, basic and diluted	\$(0.01)	\$(0.02)

Diluted weighted average shares outstanding for the years ended March 31, 2015 and 2014 excludes the impact of stock options. These items have been excluded from the calculation of diluted loss per share, as their inclusion is anti-dilutive in periods when a loss is incurred.

Basic and diluted weighted average shares outstanding includes shares held in escrow once it is deemed that their cancellation is highly unlikely.

5. RELATED PARTY TRANSACTIONS

Effective June 1, 2010, the Company entered into a corporate service agreement with Earlston Management Corp. (formerly Ionic Management Corp., "Earlston"), a company with a director in common, whereby Earlston will provide to the Company various administrative and related corporate services. Under the terms of the agreement, the Company pays Earlston a fee of \$1,000 per month plus taxes. Earlston is also reimbursed for all reasonable expenses incurred in the performance of its services. During the year ended March 31, 2015, the Company incurred \$12,600 (2014 - \$12,600) of such costs to Earlston, and as at March 31, 2015, \$1,066 (2014 - \$1,072) was owing to this company and is included in accounts payable and accrued liabilities.

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

Other than disclosed above, there was no other compensation paid to key management during the years ended March 31, 2015 and 2014.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at March 31, 2015, the Company's financial instruments are comprised of cash and accounts payable and accrued liabilities. The fair values of accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

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 (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – Inputs that are not based on observable market data (unobservable inputs).

As at March 31, 2015, the fair value of cash held by the Company was based on level 1 of the fair value hierarchy.

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

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at March 31, 2015, the Company had a cash balance of \$35,060 to settle current liabilities of \$7,405. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company needs further funding to meet its short-term and long-term cash requirements.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

i. Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

ii. Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no assets or liabilities and has no revenue or expenses denominated in a foreign currency, so it is not exposed to foreign currency risk.

iii. Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

KAIZEN CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2015
(Expressed in Canadian dollars)

7. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2015, the Company's shareholders' equity was \$27,655 and it had current liabilities of \$7,405. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction. Additional funds may be required to finance the Company's Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year ended March 31, 2015.

8. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions during the years ended March 31, 2015 and 2014.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

Years ended March 31,	2015	2014
Loss for the year	\$ (36,994)	\$ (43,900)
Expected income tax recovery	(10,000)	(11,000)
Share issue costs	-	(4,000)
Change in unrecognized deductible temporary differences and other	10,000	15,000
Total income tax recovery	\$ -	\$ -

The Canadian income tax rate increased during the year due to changes in the law that increased corporate income tax rates in Canada.

KAIZEN CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2015
(Expressed in Canadian dollars)

9. INCOME TAXES (cont'd...)

The significant components of the Company's unrecorded deferred tax assets and liabilities are as follows:

	March 31, 2015	March 31, 2014
Deferred tax assets		
Share issue costs	\$ -	\$ 4,000
Non-capital losses available for future periods	79,000	73,000
Unrecognized deferred tax assets	\$ 79,000	\$ 77,000

The significant components of the Company's temporary differences and unused tax losses are as follows:

	March 31, 2015	Expiry date range	March 31, 2014	Expiry date range
Temporary Differences				
Share issuance costs	\$ -	N/A	\$ 15,000	2035
Non-capital losses available for future periods	\$ 303,000	2030 - 2035	\$ 283,000	2030 - 2035

Tax attributes are subject to review, and potential adjustment, by tax authorities.