Cluny Capital Corp.
(A Capital Pool Company)

Condensed Interim Financial Statements

(in Canadian dollars)

(unaudited)

For the Three and Nine Month Periods Ended September 30, 2016 and 2015

NOTICE TO READERS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.

Cluny Capital Corp.
(A Capital Pool Company)
Condensed Interim Statements of Financial Position
As at,
(in Canadian dollars)
(Unaudited)

		September 30, 2016		December 31, 2015 (audited)
Assets				
Current				
Cash (Note 3)	**$**	**113,895**	$	303,153
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**12,198**	$	37,959
Shareholders' Equity				
Share capital (Note 4)		**456,722**		456,722
Stock options (Note 5)		**117,139**		117,139
Deficit		**(472,164)**		(308,667)
		101,697		265,194
	$	**113,895**	$	303,153

Approved by the Board **"Simon Yakubowicz"** Director **(Signed)** **"Peter Simeon"** Director **(Signed)**

See accompanying notes

Cluny Capital Corp.
(A Capital Pool Company)
Condensed Interim Statements of Comprehensive Loss
Periods Ended September 30, 2016 and 2015
(in Canadian dollars)
(unaudited)

	Three months ended September 30, 2016	Three months ended September 30, 2015	**Nine months ended September 30, 2016**	Nine months ended September 30, 2015
Revenue	**$ 126**	$ 276	**$ 419**	$ 383
Expenses				
Professional fees	**83,632**	5,209	**124,473**	18,860
Listing fees	**2,448**	520	**13,006**	10,508
Expenses directly relating to acquisition	**26,437**	-	**26,437**	-
Net Loss and Comprehensive Loss	**$ 112,391**	$ 5,453	**$ 163,497**	$ 28,985
Net loss per common share				
Basic and diluted	**$ (0.050)**	$ (0.002)	**$ (0.073)**	$ (0.013)
Weighted average number of common shares outstanding				
Basic and diluted	**2,233,700**	2,233,700	**2,233,700**	2,233,700

Cluny Capital Corp.
(A Capital Pool Company)
Condensed Interim Statements of Changes in Equity
Period Ended September 30, 2016 and 2015
(in Canadian dollars)
(unaudited)

	Share Capital				
	Number of Shares	Amount	Stock options	Deficit	Total
Balance December 31, 2014 (audited)	**3,733,701**	**$ 456,722**	**$ 117,139**	**$ (229,889)**	**$ 343,972**
Net loss and comprehensive loss	-	-	-	(28,985)	(28,985)
Balance, September 30, 2015	**3,733,701**	**$ 456,722**	**$ 117,139**	**$ (258,874)**	**$ 314,987**
Net loss and comprehensive loss	-	-	-	(49,793)	(49,793)
Balance, December 31, 2015 (audited)	**3,733,701**	**$ 456,722**	**$ 117,139**	**$ (308,667)**	**$ 265,194**
Net loss and comprehensive loss	-	-	-	(163,497)	(163,497)
Balance, September 30, 2016	**3,733,701**	**$ 456,722**	**$ 117,139**	**$ (472,164)**	**$ 101,697**

See accompanying notes

Cluny Capital Corp.
(A Capital Pool Company)
Condensed Interim Statements of Cash Flows
Period Ended September 30, 2016 and 2015
(in Canadian dollars)
(unaudited)

	Three months ended September 30, 2016	Three months ended September 30, 2015	**Nine months ended September 30, 2016**	Nine months ended September 30, 2015
Cash provided by (used in)				
Operations				
Net loss	**$ (112,391)**	**$ (5,453)**	**$ (163,497)**	**$ (28,985)**
Net changes in non-cash working capital				
Accounts payable and accrued liabilities	**(2,264)**	**1,224**	**(25,761)**	(18,518)
Net change in cash	**(114,655)**	**(4,229)**	**(189,258)**	(47,503)
Cash, beginning of period	**228,550**	**322,100**	**303,153**	365,374
Cash, end of period	**$ 113,895**	**$ 317,871**	**$ 113,895**	$ 317,871

See accompanying notes

1. NATURE OF THE CORPORATION

Cluny Capital Corp. (the "Company") was incorporated under the Business Corporations Act (Ontario) on August 11, 2011 and is classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange Inc. (the "Exchange"). The Company has no significant assets other than cash and proposes to identify and evaluate potential acquisitions or businesses with a view to completing a Qualifying Transaction, as defined in Exchange policy 2.4.

There is no assurance that the Company will identify a Qualifying Transaction within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or delist the Company's shares from trading. On August 25, 2016, trading in the shares of the Company was suspended by the Exchange because the Company failed to complete a Qualifying Transaction by its 24-month anniversary date of August 22, 2016 in accordance with Policy 2.4 of the Exchange. The Company intends on applying for listing on the NEX.

The head office, principal address, registered address and records office of the Company are located at 1 First Canadian Place, 100 King Street West, Suite 1600, Toronto, Ontario, Canada, M5X 1G5.

On November 28, 2016, the Board of Directors approved the unaudited condensed interim financial statements for the periods ended September 30, 2016 and 2015.

2. BASIS OF PRESENTATION

Statement of Compliance

The unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34) as issued by the IASB and using the accounting policies the Corporation expects to adopt in its financial statements as at and for the year ending December 31, 2016.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of September 30, 2016. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2015, except where noted below. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending December 31, 2016 could result in restatement of these unaudited condensed interim financial statements.

2. BASIS OF PRESENTATION (Cont'd)

Future Changes in Accounting Policies

The Company is currently evaluating the impact of the below standard on its financial performance and financial statement disclosures but expects that such impact will not be material.

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

(a) IFRS 9 Financial Instruments was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions.

The effective date of IFRS 9 was deferred to years beginning on or after January 1, 2018. Earlier application is permitted.

3. CASH RESTRICTION

The proceeds raised from the issuance of common shares, prior to completion of the Qualifying Transaction, may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares and $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under Exchange Policy 2.4. To date, the Company has exceeded this limit but has not yet completed its Qualifying Transaction (Note 8). The impact of this violation is unknown and is ultimately dependent on the Exchange.

(in Canadian dollars)

4. Share Capital

Authorized
unlimited common shares

Issued

	Number		Amount
Balance at December 31, 2015 and September 30, 2016	**3,733,701**	**$**	**456,722**

On August 20, 2014 the corporation completed its initial public offering. The Corporation issued 2,233,700 common shares at a price of $0.20 per share for gross proceeds to the Corporation of $446,740. As a result of this issuance, the Corporation has 3,733,701 common shares issued and outstanding, of which 1,500,001 common shares are held in escrow. Share issue costs incurred with regards to this share issuance exclusive of the agent's options amounted to $107,719.

The above seed shares are held in Escrow, and under the CPC Escrow Agreement, 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin, which is the Exchange Bulletin issued following the closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange Acceptance of the Qualifying Transaction (the "Initial Release"). An additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

5. STOCK OPTIONS

The following summarizes the stock option activities during the period:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2014, September 30, 2015 and, December 31, 2015	596,740	$0.20
Cancelled [b]	(26,185)	($0.20)
Expired [a]	(223,370)	($0.20)
Outstanding, September 30, 2016	347,185	$0.20

The Company had the following stock options outstanding as of September 30, 2016:

Number of Options	Exercisable	Exercise Price	Expiry Date
347,185 [b]	347,185	$0.20	August 20, 2024

(in Canadian dollars)

5. STOCK OPTIONS (Cont'd)

(a) On August 20, 2016 223,370 agent options expired unexercised.

(b) Directors' and officers' options

On August 20, 2014, the Company granted 373,370 stock options to directors. These options vested immediately. Each option entitles the holder to purchase one common share at $0.20 per share at any time on or before August 20, 2024. The fair value of these stock options was estimated to be $84,839 at the grant date based on the Black Scholes pricing model, using the following weighted average assumptions:

Share price	$0.25
Expected dividend yield	Nil
Risk free interest rate	2.10%
Expected life	10.0 years
Expected volatility(i)	100%

(i) As historical volatility of the Company's common shares is not available, expected volatility is based on the historical performance of the common shares of other similar companies.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

On April 26, 2016 the Company amended the stock options granted on August 20, 2014 to a director of the company to purchase up to 186,685 Common Shares at a purchase price of $0.20 per Common Share instead of 212,870 Common Shares at a purchase price of $0.20.

6. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

During the nine month period ended September 30, 2016, the Company incurred $117,411 (September 30, 2015 - $13,159) in legal and agent fees to a law firm where a director of the Company was a partner. As at September 30, 2016, $3,810 (December 31, 2015 - $6,157) was payable to the firm.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company is not subject to externally imposed capital requirements other than the cash restriction disclosed in Note 3.

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accrued liabilities, approximate fair values due to the relatively short term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

As at September 30, 2016, the Company has accounts payable and accrued liabilities of $12,198 (December 31, 2015 - $37,959) due within 12 months and has cash of $113,895 (December 31, 2015 - $303,153), subject to restrictions (Note 3), to meet its current obligations. As a result the Company has minimal liquidity risk.

8. QUALIFYING TRANSACTION

On September 26, 2016, the letter of intent dated June 20, 2016 with Sandbox Global Limited ("Sandbox") with respect to a proposed business combination between the Company and Sandbox terminated according to its terms. The transaction was previously announced on July 6, 2016, and was intended to constitute the Company's Qualifying Transaction under Policy 2.4 of the Exchange.