VIER CAPITAL CORP.

Audited Financial Statements

December 31, 2016 and 2015

Independent Auditor's Report

To the Shareholders of VIER Capital Corp.

We have audited the accompanying financial statements of VIER Capital Corp., which comprise the statements of financial position as at December 31, 2016 and 2015, and the statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended and notes, comprising 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 the audits 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 auditor's 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, the financial statements present fairly, in all material respects, the financial position of VIER Capital Corp. as at December 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Calgary, Alberta
February 3, 2017

Chartered Professional Accountants

VIER Capital Corp.

Statements of Financial Position
(In Canadian $)

	Note	As at December 31, 2016	As at December 31, 2015
ASSETS			
Current			
Cash	**4**	$ 293,224	$ 402,583
Prepaid expense		3,910	3,000
Total assets		$ 297,134	$ 405,583
LIABILITIES & SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accruals		$ 9,242	$ 7,000
Shareholders' Equity			
Share capital	**6**	399,403	399,403
Contributed Surplus	**7**	63,549	63,549
Deficit		(175,060)	(64,369)
Total shareholders' equity		287,892	398,583
Total liabilities & shareholders' equity		$ 297,134	$ 405,583

Approved by the Board of Directors

"Signed"
Jason Krueger
Director

"Signed"
David M. McGoey
Audit Committee Chairman and Director

VIER Capital Corp.

Statements of Operations and Comprehensive Loss
(In Canadian $)

		Year Ended December 31, 2016	Year Ended December 31, 2015
Expenses			
Professional fees	$	92,471	8,332
Transfer agent		6,775	1,911
Insurance		6,000	3,000
Stock exchange		4,550	-
Office		1,157	653
Travel		971	4,900
Meals and entertainment		562	540
Stock based compensation (Note 7)		-	46,827
Interest income		(1,795)	(1,794)
Loss and comprehensive loss	$	110,691	64,369
(Loss) per share			
Basic and diluted		($0.03)	($0.03)
Weighted Average Number of Shares Outstanding (Note 6)		3,500,000	2,349,315

VIER Capital Corp.

Statements of Changes in Shareholders' Equity
(In Canadian $)

	Share Capital	Contributed Surplus	(Deficit)	Total
Balance, December 31, 2014	$ 192,500	$ -	$ -	$ 192,500
Loss for the year	-	-	(64,369)	(64,369)
Issued share capital	350,000	-	-	350,000
Share based payment	-	63,549	-	63,549
Share issue costs	(143,097)	-	-	(143,097)
Balance, December 31, 2015	$ 399,403	$ 63,549	$ (64,369)	$ 398,583
Loss for the year	-	-	(110,691)	(110,691)
Balance, December 31, 2016	$ 399,403	$ 63,549	$ (175,060)	$ 287,892

VIER Capital Corp.

Statements of Cash Flows
(In Canadian $)

	Year ended December 31, 2016	Year Ended December 31, 2015
Cash Provided By (Used For)		
Operating Activities		
Loss for the year	$ (110,691)	$ (64,369)
Item not affecting cash		
Share based compensation	-	46,827
Change in accounts payable and accruals	2,242	7,000
Change in prepaid expense	(910)	(3,000)
Cash used in operating activities	(109,359)	(13,542)
Financing Activities		
Issue of share capital	-	350,000
Share issue costs	-	(93,884)
Cash provided by financing activities	-	256,116
Investing Activities		
Payment of deferred financing costs	-	-
Increase (Decrease) in Cash	(109,359)	245,574
Cash, beginning of year	402,583	160,009
Cash, end of year	$ 293,224	$ 402,583
Supplemental Cash Flow Information		
Income taxes paid	$ -	$ -
Interest income received	1,795	1,794
Interest expense paid	-	-

1. Incorporation and operations

VIER Capital Corp. (the "Company") was incorporated under the laws of the Province of Alberta on September 23, 2014. The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") and trades until the symbol "VIE". The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a Qualifying Transaction ("QT") under the Exchange rules. The address of the registered office is 1900, 520 3rd Avenue SW Calgary, Alberta.

The financial statements of the Company for the year ended December 31, 2016 were authorized for issuance in accordance with a resolution of the directors on February 3, 2017.

The Company's continuing operations as intended are dependent upon its ability to raise, identify, evaluate, and negotiate the acquisition of an interest in properties, assets or businesses which qualifies as a Qualifying Transaction. Such an acquisition will be subject to regulatory approval and maybe subject to shareholder approval. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain its operations may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets.

2. Basis of preparation

Statement of compliance

The annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and in effect at the closing date of December 31, 2016.

Basis of measurement

These financial statements are stated in Canadian dollars and were prepared on a going concern basis, under the historical cost convention except for the share based payments.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are as follows:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on qualitative assessment and relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

2. Basis of preparation *(continued)*

Share-based payments

The amounts disclosed relating to fair values of stock options issued are based on management's estimate of expected stock price volatility, expected lives of options, risk-free interest rates and other assumptions. By their nature, these estimates are subject to uncertainty and the effect from changes in such estimates in future years could be material.

3. Significant accounting policies

Cash

Cash includes cash and short-term cash equivalents with a maturity of less than three months when purchased.

Share-based payments

The Company applies a fair value based method of accounting to all share-based payments. Employee and director stock options are measured at their fair value of each tranche on the grant date and recognized over its respective vesting period. Non-employee stock options are measured based on the service provided to the reporting date and at their then-current fair values. The cost of stock options is presented as share-based payment expense when applicable. On the exercise of stock options share capital is credited for consideration received and for fair value amounts previously credited to Contributed Surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payments.

Taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statements of operations and comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

3. Significant accounting policies *(continued)*

Non-derivative financial instruments

Non-derivative financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Loans and receivables are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method.

Financial assets at fair value through profit or loss

An instrument is classified as fair value through profit or loss if it is held-for-trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance the Company's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. Cash is included in this category.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Liabilities in this category include accounts payable and accruals.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether objective evidence exists that the assets are impaired because of one or more events which have had a negative effect on the estimated future cash flows of the asset.

If there is objective evidence that a financial asset has become impaired, the amount of the impairment loss is calculated as the difference between its carrying amount and the present value of the estimated future cash flows from the asset discounted at its original effective interest rate. Impairment losses are recorded in earnings. If the amount of the impairment loss decreases in a subsequent period and the decrease can be objectively related to an event occurring after the impairment was recognized, the impairment loss is reversed up to the original carrying value of the asset. Any reversal is recognized in earnings.

(In Canadian $)

3. Significant accounting policies *(continued)*

Recent accounting pronouncements

Certain new standards, interpretations, amendments, and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC"). Based on current operations there are no impending changes that will affect the financial statements of the Company.

Subsequent to the completion of its QT (Note 1), the Company could be subject to these changes depending on the nature and terms of the QT.

4. Cash

The proceeds raised from the issuance of share capital 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 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 may apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

5. Income Tax

The provision for income tax reflects an effective rate which differs from the expected statutory rate:

	December 31, 2016	December 31, 2015
Loss before income tax	$ 110,691	$ 64,369
Tax rate	27.00%	25.50%
Expected tax recovery	29,887	16,400
Decrease resulting from		
Non-deductible items	(76)	(12,000)
Deferred tax benefit not recognized	(29,811)	(4,600)
Provision for tax	$ -	$ -

At December 31, 2016, no deferred asset was recognized for either the $178,000 (2015 - $43,000) of tax losses that will expire starting in 2035 or the $76,000 (2015 - $101,000) of financing cost deductions available to the Company

6. Share capital

Authorized

Unlimited number of voting Common Shares, without nominal or par value

Unlimited number of non-voting Preferred Shares, without nominal or par value

Issued Common Shares

	Number of Shares	**$**
At incorporation	**-**	**-**
Issued for cash to directors and officers(i)	**3,850,000**	**192,500**
As at December 31, 2014	**3,850,000**	**192,500**
Issued on Initial Public Offering (ii)	**3,500,000**	**350,000**
Share Issue Costs (ii)	**-**	**(143,097)**
As at December 31, 2016 and 2015	**7,350,000**	**399,403**

(In Canadian $)

6. Share capital *(continued)*

i) On September 23, 2014, the Company issued 3,850,000 common shares to directors of the Company at a price of $0.05 per share. All 3,850,000 common shares are subject to an escrow agreement.

ii) On April 30, 2015, the Company successfully completed its initial public offering raising gross proceeds of $350,000 on the issuance of 3,500,000 common shares. The agent received a cash commission of 10% of the gross proceeds of the offering, an agent's fee of $10,000 and an option to purchase 350,000 shares at a price of $0.10 for a period of 24 months from the date of the listing valued at $16,722 using the Black-Scholes pricing model (Note 8). The Company incurred total share issue costs of $143,097, which have been applied against share capital.

Escrow

The Company has 3,850,000 common shares subject to an escrow agreement whereby 10% of the shares will be released upon completion and approval of the Company's qualifying transaction. An additional 15% of the escrowed common shares will be released on each six-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. Common shares issued upon the exercise of the Agent's options are restricted such that only 50% of the issued shares on exercise of such options may be sold prior to the Company completing a qualifying transaction. These 3,850,000 shares, which are considered contingently issuable until the Company completes a Qualifying Transaction, are not considered to be outstanding for purposes of the loss per share calculation.

7. Stock options

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Common Shares, if the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant.

As part of the close of the initial public offering (IPO), the Company granted 735,000 options at $0.10 per share to the directors and officers of the Company exercisable for a period of ten years. All options vested at the time of the grant. The fair value is recognized as stock-based compensation expense at the time of vesting. The estimated fair value of these options as calculated using the Black-Scholes pricing model is $46,827 and was charged to operations for the year ended December 31, 2015.

The Contributed Surplus balance is comprised of:

	Total
Officers & directors' options	$ 46,827
Agents options	16,722
Balance, end of period	$ 63,549

The assumptions for the Black-Scholes Pricing Model for all the stock options:

	Directors & Officers	Agent
Stock price	$0.10	$0.10
Exercise price	$0.10	$0.10
Risk free interest rate	0.810%	0.590%
Expected life (years)	4	2
Expected annual volatility	90%	90%
Expected dividend yield	0%	0%
Expected forfeiture rate	0%	0%

(In Canadian $)

7. Stock options *(continued)*

The following table reflects the continuity of options granted under the Plan:

	Number of Options	Fair Value Recorded
Balance, beginning of period	-	-
Issued to directors & officers	735,000	$ 46,827
Issued to agent	350,000	16,722
Balance, December 31, 2016 and 2015	1,085,000	$ 63,549

As at December 31, 2016, the remaining contractual life for options outstanding to directors and officers is 8.25 years and agent options is 0.25 years.

Expiry Date	Exercise Price	Outstanding December 31, 2016	Exercisable	Remaining Contractual Years
April 2025	$ 0.10	735,000	735,000	8.25
April 2017	0.10	350,000	350,000	0.25

8. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1.

The Company sets the amount of capital in relation to risk and manages the capital structure and adjusts it considering changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and

ii. to maintain investor, creditor and market confidence to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at year end.

9. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments per the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined on level 1 inputs. The carrying amount of cash and accounts payable and accruals approximates their fair value due to the short-term maturities of these items.

9. Financial instruments *(continued)*

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2016, the Company had a cash balance of $293,224 (2015-$402,583) to settle obligations of $9,242 (2015-$7,000). All the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

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 commodity and equity prices.

i. Interest rate risk

The Company has cash balances and no interest-bearing debt

ii. Foreign currency risk

The Company does not have assets or liabilities in foreign currency.