Quinsam Opportunities I Inc.

Financial Statements

For the Period from the Date of Incorporation (January 9, 2015) to March 31, 2015

Expressed in Canadian Dollars

NOTICE TO READER

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

The accompanying unaudited interim financial statements have been prepared by and are the responsibility of the management.

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

Quinsam Opportunities I Inc.
Statement of Financial Position
(In Canadian Dollars)
As at March 31, 2015

Assets		
Current assets		
Cash	**$**	**199,867**
Receivables *(note 6)*		**938**
	$	**200,805**
Liabilities		
Current Liabilities		
Advances payable and accrued liabilities *(note 7)*	**$**	**14,500**
Advances from related party *(note 7)*		**5,000**
		19,500
Shareholders' Equity		
Share capital *(note 3)*		**200,000**
Deficit		**(18,695)**
		181,305
	$	**200,805**

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

Approved by the Board **Roger Dent** Director **(Signed)** **Eric Szustak** Director **(Signed)**

Quinsam Opportunities I Inc.
Statement of Operations and Comprehensive Loss
(In Canadian Dollars)
For the Period from the Date of Incorporation (January 9, 2015) to March 31, 2015

Income		
Interest	**$**	**23**
Expenses		
General and administrative		**138**
Professional fees *(note 7)*		**18,580**
Net loss and comprehensive loss for the period	**$**	**(18,695)**
Net loss per share – basic and diluted	**$**	**0.01**
Weighted average shares outstanding- basic and diluted		**2,292,683**

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

Quinsam Opportunities I Inc.
Statement of Cash Flows
(In Canadian Dollars)
For the Period from the Date of Incorporation (January 9, 2015) to March 31, 2015

Cash provided by (used in)		
Operating		
Net loss for the period	**$**	**(18,695)**
Net change in non-cash working capital		
Receivables		**(938)**
Accounts payable and accrued liabilities		**14,500**
		(5,133)
Financing		
Share subscription		**200,000**
Advances from related party		**5,000**
		205,000
Net change in cash		**199,867**
Cash, beginning of period		**-**
Cash, end of period	**$**	**199,867**

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

Quinsam Opportunities I Inc.
Statement of Changes in Equity
For the Period from the Date of Incorporation (January 9, 2015) to March 31, 2015
(In Canadian Dollars)

	Number of shares	Share Capital	Deficit	Shareholders' Equity
Balance January 9, 2015	**-**	**$ -**	**$ -**	**$ -**
Private placements (*note 3)*	4,000,000	200,000	-	200,000
Net loss for the period	-	-	(18,695)	(18,695)
Balance March 31, 2015	**4,000,000**	**$ 200,000**	**$ (18,695)**	**$ 181,305**

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

1. INCORPORATION AND NATURE OF BUSINESS

Quinsam Opportunities I Inc. (the "Corporation") was incorporated under the Ontario Business Corporation Act on January 9, 2015 and is in the process of applying for status as a Capital Pool Corporation as defined in the Policy 2.4 of the TSX Venture Exchange (the “Exchange”).

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Corporation has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Corporation’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of a business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm’s length transaction, of the majority of the minority shareholders.

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 up to the lesser of 30% of the gross proceeds realized by the Corporation in respect of the sale of its securities or $210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange. The Corporation is required to complete its QT on or before two years from the date the Corporation receives regulatory approval.

The head office and the registered head office of the Corporation is located at 390 Bay Street, Suite 806, Toronto, Ontario M5H 2Y2.

On June 1, 2015, the Board of Directors approved the financial statements for the period from the Date of Incorporation (January 9, 2015) to March 31, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

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

Financial Instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held to maturity, loans and receivables, fair value through profit or loss (“FVTPL”), available for sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivables, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

The Corporation has classified its financial instruments as follows:

Financial Instrument	Classification
Cash	FVTPL
Advances payable and accrued liabilities	Other liabilities
Advances from related party	Other liabilities

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The Corporation's financial instruments measured at fair value on the statement of financial position consist of cash. Cash is measured at level 1 of the fair value hierarchy.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income taxes

Income tax 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 or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements.

Foreign Currency

The financial statements are presented in Canadian dollars, which is the Corporation’s functional and presentation currency.

Future Changes in Accounting Policies

The following standards have been issued but are not yet effective:

• IFRS 9 – Financial Instruments

The Corporation is currently evaluating the impact of the above standard, effective for years commencing on or after January 1, 2018, on its financial performance and financial statement disclosures but expects that such impact will not be material. There are additional new standards that have not been discussed as they are not expected to impact the Corporation.

(In Canadian Dollars)

3. SHARE CAPITAL

Authorized			
unlimited	common shares		
Issued			
4,000,000	common shares	**$**	**200,000**

Escrowed Shares

The Corporation issued 4,000,000 common shares at $0.05 per share for total proceeds of $200,000.

Subject to an Escrow Agreement pursuant to the requirements of the Exchange, 4,000,000 common shares issued on February 13, 2015 will be held in escrow. Under the terms of the Escrow Agreement, these shares will be released as to 10% thereof on the completion of the Corporation's QT, as defined in the policies of the Exchange, and as to 15% thereof on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the initial release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Corporation acquired in the secondary market prior to the completion of a QT by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow.

Options

The Corporation has established a stock option plan for its directors, officers and technical consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Corporation and, in the case of death, expire within one year thereafter.

Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option. Any shares issued upon exercise of the options prior to the Corporation entering into a Qualifying Transaction will be subject to escrow restrictions. Unless otherwise stated, the options fully vest when granted.

The stock option plan is subject to regulatory approval.

No options have been granted or are outstanding at March 31, 2015.

4. INCOME TAXES

A reconciliation of combined federal and provincial corporate income taxes at statutory rates of 26.5% to the Corporation's effective income tax expense is as follows:

Net loss for the period	**$**	**(18,695)**
Expected income tax recovery	**$**	**(4,954)**
Tax rate changes and other adjustments		**4,954**
Income tax recovery	**$**	**-**

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following item:

Non-capital loss carry forward	**$**	**18,695**

The non-capital losses can be carried forward twenty years to be applied against future taxable income, with the balance expiring in 2034. Deferred tax assets have not been recognized in respect of this item because it is not probable that future taxable profit will be available against which the Corporation can utilize the benefits therefrom.

(In Canadian Dollars)

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

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

The Corporation'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 Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

Risk Disclosures and Fair Values

The Corporation's financial instruments carried at amortized cost, consisting of advances payable and accrued liabilities and advances from related party approximate fair value due to the relatively short term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

6. RECEIVABLES

Sales tax receivable	**$ 938**

7. RELATED PARTY TRANSACTIONS AND BALANCES

During the period ended March 31, 2015, the Corporation incurred legal for services provided by a law firm whose partner is a director of the Corporation. An amount of $7,580 has been included in professional fees.

As at March 31, 2015, $5,000 was advanced by Quinsam Capital Corporation, a company which shares common directors and officers and which is also a shareholder of the Corporation (35% of issued capital).

There were no other transactions with related parties and no remuneration was paid to key management personnel during the period ended March 31, 2015.

All transactions with related parties have occurred in the normal course of operations.

8. SUBSEQUENT EVENT

Agency Agreement

On May 27, 2015, the Corporation engaged Fin-XO Securities Inc. as its agent, on a commercially reasonable efforts basis, in the Corporation's initial public offering of 5,000,000 common shares of the Corporation at a price of $0.10 per share under a prospectus to be filed with the Ontario Securities Commission (the "Offering"). The proceeds of the Offering will be used by the Corporation to fund its search for a Qualifying Transaction within 24 months of the initial public offering. In consideration of services to be performed by its agent, the Corporation has agreed to a cash commission of 10% of the gross proceeds of the offering and reimburse the agent for necessary and reasonable expenses. In addition, the agent has received a corporate finance fee of $10,000, which is non-refundable. The Corporation will also grant to the agent non-transferable options to purchase up to 500,000 common shares at a price of $0.10 per common share, which may be exercised for a period of 24 months from the date of listing of the common shares on the TSX-V.