VitalHub Corp.

Condensed Interim Financial Statements
(Unaudited)
For the Three and Nine Months Ended
September 30, 2016

VitalHub Corp.

Condensed Interim Statements of Financial Position
(Unaudited)
(in Canadian Dollars)

	September 30 2016 $	December 31 2015 $
Assets		
Current assets		
Cash	227,187	52,937
Receivables - trade and other	658,038	-
Prepaid expenses	-	5,613
	885,225	58,550
Non-current assets		
Property and equipment (Note 3)	13,683	17,316
	898,908	75,866
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	474,063	1,333,201
Convertible debentures (Note 5)	-	1,946,589
Debt (Note 5)	50,000	2,549,550
Deferred revenue - current (Note 6)	394,794	290,000
	918,857	6,119,340
Non-current liabilities		
Deferred revenue - non-current (Note 6)	325,000	475,000
	1,243,857	6,594,340
Equity (Deficiency)		
Share capital (Note 7)	1,109,544	900,000
Warrants (Note 7)	290,456	-
Equity portion of the convertible debenture (Note 5)	-	324,747
Deficit	(1,744,949)	(7,743,221)
	(344,949)	(6,518,474)
	898,908	75,866

Approved by the Board of Directors

Dan Matlow Director

Barry Tissenbaum Director

VitalHub Corp.

Condensed Interim Statements of Operations and Comprehensive Loss
(Unaudited)
(in Canadian Dollars)

	Three months ended September 30 2016 $	Three months ended September 30 2015 $	Nine months ended September 30 2016 $	Nine months ended September 30 2015 $
Revenues				
Term licences, maintenance and support	115,206	110,000	332,806	330,000
Services and other	20,000	-	33,000	91,530
	135,206	110,000	365,806	421,530
Cost of sales	10,000	-	16,500	45,765
Gross profit	125,206	110,000	349,306	375,765
Operating expenses				
Selling, marketing and administrative	76,099	92,727	388,319	296,845
Research and development	45,641	360,734	409,038	845,000
	121,740	453,461	797,357	1,141,845
Income (Loss) from operations	3,466	(343,461)	(448,051)	(766,080)
Financing expenses				
Foreign currency gain	-	-	1,404	-
Write off of debt (Note 5)	-	-	3,201,763	-
Write off of interest accrued on debt (Note 5)	-	-	971,899	-
Cancellation of convertible debtenture (Note 5)	-	-	1,946,588	-
Interest expense	(78)	(707)	(78)	(707)
Financing income (loss) - net	(78)	(707)	6,121,576	(707)
Net income (loss) before taxes for the period	3,388	(344,168)	5,673,525	(766,787)
Tax expense (recovery)	-	-	-	-
Net income (loss) and comprehensive income (loss) for the period	3,388	(344,168)	5,673,525	(766,787)
Basic and diluted income (loss) per share (Note 8)	0.00	(0.05)	0.89	(0.12)

VitalHub Corp.

Condensed Interim Statements of Changes in Equity (Deficiency)
(Unaudited)
(in Canadian Dollars)

	Share Capital					
	Number	**Amount $**	**Warrants $**	**Equity portion of the convertible debentures $**	**Deficit $**	**Total equity $**
Balance - December 31, 2014	**6,348,929**	**900,000**	**-**	**467,434**	**(6,176,918)**	**(4,809,484)**
Net loss for the period	-	-	-	-	(766,787)	(766,787)
Balance - September 30, 2015	**6,348,929**	**900,000**	**-**	**467,434**	**(6,943,704)**	**(5,576,270)**
Equity portion of the convertible debenture	-	-	-	137,763	-	137,763
Extinguishment of the convertible debenture	-	-	-	(280,450)	280,450	-
Net loss for the period	-	-	-	-	(1,079,966)	(1,079,966)
Balance - December 31, 2015	**6,348,929**	**900,000**	**-**	**324,747**	**(7,743,221)**	**(6,518,474)**
Extinguishment of the convertible debenture	-	-	-	(324,747)	324,747	-
Capital Stock Issued	1,184,498	209,544	-	-	-	209,544
Warrants Issued	-	-	290,456	-	-	290,456
Net income for the period	-	-	-	-	5,673,525	5,673,525
Balance - September 30, 2016	**7,533,427**	**1,109,544**	**290,456**	**-**	**(1,744,949)**	**(344,949)**

VitalHub Corp.

Condensed Interim Statements of Cash Flow
(Unaudited)
(in Canadian Dollars)

	Nine months Ended September 30, 2016	2015
	$	$
Cash provided by (used in)		
Operating activities		
Net income (loss) for the period	5,673,525	(766,787)
Items not affecting cash		
Depreciation	3,633	-
Stock Based Compensation	250,000	
Write off of debt	(3,201,763)	-
Write off of interest accrued on debt	(971,899)	-
Cancellation of convertible debenture	(1,946,588)	-
Net change in non-cash working capital	(584,871)	441,729
Cash used in operating activities	(777,963)	(325,058)
Financing activities		
Proceeds from loan	702,213	374,000
Capital Stock Issued	209,544	-
Warrants Issued	40,456	-
Cash provided by financing activities	952,213	374,000
Change in cash during the period	174,250	48,942
Cash - beginning of period	52,937	26,197
Cash - End of period	227,187	75,139

1 Description of business

VitalHub Corp. ("VitalHub" or the "Company") provides mobile healthcare solutions that allow clinicians to rapidly access the most comprehensive and relevant information about their patients. The Company gathers patient information from multiple disparate electronic medical record systems, aggregates and organizes the data, and presents it to the clinician in an integrated, user friendly interface. VitalHub is domiciled in Canada. The address of its registered office is 100 College Street, Suite 531, Toronto, Ontario.

These financial statements have been prepared on the going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

To date, the Company had not yet achieved profitable operations and has an accumulated deficit of $1,744,949 (as at December 31, 2015 - $7,743,221). The Company will require additional financing in order to conduct its planned business operations, meet its ongoing levels of corporate overhead and discharge its liabilities and commitments as they come due, all of which casts substantial doubt upon the Company's ability to continue as a going concern.

Management's view is that the success of the Company is dependent upon financing the remaining portion of its capital requirements and, its ability to produce and sell its products to achieve profitable operations.

The financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the reported revenues and expenses and their classifications. Such adjustments, if required, could be material.

2 Basis of Presentation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRS issued and outstanding as of December 7, 2016, the date the Board of Directors approved the statements. Other than changes in accounting policies discussed below, the same accounting policies and methods of computation are followed in these unaudited interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2015. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ended December 31, 2016 could result in restatement of these unaudited condensed interim financial statements.

(in Canadian Dollars)

3 Property and equipment

	Computer $	Furniture and Fixtures $	Total $
Cost			
Balance, December 31, 2014, September 30, 2015, December 31, 2015 and September 30, 2016	**39,302**	**10,665**	**49,967**
Accumulated depreciation			
Balance, December 31, 2014	**(19,570)**	**(6,285)**	**(25,855)**
Depreciation	(5,920)	(876)	(6,796)
Balance, December 31, 2015	**(25,490)**	**(7,161)**	**(32,651)**
Depreciation	(3,108)	(525)	(3,633)
Balance, September 30, 2016	**(28,598)**	**(7,686)**	**(36,284)**
Net book value			
Balance, December 31, 2015	**13,812**	**3,504**	**17,316**
Balance, September 30, 2016	**10,704**	**2,979**	**13,683**

(in Canadian Dollars)

4 Accounts payable and accrued liabilities

	September 30 2016 $	December 31 2015 $
Trade accounts payable	138,792	99,383
Accrued payroll and related compensation	17,044	115,215
Accrued interest payable on loan	-	971,899
Government remittances	22,528	139,204
Other	295,699	7,500
	474,063	1,333,201

5 Convertible Debenture

	Convertible debentures	Equity portion of the convertible debenture
December 31, 2013	1,348,453	280,450
Present value of debts issued	863,016	186,984
2014 accretion	186,403	-
December 31, 2014	2,397,872	467,434
Present value of debts issued	632,237	137,763
2015 accretion	211,030	-
Expired convertible debenture	(1,294,550)	(280,450)
December 31, 2015	1,946,589	324,747
Cancellation of convertible debt	1,946,589	324,747
September 30, 2016	-	-

On May 2, 2016 all of the outstanding shares of VitalHub were purchased by 2514987 Ontario Inc, an arm's length Corporation incorporated in the Province of Ontario. 2514987 Ontario Inc purchased one-hundred percent (100%) of the Company's outstanding indebtedness in exchange for:

a) 25% of the amount to be paid to Vitalhub under a Scientific Research and Experimental Development ("SR&ED") tax incentive claim. The total SR&ED claim submitted to date is

$372,074 and has been recognized within trade receivables and other; accordingly, the Vitalhub has accrued $93,006 (25%) in accounts payable and accrued liabilities which will be payable to the creditors upon collection.

b) The full amount of any GST/HST refund to May2, 2016 which may be paid to or claimed as an input credit by Vitalhub. The Company has not recognized an eligible HST claim/asset and accordingly, no liability has been recognized.

c) Royalty streams to be paid to the Creditors as follows:

   i. 0% of the net revenue received by Vitalhub pursuant to the BC license agreement during the period commending on January 1, 2016 and ending December 31, 2016;

   ii. 17.5% of the net revenue received by Vitalhub pursuant to the BC license agreement during the period commencing on January 1, 2017 and ending December 31, 2019, with such amount being payable within ninety (90) days following December 31, 2019;

   iii. 12.5% of the net revenue received by Vitalhub pursuant to the BC license agreement during the period commencing on January 1, 2020 and ending December 31, 2021, with such amount being payable within ninety (90) days following December 31, 2021; and

   iv. 6.25% of all net revenue received by Vitalhub pursuant to the BC license agreement during the four year period commencing on May 2, 2016, with such amounts being payable in four installments annually.

The Company did not earn applicable net revenue during the period commencing on May 2, 2016, to September 30, 2016. Accordingly, no liability has been accrued.

Management determined that the characteristics or risk profile of the new debt instrument have changed substantially from the original instrument, hence the change is accounted for as an extinguishment of the original financial liability. The convertible debt of $1,946,588 was cancelled together with the equity portion of $324,747 which was adjusted through the deficit. As at September 30, 2016, the convertible debt balance is $Nil.

As at December 31, 2015, the Company had a total of $1,946,588 in issued and outstanding convertible debentures. These debentures had an interest rate of 10%. The debentures are convertible in part or in whole at the option of the debenture holders (i) at any time from date of issue for a period of two years into fully-paid non-assessable common shares of the Corporation ("Shares") at a per share price at a discount of 10% to the fair market value of the shares as determined by the board of directors of the Corporation; or (ii) in the event that the Corporation is subject to a bid to acquire, merge with , or is otherwise reorganized by an arm's length party such that greater than 50% of the Issued share capital of the Corporation is acquired by such arm's length party (the "Acquisition") on or before the Maturity Date, at a price per share at a discount of 25% to the price per share (on a fully diluted basis) at which the acquisition will be completed.

If the Corporation issues shares following the issue date in an equity financing, the Corporation shall have the right to force the debenture holders to convert the debenture (including all accrued and unpaid interest) into shares of the Corporation at a price per share which is at a 25% discount to the price per share under the equity issue.

The debentures, including the principal and interest is subordinate, subject and junior in right of payment to the prior payment in full of the principal of and interest on indebtedness of the Corporation to any chartered bank, licenses trust company or other institutional lender financing the business operations of the Corporation or providing long-term debt financing from time to time.
As the debenture is considered to be a compound financial instrument, the liability component and the equity components (the conversion right) are presented separately, as determined at the date of issue, using the residual method. The liability component of $1,946,588 as at December 31, 2015 was determined by discounting the future stream of interest and principal repayments at the prevailing market rate of 20% for a comparable liability that does not have an associated equity component.

The balance of $324,747 at December 31, 2015 was allocated to the conversion option and is included in shareholders' equity in the Company's statement of financial position.

The convertible debenture that has matured and was not subsequently renewed is reported as debt. At December 31, 2015, the balance of debt amounted to $2,549,550. These debts are due to shareholders of the Company, were made to provide working capital, bear an interest rate of 10% and are payable on demand.

On May 2, 2016 all of the outstanding shares of VitalHub were purchased by 2514987 Ontario Inc, an arm’s length Corporation incorporated in the Province of Ontario. On closing, the Corporation purchased one-hundred percent (100%) of the Company’s outstanding indebtedness. $3,201,564 of the debt balance of $3,251,564 was written off and the balance of $50,000 was left as a promissory note. The Promissory note and accrued interest is repayable in 24 monthly instalments of $2,193.57 beginning November 3, 2016.

The principal amount and unpaid interest shall become immediately due and payable upon (i) the Company ceasing to conduct business in all material respects (ii) the Company taking steps to dissolve, wind-up or transfer all or substantially all of the shares or assets of the Company; (iii) the application for the appointment of a receiver or receiver manager or any part of the property of the Company or (iV) the commencement by or against the Company of any proceeding under any bankruptcy, arrangement, insolvency or similar law for the relief or otherwise affecting creditors of the Company.

(in Canadian Dollars)

If the Company's outstanding claim with the Scientific Research and Experimental Development Tax Incentive Program ("SRED Claim") is approved and funded to the Company prior to the twenty-fourth Monthly Payment, then an amount equal to the SRED Claim after deductions for all costs associated with the SRED claim and any common law severances then owing or paid by the Company, shall be immediately applied to the Principal Amount then outstanding hereunder in inverse order of maturity and the payment of interest shall be reduced accordingly.

6 Deferred revenue

	September 30 2016 $	**December 31 2015 $**
Balance, beginning of period	765,000	465,000
Sales contracts	303,000	848,130
Revenue recognized	(348,206)	(548,130)
Balance, end of period	719,794	765,000
Less: Current portion	(394,794)	(290,000)
	325,000	**475,000**

(in Canadian Dollars)

7 Share capital

a) The share capital of the Company consists of the following:

Authorized
Unlimited number of Class A common shares, with no par value

		September 30 2016		December 31 2015
	Class A Common Shares	**Amount**	**Class A Common Shares**	**Amount**
	#	**$**	**#**	**$**
Opening Balance	6,348,929	900,000	6,348,929	900,000
Issuance of Common Shares	1,184,498	209,544	-	-
Ending Balance	7,533,427	1,109,544	6,348,929	900,000

In the quarter ended September 30, 2016 gross proceeds of $250,000 were raised under a private placement. 1,184,498 units were issued. Each unit consists of one equity share at a price of CAD$0.10 per share and one half warrant to acquire an additional equity share at a price of CAD$0.15 per share, where each warrant will expire on their two year anniversary. The company allocated $40,456 of the proceeds to the fair value of the share purchase warrants

b) Warrants

		September 30 2016		December 31 2015
	Warrants	**Amount**	**Warrants**	**Amount**
	#	**$**	**#**	**$**
Opening Balance	-	-	-	-
Issuance of Warrants	2,128,491	290,456	-	-

(in Canadian Dollars)

Ending Balance	2,128,491	290,456	-	-

The warrants issued on May 3, 2016, which vested immediately, were valued at a total of $250,000 and were recognised $45,000 in research and development expense and $205,000 in selling, marketing and administration expense during the three and six months ended June 30, 2016 (2015 - $nil). The fair value of the warrants was determined using the Black-Scholes option pricing model using the following assumptions:

Number of Warrants	226,747	357,128	952,339
Share price	$0.21	$0.21	$0.21
Exercise price	$0.0211059	$0.211059	$0.211059
Expected life (years)	5	5	5
Volatility	100%	100%	100%
Dividend yield	0%	0%	0%
Risk-free rate	1%	1%	1%
Call value	$0.20	$0.16	$0.16
Fair value	$45,000	$57,000	$148,000

Due to insufficient historical data on which to prepare a historical volatility calculation, a volatility of 100% was assumed by the Company based on a review of publically available information of entities in a similar stage of development and similar industries.

See subsequent event note 11.

The fair value of the warrants issued in the quarter ending September 30, 2016 was determined using the Black-Scholes option pricing model using the following assumptions:

Number of Warrants	592,250
Share price	$0.18
Exercise price	$0.3166
Expected life (years)	2
Volatility	100%
Dividend yield	0%
Risk-free rate	1%
Call value	$0.07
Fair value	$40,456

(in Canadian Dollars)

8 Income (Loss) per share

Basic income (loss) per share is calculated by dividing the net loss attributable to the Company by the weighted average number of common shares outstanding during the period.

	Three months ended September 30 2016 $	Three months ended September 30 2015 $	Nine months ended September 30 2016 $	Nine months ended September 30 2015 $
Net income (loss) for the period	3,388	(344,168)	5,673,525	(766,787)
Weighted average shares	7,533,427	6,348,929	6,348,929	6,348,929
Less: Treasury shares	-	-	-	-
Total shares	7,533,427	6,348,929	6,348,929	6,348,929
Net basic income (loss) per share	0.00	(0.05)	0.89	(0.12)

9 Statements of cash flows

Components of the net change in non-cash working capital are as follows:

	Nine months ended September 30 2016 $	Nine months ended September 30 2015 $
(Increase) decrease in current assets		
Receivables - trade and other	(658,038)	57,292
Prepaid expenses	5,613	3,099
Increase (decrease) in current liabilities		-
Accounts payable and accrued liabilities	112,760	(21,262)
Deferred revenue	(45,206)	402,600
	(584,871)	441,729

(in Canadian Dollars)

10 Additional IFRS Information

a) Expenses by nature

	Three months ended September 30 2016 $	Three months ended September 30 2015 $	Nine months ended September 30 2016 $	Nine months ended September 30 2015 $
Employee benefits	206,727	417,429	732,049	1,296,944
Stock Based Compensation	-	-	250,000	-
Facilities	11,884	11,809	35,503	34,496
Depreciation	1,211	-	3,633	-
Professional fees	41,615	-	93,615	276
Interest	78	707	78	707
Travel	12,641	3,649	23,953	31,969
Write off of debt	-	-	(3,201,763)	-
Write off of interest accrued on debt	-	-	(971,899)	-
Cancellation of convertible debtenture	-	-	(1,946,588)	-
Other	(142,338)	20,574	(326,300)	(176,075)
	131,818	454,168	(5,307,719)	1,188,317

b) Employee benefits

	Three months ended September 30 2016 $	Three months ended September 30 2015 $	Nine months ended September 30 2016 $	Nine months ended September 30 2015 $
Salaries and wages	187,960	399,803	654,006	1,207,508
Source deductions	7,246	5,090	39,312	53,545
Medical, dental and insurance	11,521	12,536	38,731	35,891
	206,727	417,429	732,049	1,296,944

11 Subsequent Event

On November 28, 2016 the Company announced that it has completed its previously announced qualifying transaction with Quinsam Opportunities Inc. ("QOP"), a capital pool company resulting in QOP acquiring all of the issued and outstanding securities in the capital of Vitalhub Corp. by way of share exchange pursuant to which each Vitalhub shareholder received common shares in QOP on the basis of one (1) Common Share for every 0.4738 common shares of Vitalhub held by them (the Exchange Ratio") resulting in the issuance of 17,031,945 Common Shares (not including Common Shares issued pursuant to the Private Placement described below). In addition, each convertible security of Vitalhub was exchanged for a convertible security of the Corporation following application of the Exchange Ratio, on substantially the same economic terms and conditions as the original convertible security of Vitalhub resulting in the issuance of 1,576,670 warrants in respect of outstanding Vitalhub warrants, and 957,741 options in exchange for certain warrants of Vitalhub. Final acceptance of the Qualifying Transaction will occur upon the issuance of a Final Exchange Bulletin by the TSX Venture Exchange.

Concurrent with closing of the Qualifying Transaction, the Corporation completed a brokered private placement of 8,392,500 units, with each such Unit consisting of one Common Share and one half of one warrant at a price of $0.11 per Unit for gross proceeds of $923,175. Each whole Warrant is exercisable for one Common Share at an exercise price of $0.15 per share for a period of 24 months from the date of issuance. Industrial Alliance Securities Inc. acted as the lead agent for the Private Placement and received a cash commission equal to 7.5% of the gross proceeds raised and also received options equal to 7.5% the number of Units sold in the Private Placement. Each such Agent's Option is exercisable for one Common Share at an exercise price of $0.11 per share for a period of twenty-four months from the date of issuance.

Prior to the closing of the Qualifying Transaction and the Concurrent Financing an additional $65,378 (over the $250,000 raised prior to September 30, 2016 see Note 7) was raised by private placement.

Warrants

On November 7, 2016, two officers of the Company voluntarily cancelled 231,036 and 624,653 warrants.

On November 7, 2016, an officer of the Company exercised 226,747 warrants for common shares of the Company; the Company received total exercise proceeds of $4,786.