Nurcapital Corporation Ltd.

Financial Statements

For the period from January 8, 2015
(date of incorporation) to June 30, 2015

Table of Contents

Management's Responsibility

To the Shareholders of Nurcapital Corporation Ltd. (the "Corporation"):

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors (the “Board”) is composed of directors’ some of whom, may be officers of the Corporation. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving financial information. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditor. The Board is also responsible for recommending the appointment of the external auditor.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by shareholders to audit the financial statements and report directly to them; their report follows. The external auditor has full and free access to both the Board and management to discuss their audit findings.

September 22, 2015

[signed] “Salim Ansari”
Salim Ansari

Nurcapital Corporation Ltd.
Statement of financial position
(In Canadian Dollars)

As at	*June 30, 2015*
Assets	
Current	
Cash and cash equivalents	**$ 65,905**
Deferred costs	**7,119**
Sundry assets	**14,101**
	$ 87,125
Liabilities	
Current	
Accounts payable and accrued liabilities	**$ 16,365**
	16,365
Shareholders' Equity	
Share capital *(Note 6)*	**105,000**
Deficit	**(34,240)**
Total Shareholders' Rquity	**$ 70,760**
Total Liabilities and Shareholder's Equity	**$ 87,125**

Basis of operations *(Note 1)*

Approved on behalf of the Board

[signed] "Salim Ansari"

Director

The accompanying notes are an integral part of these financial statements

Nurcapital Corporation Ltd.
Statement of changes in shareholders' equity
(In Canadian Dollars)

	Share Capital				
	Common Shares	Amount ($)	Contributed Surplus ($)	Deficit ($)	Shareholders' Equity ($)
Balance, January 8, 2015 (date of incorporation)	-	-	-	-	-
Issued to founders	1,050,000	105,000	-	-	105,000
Balance - June 30, 2015	**1,050,000**	**105,000**	**-**	**-**	**105,000**

The accompanying notes are an integral part of these financial statements

Nurcapital Corporation Ltd.
Statement of loss and comprehensive loss
(In Canadian Dollars)

As at		From January 8, 2015 (date of incorporation) to June 30, 2015
Expenses		
Professional and Listing Fees	**$**	**34,240**
Total Expenses	**$**	**34,240**
Net loss and compprehensive loss	**$**	**34,240**
Basic and diluted loss per share	$	0.03
Weighted average number of shares outstanding - Basic and diluted		1,050,000

The accompanying notes are an integral part of these financial statements

Nurcapital Corporation Ltd.
Statement of cash flows
(In Canadian Dollars)

		From January 8, 2015 (date of incorporation) to June 30, 2015
Operating activities	$	**(34,240)**
Comprehensive Loss		
Changes in working capital accounts		
Sundry assets	$	**(14,101)**
Deferred costs		**(7,119)**
Accounts payable and accrued liabilities		**16,365**
		(39,095)
Financing activities		
Proceeds from issuance of common shares, net		**105,000**
		105,000
Increase in cash resources		**65,905**
Cash beginning of period		**-**
Cash, end of period	$	**65,905**

The accompanying notes are an integral part of these financial statements

1. Nature of the Organization

Nurcapital Corporation Ltd. (“the Corporation”) was incorporated under the *Business Corporations Act of Ontario* on January 8, 2015 with the intent to being classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) corporate finance manual. The Corporation has no assets other than cash and cash equivalents, deferred costs and sundry assets. The Corporation proposes to identify and evaluate potential acquisitions or businesses, and once identified and evaluated, to negotiate an acquisition or participation with a view to completing a Qualifying Transaction (the “Qualifying Transaction”), as defined in the policies of the TSX Venture Exchange (the “Exchange”).

As a Capital Pool Company, the proceeds raised by the Corporation from the issuance of common shares may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of securities issued by the Corporation and $105,000 may be used to cover prescribed costs of issuing common shares or administrative and general expenditures of the Corporation. These restrictions apply until the completion of a Qualifying Transaction by the Corporation as defined under the policies of the Exchange.

The Corporation’s continuing operations are dependent upon its ability to evaluate and negotiate an agreement to acquire an interest in a material asset or business within twenty-four months of listing on the Exchange. Where an acquisition or participation is warranted, additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing. Such an acquisition will be subject to regulatory approval and, if required, shareholder approval.

The head office and the registered head office of the Corporation is located at 1 Adelaide Street, Suite 801, Toronto, Ontario, M5C 2V9.

On September 21, 2015, the Board of Directors approved the financial statements for issuance.

2. Summary of 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 International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Measurement

These financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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.

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.

2. Summary of Significant Accounting Policies *(continued)*

Financial Instruments (continued)

The Corporation has classified its financial instruments as follows:

Financial Instrument	Classification
Cash and cash equivalents	FVTPL
Accounts payable and accrued liabilities	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 and cash equivalents held in a Canadian chartered bank. Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

Cash and Cash Equivalents

Cash equivalents are held by a financial institution and consist of redeemable term deposits maturing in three months or

less. *Basic and Diluted Loss Per Share*

Basic loss per share is computed by dividing the net loss applicable to common shares by the weighted average number of common shares (other than contingently returnable shares) outstanding for the relevant period.

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares (other than contingently returnable shares) issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the statement of operations and comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity. No income tax provision has been recorded in these financial statements as it is not applicable.

Current Income Tax

Current tax 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 tax laws that were 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 on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period, and which are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

2. Summary of Significant Accounting Policies *(continued)*

Deferred Tax (continued)

Deferred tax liabilities:

- are generally recognized for all taxable temporary differences; and
- are recognized for taxable temporary differences arising on investments in subsidiaries except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax assets:

- are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences and carry forward unused tax credits and unused tax losses can be utilized; and
- are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise upon initial recognition of goodwill or arise on initial recognition of assets and liabilities acquired other than in a business combination where at the time of transaction effects neither accounting profit or taxable income (tax loss).

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. Areas where estimates are significant are included in Note 6.

Future Changes in Accounting Policies

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

<u>IFRS 9 - Financial Instruments</u>

The IASB aims to replace IAS 39, Financial Instruments Recognition and Measurement, in its entirety. The replacement standard (IFRS 9) is being issued in phases. To date, the chapters dealing with recognition, classification, measurement and de-recognition of financial assets and liabilities have been issued, some of which were just carried forward from IAS 39 unchanged. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The restatement of comparative period financial statements will not be required for the initial classifications and measurement requirements, but will require modified disclosures upon transition. 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

a) Authorized and Issued

The Corporation is authorized to issue an unlimited number of common shares.

Issued & outstanding common shares	**Number**	**Amount ($)**
Issuance of common shares – February 9, 2015	700,000	70,000
Issuance of common shares – February 19, 2015	300,000	30,000
Issuance of common shares – March 12, 2015	50,000	5,000
Balance, June 30, 2015	1,050,000	105,000

b) Share Issuance Detail

On February 9, 2015, the Corporation issued 700,000 shares at a price of $0.10 per common share for total proceeds of $70,000.

On February 19, 2015, the Corporation issued 300,000 shares at a price of $0.10 per common share for total proceeds of $30,000.

On March 12, 2015, the Corporation issued 50,000 shares at a price of $0.10 per common share for total proceeds of $5,000.

c) Escrowed Shares

All of the 1,050,000 common shares issued prior to the Offering (Note 9) were at a price below $0.20 per common share, all common shares that may be acquired by Non Arm's Length Parties of the Corporation either under the Offering or otherwise prior to the Completion of the Qualifying Transaction, will be deposited with the Transfer Agent under the Escrow Agreement.

In addition, all common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by any person or company who becomes a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by principals of the resulting issuer, will also be escrowed.

d) Stock options

The directors of the Corporation have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Corporation. The outstanding options granted under the Plan are exercisable for a period of up to 10 years from the date of the grant. The exercise price of the options shall be determined by the board at the time of the grant. The aggregate number of shares issuable upon the exercise of all options granted under the plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. The number of common shares reserved for issuance to (a) any participant will not exceed 5% of the issued and outstanding common shares in a twelve month period, and (b) any individual director or officer will not exceed 5% of the issued and outstanding common shares while the corporation is a CPC, and (c) any person conducting investor relations activities within a 12 month period shall not exceed 2% of the common shares outstanding at the time of grant, provided that, while the Corporation is a CPC, no common shares may be reserved for issuance to any persons conducting investor relations activities, promotional or market-making services, and (d) Insiders shall not exceed 10% of the common shares outstanding from time to time, and (e) Insiders within a 12 month period shall not exceed 10% of the common shares outstanding from time to time; and (f) to any one consultant in any 12 month period shall not exceed 2% of the common shares outstanding at the time of the grant.

As at June 30, 2015 there has been no stock options granted.

4. Related Party Transactions

During the period, the Corporation paid a retainer of $12,710 to a law firm where a partner is also a board member for the Corporation.

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.

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.

6. Significant Accounting Estimates and Assumptions

The preparation of the audited financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the audited financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in these audited financial statements is related to:

Fair Value of Financial Instruments

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

7. Financial Instruments

Fair Values

The Corporation's financial instruments, consisting of cash and cash equivalents and accounts payable and accrued liabilities 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.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash and cash equivalents. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution.

Interest Rate Risk

The Corporation is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the corporation's liabilities. The $16,365 of trade and other payables are due within one year.

(In Canadian Dollars)

8. Income Taxes:

The income tax provision is computed using the statutory tax rate of 26.5%. The provision for income taxes reflects an effective income tax rate that differs from the corporate income tax rate for the following reasons:

Current tax expense

Income before income taxes		**$(34,240)**
Expected income tax expense at statutory rates		**(8,900)**
Tax benefit for losses carried forward but not recognized		**8,900**
Total income tax expense (recovery)	**$**	**-**

As at June 30, 2015, the Corporation has accumulated non-capital losses of $34,240 for income tax purposes which can be carried forward and applied against future taxable income until 2035 taxation year.

Deferred tax assets have not been recognized in respect of the loss carryforwards because it is not probable that future taxable profits will be available against which the Corporation can utilize the benefits.

9. Preliminary Prospectus

The Corporation has filed a preliminary prospectus (the “Offering”) to raise funds by issuing common shares with a minimum of 5,000,000 common shares and a maximum of 10,000,000 common shares at a price of $0.20 per common shares.