Nurcapital Corporation Ltd.
Condensed Interim Financial Statements

For the periods ended June 30, 2017 and 2016

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

Nurcapital Corporation Ltd.

Condensed Interim Statements of Financial Position
(in Canadian Dollars)

As At	**June 30, 2017**	December 31, 2016
Assets		
Current assets		
Cash	**$ 457,994**	$ 465,324
Harmonized sales tax receivable	**8,994**	14,884
Deferred costs	**11,629**	-
	$ 478,617	$ 480,208
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	**$ 43,868**	$ 36,815
Shareholders' equity		
Share capital *(note 3)*	**532,310**	532,310
Contributed surplus *(note 3)*	**45,500**	45,500
Deficit	**(143,061)**	(134,417)
	434,749	443,393
	$ 478,617	$ 480,208

Nature of Operations *(note 1)*

Proposed Qualifying Transaction *(note 7)*

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

Approved by the Board

Signed: "Salim Ansari"

Director

Nurcapital Corporation Ltd.

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

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended, June 30, 2016
Expenses				
Professional fee and listing fee	$ 7,855	$ -	$ 8,644	$ 16,268
Stock based compensation	-	-	-	36,200
General and administrative	-	802	-	802
	7,855	802	8,644	53,270
Net loss and comprehensive loss	**$ (7,855)**	**$ (802)**	**$ (8,644)**	**$ (53,270)**
Basic and diluted loss per share	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.02)**
Weighted average number of shares outstanding	**3,744,500**	**3,493,489**	**3,744,500**	**2,987,687**

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

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

	Share Capital				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2015	**1,050,000**	**$ 105,000**	**$**	**$ (42,134)**	**$ 62,866**
Issuance of common shares	**2,694,500**	**538,900**	**-**	**-**	**538,900**
Share issuance costs		**(109,022)**	**9,300**	**-**	**(99,722)**
Stock-based compensation			**36,200**	**-**	**36,200**
Net and comprehensive loss for the period		**-**	**-**	**(53,270)**	**(53,270)**
Balance, June 30, 2016	**3,744,500**	**$ 534,878**	**$ 45,500**	**$ (95,404)**	**$ 484,974**

	Share Capital				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2016	**3,744,500**	**$ 532,310**	**$ 45,500**	**$ (134,417)**	**$ 443,393**
Issuance of common shares					
Net and comprehensive loss for the period		**-**	**-**	**(8,644)**	**(8,644)**
Balance, June 30, 2017	**3,744,500**	**$ 532,310**	**$ 45,500**	**$ (143,061)**	**$ 434,749**

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

Condensed Interim Statements of Cash Flows
(in Canadian Dollars)

For the six month period ended	**June 30, 2017**	June 30, 2016
Cash flow from (used in) operating activities		
Net loss for the period	**$ (8,644)**	$ (53,270)
Stock-based compensation		36,200
Net change in non-cash working capital		
Harmonized sales tax receivable	**5,890**	-
Deferred costs	**(11,629)**	49,485
Increase (decrease) in accounts payable and accrued liabilities	**7,053**	(23,349)
	(7,330)	9,066
Cash flow from financing activities		
Proceeds from issuance of shares, net of issuance costs	**-**	439,178
	-	439,178
Net increase (decrease) in cash	**(7,330)**	448,241
Cash, beginning of period	**465,324**	62,238
Cash, end of period	**$ 457,994**	$ 510,482

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

1. Nature of Operations

Nurcapital Corporation Ltd. ("the Corporation") was incorporated under the *Business Corporations Act of Ontario* on January 8, 2015 and is 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 deferred financing costs. 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 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. As disclosed in note 7, the Corporation has entered into a letter of intent with Nurreal Capital Corporation to complete its Qualifying Transaction.

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

On August 29, 2017, the Board of Directors approved the financial statements for issuance.

2. Summary of Significant Accounting Policies

Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board. Accordingly, these unaudited condensed interim financial statements do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete financial statements for year-end reporting purposes. Results for the period ended June 30, 2017 are not necessarily indicative of future results. The accounting policies applied by the Corporation in these unaudited condensed interim financial statements are the same as those applied by the Corporation in its December 31, 2016 audited financial statements.

3. Share Capital

Authorized

Unlimited Common shares

Issued and Outstanding

3,744,500 Common shares

On January 8, 2015 the Corporation issued 1,050,000 common shares, at a price of $0.10 per share for gross proceeds of $105,000

On February 2, 2016 the Corporation completed its initial public offering by issuing 2,208,500 common shares at a price of $0.20 per share, for gross proceeds of $441,700. The Company also granted incentive stock options to its five officers and directors to acquire a total of 220,850 common shares. The options may be exercised for a period of ten years at a price of $0.20 per share. All Group Financial Services Inc. ("All Group") acted as the agent for the initial public offering. In connection with the offering the Corporation granted All Group warrants to acquire 88,340 common shares at a price of $0.20 per share, paid All Group a commission of $17,668 (4% of the gross proceeds of the offering) and a corporate finance fee of $15,000. The warrants may be exercised for a period of 24 months from the date of listing of the common shares on the Exchange. The agent's warrants were valued at $9,300 on the date of issue at using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1.11%, expected volatility of 100% and an expected life of two years.

On May 18, 2016 the Corporation completed a non-brokered private placement financing by issuing 486,000 common shares at a price of $0.20 per share, for gross proceeds of $97,200. No financing cost was incurred for this financing.

As at December 31, 2015 the Corporation had incurred $49,485 in costs directly related to the initial public offering. These costs were classified as deferred financing costs on the statement of financial position as at December 31, 2015. During the six month period ending June 30, 2017, share issuance costs of $109,022 include these costs which were charged to share capital.

Escrow Shares

1,050,000 common shares will be subject to an Escrow Agreement pursuant to the requirements of the Exchange. Under the terms of the Escrow Agreement, these shares will be held in escrow and released as to 10% thereof on the completion of the Corporation's Qualifying Transaction, 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 Qualifying Transaction 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 Qualifying Transaction 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 escrowed.

Stock Options

On February 2, 2016, the Corporation granted incentive stock options to its five officers and directors to acquire a total of 220,850 common shares. The options may be exercised for a period of ten years at a price of $0.20 per share. The agent's options were valued at $36,200 on the date of issue at using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1 %, expected volatility of 100% and an expected life of ten years

4. Financial Instruments

Fair Values

At June 30, 2017 and December 31, 2016, the Corporation's financial instruments consist of cash, harmonized sales tax receivable and accounts payable and accrued liabilities. The fair value of accounts payable and accrued liabilities approximates its carrying value due to the relatively short-term maturity of this instrument.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash held in trust.

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.

5. Capital Management

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

6. Related Party Balances and Transactions

Included in cash is $426,248 (December 31, 2016 - $443,104) held in trust in an account at a law firm where a partner is also a Board member of the Corporation. This amount is used to pay expenses of the Corporation.

As part of the initial public offering the Company incurred fees to the law firm in the amount of $65,084. These fees have been recorded as share issuance costs which is a reduction of share capital.

During the six-month period ended June 30, 2017, the Corporation incurred net legal expenses of $8,607 and during fiscal 2016, the Corporation paid $39,565 of professional fees to a law firm where a partner is also a Board Member of the Corporation. As at June 30, 2017, included in accounts payable and accrued liabilities is $41,367 related to these costs.

7. Proposed Qualifying Transaction

On November 1, 2016, the Company entered into a letter of intent (the "LOI") with Nurreal Capital Corporation ("Nurreal") to acquire from Nurreal a 50% of the issued and outstanding common shares of Erindale Village Living Inc. ("EVLI") and 2,000,0000 preferred shares of EVLI, which owns a condominium project presently called EV Royale Condo Residences (the "Project"). The LOI will be superseded by definitive documentation between the Company and Nurreal that includes customary representations, warranties conditions and covenants for transactions of this nature. Subject to the approval of the Exchange, this proposed transaction will constitute the Company's Qualifying Transaction (the "QT") under Exchange Policy 2.4 – Capital Pool Companies (the "CPC Policy"). The Company intends to list its common shares on the Exchange as a Tier 2 Investment Issuer upon completion of the proposed QT.

Pursuant to the LOI, Nurreal will sell its ownership interest of EVLI, which owns the Project. For the QT, the Company will acquire from Nurreal a 50% of the issued and outstanding common shares of EVLI and 2,000,0000 preferred shares of EVLI, in consideration for 9,900,0000 common shares, based on an appraised value of $2,475,000 for Nurreal's equity interest of EVLI at $0.25 per common share.

Upon completion of the QT, the Company will have 2,000,0000 preferred shares of EVLI, which are entitled to preferential redemption by EVLI for $2,000,000.00 before any profits are dispersed, and 50% of the issued and outstanding common shares of EVLI. Pursuant to a unanimous shareholders agreement with the other shareholders of EVLI, the Company will have decision making authority over EVLI and the Project.

Completion of the QT is subject to completion and execution of all definitive transaction documents (including accuracy of representations and warranties, compliance of covenants and satisfaction of customary conditions) and receipt of all requisite approvals and consents for the QT including without limitation completion of due diligence by the Company, approval by the Exchange for the QT, approval by the board of directors and by the shareholders of the Company, as well as receipt of all other necessary regulatory, corporate and third party approvals and other conditions precedent customary for a transaction such as the proposed QT. There can be no assurance that the proposed QT will be completed as proposed or at all.

Nurreal and the Corporation are related as a result of officers and directors in common and these officers and directors of the Company directly and indirectly, own and control all the issued and outstanding shares of Nurreal. Accordingly, the proposed QT constitutes a "Non-Arm's Length Qualifying Transaction" within the meaning of Exchange Policy 2.4 and, as such, Majority of the Minority Approval (as defined in Exchange Policy 2.4) is required to approve the proposed QT.