TIMIA CAPITAL CORP.

(FORMERLY GREENANGEL ENERGY CORP.)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED

AUGUST 31, 2015 AND 2014

(UNAUDITED)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

James Pratt
CFO and Director

TIMIA CAPITAL CORP. (FORMERLY GREENANGEL ENERGY CORP.)

CONDENSED INTERIM STATEMENTS OF NET ASSETS

AS AT AUGUST 31, 2015 AND NOVEMBER 30, 2014

(Expressed in Canadian Dollars)

	Aug 31, 2015 (Unaudited)	Nov 30, 2014 (Audited)
ASSETS		
Cash	$ 255,317	$ 14,650
Accounts receivable	35,429	1,874
Prepaid expenses	5,465	-
Current portion of royalty investments receivable (Note 4)	102,000	-
	398,211	16,524
Investments (Note 3)	1,913,990	1,413,990
Royalty investments receivable (Note 4)	406,243	-
	2,718,444	1,430,514
LIABILITIES		
Accounts payable and accrued liabilities	31,446	22,627
Current portion of notes payable (Note 9)	604	3,810
	32,050	26,437
Notes payable (Note 9)	485,500	285,500
Convertible debentures (Note 10)	483,452	-
NET ASSETS	$ 1,717,442	$ 1,118,577
EQUITY		
Share capital (Note 5)	$ 3,108,419	$ 2,862,280
Share-based payment reserve	274,153	254,960
Equity component of convertible debentures (Note 10)	84,438	-
Deficit	(1,749,568)	(1,998,663)
	$ 1,717,442	$ 1,118,577

Nature and continuance of operations (Note 1)

Approved on behalf of the Board of Directors:

/s/ *"Michael Walkinshaw"*
Michael Walkinshaw, Director

/s/ *"James Pratt"*
James Pratt, Director

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

TIMIA CAPITAL CORP. (FORMERLY GREENANGEL ENERGY CORP.)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2015 AND 2014

(Expressed in Canadian Dollars)

	Three months ended **Aug 31, 2015**	Three months ended **Aug 31, 2014**	Nine months ended **Aug 31, 2015**	Nine months ended **Aug 31, 2014**
REVENUE				
Royalty and interest income	$ 23,067	$ -	$ 38,550	$ 517
Advisory income (Note 2)	52,607	37,804	52,607	90,407
TOTAL REVENUE	75,674	37,804	91,157	90,924
EXPENSES				
Administrative, management, and directors fees (Note 6)	18,872	9,366	40,411	30,441
Accounting and legal	4,318	2,022	6,473	11,189
Share-based payments	8,956	2,027	19,193	2,667
Office, promotion, and miscellaneous	23,124	14,380	29,084	52,769
Interest expense	19,337	6,101	30,882	6,101
Transfer agent and regulatory fees	-	3,331	15,919	12,798
	74,607	37,227	141,962	115,965
INCOME (LOSS) BEFORE OTHER ITEMS	1,067	577	(50,805)	(25,041)
OTHER ITEMS				
Unrealized gain (loss) on investments	299,900	-	299,900	(42,296)
	300,967	577	249,095	(67,337)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	$ 300,967	$ 577	$ 249,095	$ (67,337)
NET INCOME (LOSS) PER COMMON SHARE BASIC AND DILUTED	$ 0.02	$ 0.00	$ 0.01	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	17,568,868	17,213,796	17,568,868	17,213,796

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

TIMIA CAPITAL CORP. (FORMERLY GREENANGEL ENERGY CORP.)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)

FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2015 AND 2014

(Expressed in Canadian Dollars)

	Three months ended **Aug 31, 2015**	Three months ended **Aug 31, 2014**	Nine months ended **Aug 31, 2015**	Nine months ended **Aug 31, 2014**
OPERATING ACTIVITIES				
Net income (loss)	$ 300,967	$ 577	$ 249,095	$ (67,337)
Items not involving cash:				
Unrealized loss (gain) on investments	(299,900)	-	(299,900)	42,296
Share-based payments	8,956	2,027	19,193	2,667
Interest revenue	(8,443)	-	(8,443)	-
Interest accretion	4,398	-	4,398	-
	5,978	2,604	(35,657)	(22,374)
Change in non-cash working capital items	(91,833)	(27,652)	(65,488)	(11,838)
CASH USED IN OPERATING ACTIVITIES	(85,855)	(25,048)	(101,145)	(34,212)
INVESTING ACTIVITY				
Purchase of investments	(500,000)	-	(500,000)	-
Investment income	14,824	-	32,181	-
CASH USED IN INVESTING ACTIVITY	(485,176)	-	(467,819)	-
FINANCING ACTIVITIES				
Proceeds from convertible debentures issued	572,500	-	572,500	-
Debt issuance costs	(9,008)	-	(9,008)	-
Proceeds from common shares issued	250,000	-	250,000	-
Share issue costs	(3,861)	-	(3,861)	-
CASH PROVIDED BY INVESTING ACTIVITIES	809,631	-	809,631	-
CHANGE IN CASH DURING THE PERIOD	238,600	(25,048)	240,666	(34,212)
CASH, BEGINNING OF PERIOD	16,717	48,816	14,650	57,980
CASH, END OF PERIOD	$ 255,317	$ 23,768	$ 255,317	$ 23,768
SUPPLEMENTAL CASH FLOW INFORMATION				
Income taxes paid	–	–	–	–

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

TIMIA CAPITAL CORP. (FORMERLY GREENANGEL ENERGY CORP.)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2015 AND 2014

(Expressed in Canadian dollars)

	Common Shares					
	Issued	**Amount**	**Equity component of convertible debentures**	**Share-based Payment Reserve**	**Deficit**	**Total**
As at December 1, 2013	17,213,796	$ 2,862,280	$ -	$ 224,859	$ (1,842,030)	$ 1,245,109
Share-based payments	-	-	-	2,667	-	2,667
Net loss and comprehensive loss	-	-		-	(67,337)	(67,337)
As at August 31, 2014	17,213,796	$ 2,862,280	$ -	$ 227,526	$ (1,909,367)	$ 1,180,439
As at December 1, 2014	17,213,796	$ 2,862,280	$ -	$ 254,960	$ (1,998,663)	$ 1,118,577
Common shares issued	5,000,000	250,000	-	-	-	250,000
Share issuance costs	-	(3,861)	-	-	-	(3,861)
Convertible debentures issued (Note 10)	-	-	84,438	-	-	84,438
Share-based payments	-	-	-	19,193	-	19,193
Net loss and comprehensive loss	-	-	-	-	249,095	249,095
As at August 31, 2015	22,213,796	$ 3,108,419	$ 84,438	$ 274,153	$ (1,749,568)	$ 1,717,442

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

1. NATURE AND CONTINUANCE OF OPERATIONS

TIMIA Capital Corp. (formerly GreenAngel Energy Corp.) (the “Company”) was incorporated under the Business Corporations Act of British Columbia on October 26, 2007 under the name GreenAngel Energy Corp. The Company changed its name on to TIMIA Capital Corp. on September 23, 2015 and is listed on the TSX Venture Exchange (the “TSX-V”) trading under the symbol “TCA”. The Company primarily focuses on providing financing to Canadian technology companies in exchange for royalties based on a percentage of the debtors’ revenues. The Company’s head office and principal place of business is suite 7300 - 515 West Hastings Street, Vancouver, British Columbia, Canada.

For the nine months ended August 31, 2015, the Company reported negative cash flows from operating activities of $81,834 and as at August 31, 2015, the Company had an accumulated deficit of $1,757,682. These factors indicate a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern. The continuance of the Company’s operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company’s investments.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a forced liquidation. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the presentation of these condensed interim financial statements are set out below. These policies have been consistently applied to all the years presented.

Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the audited annual financial statements for the year ended November 30, 2014.

These condensed interim financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on October 27, 2015.

Basis of presentation

The condensed interim financial statements have been prepared using the historical cost convention except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out below. All amounts are expressed in Canadian dollars unless otherwise stated.

Significant accounting judgements and estimates

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgements and estimates (continued)

Estimates and assumptions 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. However, actual outcomes can differ from these estimates. The information about significant areas of judgement and estimation uncertainty considered by management in preparing the condensed interim financial statements are:

- Fair value and the terms of royalty investments acquired;
- Fair value of investment in securities not quoted in an active market;
- Recognition of deferred tax assets; and
- Share-based payments expense.

Cash

Cash in the statement of net assets comprise cash at banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Financial instruments

All financial instruments are initially measured at fair value and categorized as either held-to-maturity, fair value through profit or loss ("FVTPL"), loans and receivables, available-for-sale or other financial liabilities.

Held-to-maturity financial assets are measured at amortized cost using the effective interest method. Impairment losses are charged to net earnings in the period in which they arise.

FVTPL financial instruments are measured at fair value with changes in fair value charged or credited to earnings in the period in which they arise.

Loans and receivables are subsequently measured at amortized cost using the effective interest method. Impairment losses are charged to net earnings in the period in which they arise.

Available-for-sale financial instruments are measured at fair value with changes in fair value charged or credited to other comprehensive income. Impairment losses are reclassified from other comprehensive income and charged to net earnings in the period in which they arise.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity Investments

Equity Investments consist of common shares, preferred shares, partnership units and warrants held in non-public companies that are focused on the production or conservation of energy or energy efficiency improvements. At the end of each financial reporting period, the Company's management estimates fair value of its investments based on the criteria below and records such valuations in the financial statements. Options and warrants of non-public companies are carried at $nil.

Equity Investments are initially recorded at cost, being the fair value at the time of acquisition. At each reporting period thereafter, the fair value of an investment may, depending on circumstances, be adjusted by taking into account the following circumstances:

- There has been a significant subsequent equity financing provided by outside investors at a valuation above or below the current fair value of the investee company, in which case the fair value of the investment is adjusted to the value at which the financing took place; or
- Based on financial information received from the investee company it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern, in which case the fair value of the investment is adjusted downward; or
- The investee company is placed into receivership or bankruptcy; or
    - There have been significant corporate, political, operating or economic events affecting the investee company that, in the Company's opinion, have a positive or negative impact on the investee company's prospects and, therefore, its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be ultimately realized or realizable. Such events include, without limitation: receipt or denial by the investee company of necessary approvals that allow or prevent the investee company to proceed with its project(s);
    - release by the investee company of positive or negative technical results, which either proves or disproves its technical prospects; and
    - management changes by the investee company that the Company's management believes will have a very positive or negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

In addition to the circumstances described above, the Company will take into account general market conditions when determining if an adjustment to the fair value of an investment is warranted at the end of each reporting period. Absent the occurrence of any of these events, or any significant change in general market conditions, the fair value of the investment is left unchanged.

Application of the valuation techniques described above may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized. The amount at which an investment could be disposed of may differ from its carrying value due to the availability and/or reliability of information available to, and determinations reached by, the Company. Any fair value estimated by the application of these techniques may not ultimately be realized.

Transaction costs incurred in the purchase and sale of investments are recorded as an expense in the statement of comprehensive loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Interest income and royalty payment income

Loan receivable and royalty agreements acquired are recognized as financial assets and are classified as Loans and Receivables in accordance with IAS 39. Interest income and royalty payment income are determined using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating the income over the life of the asset. The effective interest rate is the rate that exactly discounts estimated future cash flows to the initial carrying amount.

Advisory income

Revenue for marketing activities and corporate and advisory services is recognized when persuasive evidence of an arrangement exists, services have been rendered, the price is determinable, and collectability is reasonably assured.

From time to time, the Company will receive equity in the form of common or preferred shares for corporate or advisory services rendered. In order to record revenue, the Company uses the estimated fair values of the equity instruments prevailing at such time that the services have been rendered.

Functional currency

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

Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. Management considers the scheduled reversal of future income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic and diluted income (loss) per share

The Company presents basic and diluted income (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share is determined by adjusting the income (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. However, the calculation of diluted income (loss) per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Share-based payment transactions

The share option plan allows Company employees and consultants to acquire shares of the Company. All options granted are measured at fair value and are recognized in expenses as share-based payments with a corresponding increase in equity reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of employee options is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model ("Black-Scholes Model") taking into account the terms and conditions upon which the options were granted. Share options granted to non-employees or consultants are measured at the fair value of goods or services received. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Accounting Policies Adopted Effective December 1, 2014

The mandatory adoption of the following new and revised accounting standards and interpretations on December 1, 2014 had no significant impact on the Company's financial statements for the current or prior periods presented. The following standards were adopted for the period ended December 1, 2014:

- Amendments to IAS 36 - *Impairment of Assets*
- IFRIC 21 - *Levies*

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on or after December 1, 2015, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards issued but not yet effective (continued)

New accounting standards effective December 1, 2016

Amendments to IFRS 10 - *Consolidated Financial Statements*, IFRS 12 - *Disclosure of Interest in Other Entities* and IAS 28 - *Investments in Associates and Joint Ventures*

The amendments to IFRS 10, IFRS 12 and IAS 28 were issued by the IASB in December 2014 to address issues that have arisen in the context of applying the consolidation exception for investment entities. The amendments provide clarification on the exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value. It also clarifies that a subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity and when applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.

Amendments to IAS 1 - *Presentation of Financial Statements*

The IASB issued amendments to IAS 1 in December 2014 to address perceived impediments to preparers exercising their judgement in presenting their financial statements by clarifying that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply. The amendments also clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of other comprehensive income of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss.

The following standard will be effective for annual periods beginning on or after December 1, 2017:

IFRS 15 - *Revenue from Contracts with Customers* - IFRS 15 was issued in May 2014 and specifies how and when an entity will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards issued but not yet effective (continued)

New accounting standards effective December 1, 2018 (continued)

IFRS 9 *Financial Instruments* - IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

The final version of IFRS 9 was issued in July 2014 and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

(Expressed in Canadian dollars)

3. INVESTMENTS

As at August 31, 2015, the Company held the following investments:

Investment	Counterparty	Cost	Fair Value
Equity	dPoint Technologies, Mazza Innovation, Moj.io, CamDo	$ 759,183	$ 1,428,990
Equity	Investees Written Down	1,782,175	-
Limited Partnership	Espresso Capital Investment Fund IV (“LP Units”)	485,000	485,000
Total		**$ 3,026,358**	**$ 1,913,990**

The Company’s investment in Mazza Innovation Ltd. is subject to the following vesting conditions: 120,000 common shares vested immediately upon grant (November 30, 2012) and the remaining shares vest daily over 3 years.

4. ROYALTY INVESTMENT

As at August 31, 2015, the balance of the Company’s royalty investment in Lamda Solutions Inc. (“Lambda”) is $508,243.

	August 31, 2015	November 30, 2014
Due within 1 year	$ 102,000	$ -
Due after more than 1 year	406,243	-
¤	$ 508,243	$ -

The balance represents the amortized cost at the reporting date of the royalty investment in Lamda. On a quarterly basis, the Company carries out a credit quality review of the portfolio of royalty investments.

5. SHARE CAPITAL

(a) Authorized:

An unlimited number of common voting shares without par value.

(b) Issued and outstanding:

	Number	Common Shares Amount
Balance, August 31, 2015	22,213,796	$ 3,112,280

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

During the period ended August 31, 2015, the Company issued 5,000,000 Units at a price of $0.05 per unit for gross proceeds of $250,000. Each Unit consists of one common share of the Company and one non-transferrable common share purchase warrant ("Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at $0.06 per share for a period of two years. Share issue costs of $3,861 were paid.

(c) Stock Options:

The Company has adopted an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited to 10% of the outstanding common shares of the Company at any one time. Under the plan, the exercise price of an option shall not be less than the discounted market price at the time of granting, or as permitted by the policies of TSX-V. Options granted may not exceed a term of five years from the grant date. Options granted to consultants conducting investor relation activities vest 25% upon grant, and 25% every three months thereafter. The vesting period for all other options will be determined by the Board of Directors at the time of each grant.

	Number of Options		Weighted Average Exercise Price
Balance, August 31, 2015	2,205,000	$	0.07

(d) Warrants:

	Number of Warrants		Weighted Average Exercise Price
Balance, August 31, 2015	5,449,000	$	0.05

6. RELATED PARTY TRANSACTIONS AND EXECUTIVE COMPENSATION

The Company had the following related party transactions:

(a) Directors fees of $31,000 (2014: $32,000) were accrued and paid during the nine month period ended August 31, 2015.

(b) During the nine month period ending August 31, 2015 $nil (2014: $4,075) management fees were paid to a Director of the Company for consulting services.

(c) Share-based payments of $19,193 (2014: $2,667) were recorded for directors and certain officers identified as key management personnel for the nine month period ended August 31, 2015.

(Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments:

	Aug 31, 2015	Nov 30, 2014
Cash – FVTPL	$ 253,701	$ 14,650
Royalty investments receivable – Loans and receivables	500,000	-
Equity and limited partnership investments – FVTPL	1,913,990	1,413,990
Accounts payable - Other financial liabilities	31,346	22,627
Notes payable - Other financial liabilities	1,058,604	289,310
Convertible debenture – Other financial liabilities	483,452	-

The estimated fair values of cash and accounts payable approximate their respective carrying values due to their nature and short terms to maturity. Investments are carried at their fair value. Notes payable, convertible debentures and royalty investments receivable are carried at amortized cost.

The fair value measurements use a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

(c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its royalty investments receivable and Cash.

The Plan is exposed to the risk that a royalty investment receivable counterparty defaults or becomes insolvent. Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company actively manages its credit risk through its due diligence, underwriting, security provisions, and monitoring risk management activities.

The Company limits exposure to credit risk for Cash by maintaining its cash with rated financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash.

7. FINANCIAL INSTRUMENTS AND RISK (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is dependent on obtaining regular financings in order to continue as a going concern. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash consists of cash deposited in business accounts held by rated financial institutions. The Company is not invested in any asset backed commercial paper.

Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company's exposure to interest rate risk arises from its royalty investments receivable and its limited partnership investments, both of which are impacted by changes in interest rates. Changes in interest rates will impact the terms upon which further investments in these classes can be made. However, the Company is funding these investments through the issuance of fixed rate debentures with terms that approximate the terms of the royalty and limited partnership investments. Therefore the Company does not have significant interest rate risk.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which could have a significant unfavourable effect on the Company's financial position. The Company manages market risk by having a portfolio of investments not singularly exposed to any one issuer; however, its investment activities are currently concentrated primarily in the energy sector. The Company also manages its market risk by reviewing commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to identify and to invest in investments with long-term growth potential, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long-term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

The Company 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 Company may attempt to issue new shares or dispose of assets.

If the Company does not receive sufficient cash distributions from its portfolio companies or from its activities, it may have to undertake a private placement to cover its cash outflows.

8. MANAGEMENT OF CAPITAL (continued)

The Company's investment policy is to provide financing to early stage technology companies in exchange for monthly royalty streams over an expected term of 4 years. In addition, income will be earned by the exercising of buyout clauses by investee companies and the receipt and exercising of warrants related to the underlying equity of the investee companies.

9. NOTES PAYABLE

On December 17, 2013, the Company entered into an agreement with Espresso Capital Management Partnership ("ECMP") to acquire up to $2,000,000 in Limited Partner Units ("LP Units") in an investment fund operated by ECMP. According to the terms of the agreement, the Company will raise up to $2,000,000 through the issuance of promissory notes for the investment in the LP Units.

During the year ended November 30, 2014, the Company issued $285,000 in promissory notes. The promissory notes mature March 1, 2016, with provisions for extension, with interest, at the Company's option for up to 12 months. The promissory notes bear interest at the lesser of 9% per annum or the note holder's pro-rata share of interest in the distributions from the LP Units received by the Company. The proceeds from the promissory notes issued were invested in the LP Units (see Note 3).

During the nine month period ended August 31, 2015 the Company issued an additional $200,000 in promissory notes with the same terms as above. A total of $485,000 promissory notes are outstanding as at August 31, 2015.

10. CONVERTIBLE DEBENTURES

During August 2015, the Company closed an offering of convertible unsecured debentures (the "Debentures") for aggregate gross proceeds of $572,500 (the "Principal"). The issue costs were $9,008 resulting in net proceeds of $563,492. The Debentures bear interest from the date of issuance at 8% per annum, payable monthly in arrears. The Debentures have a maturity date of August 4, 2020 (the "Maturity Date"). The Debenture holders may elect at any time, to convert all but not less than all their outstanding Principal amount prior to the Maturity Date into common shares of the Company at a conversion price of $0.14 per common share, being a conversion rate of 35,714.29 common shares for each $5,000 principal amount of Debentures.

For accounting purposes, the Debentures are separated into their liability and equity components using the effective interest method. The fair value of the liability component at the time of issue was determined based on an estimated rate of 12% for Debentures without the conversion feature. The fair value of the equity component was determined as the difference between the face value of the Debentures and the fair value of the liability component.

The Debentures are not redeemable before August 4, 2018. On or after August 4, 2018, but prior to the Maturity Date, the Company may, at its option, redeem the Debentures, in whole or in part, at a price equal to the principal amount of the Debentures plus all accrued and unpaid interest up to but excluding the date of redemption.

The Company is not permitted to grant any lien on the Company or its assets as long as the Debentures are outstanding except with the permission of more than sixty-seven percent of the Debenture holders.

(Expressed in Canadian dollars)

10. CONVERTIBLE DEBENTURES (continued)

The Debentures, and any common shares issuable upon conversion thereof, will be subject to a four-month hold period in accordance with applicable securities laws.

The following table summarizes the outstanding balance and changes in the amounts recognized in the liability and equity during the period:

Principal		
Advanced during the period ended August 31, 2015	$	572,500
Liability		
Gross proceeds received	$	572,500
Issue costs		(9,008)
Equity component less issue costs allocated		(84,438)
Liability component initially recognized		479,054
Accretion of interest expense		4,398
Balance at August 31, 2015	$	483,452
Equity		
Equity component initially recognized	$	84,438
Balance at August 31, 2015	$	84,438

11. RECLASSIFICATION

Certain amounts in the prior periods have been reclassified to conform to the current year's presentation.