

---

**BRS VENTURES LTD.**

Condensed Interim Financial Statements

(Unaudited - expressed in Canadian Dollars)

For the three months ended January 31, 2016 and 2015

---

## **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 interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

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

# BRS Ventures Ltd.

## Condensed Interim Statements of Financial Position

Unaudited

Expressed in Canadian dollars

|  | Note | January 31<br>2016 | October 31<br>2015 |
|--|------|--------------------|--------------------|
|  |      | \$                 | \$                 |
| <b>Assets</b>                            |      |                    |                    |
| Current                                  |      |                    |                    |
| Cash                                     |      | 28,800             | 31,253             |
| Prepaid assets                           |      | -                  | 875                |
|  |      | <b>28,800</b>      | <b>32,128</b>      |
| <b>Liabilities</b>                       |      |                    |                    |
| Current                                  |      |                    |                    |
| Accounts payable and accrued liabilities | 5, 7 | 16,847             | 14,861             |
| <b>Shareholders' Equity</b>              |      |                    |                    |
| Share capital                            | 6    | 988,145            | 988,145            |
| Contributed surplus                      |      | 92,150             | 92,150             |
| Deficit                                  |      | (1,068,342)        | (1,063,028)        |
|  |      | <b>11,953</b>      | <b>17,267</b>      |
|  |      | <b>28,800</b>      | <b>32,128</b>      |

Going concern – note 2

### APPROVED BY THE DIRECTORS

\_\_\_\_\_  
"Luke Norman" Director

\_\_\_\_\_  
"Robert McMorran" Director

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

## **BRS Ventures Ltd.**

Condensed Interim Statements of Loss and Comprehensive Loss

For the three months ended January 31

*Unaudited*

*Expressed in Canadian dollars*

|   | <b>Note</b> | <b>2016</b>       | <b>2015</b> |
|---|-------------|-------------------|-------------|
|   |             | \$                | \$          |
| Expenses  |             |                   |             |
| Accounting and audit                                  | <b>7</b>    | <b>2,072</b>      | 7,695       |
| Corporate secretary and legal                         |             | <b>543</b>        | 324         |
| Listing   |             | <b>2,614</b>      | 3,360       |
| Office and miscellaneous                              |             | <b>85</b>         | 94          |
| <b>Net loss and comprehensive loss for the period</b> |             | <b>(5,314)</b>    | (11,473)    |
| <b>Loss per share</b>                                 |             |                   |             |
| Basic and diluted                                     |             | <b>(0.00)</b>     | (0.00)      |
| <b>Weighted average number of shares outstanding</b>  |             |                   |             |
| Basic and diluted                                     |             | <b>12,941,659</b> | 12,941,659  |

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

## **BRS Ventures Ltd.**

Condensed Interim Statements of Cash Flows

For the three months ended January 31

*Unaudited*

*Expressed in Canadian dollars*

---

|   | <b>2016</b>    | <b>2015</b>     |
|---|----------------|-----------------|
|   | <b>\$</b>      | <b>\$</b>       |
| <b>Cash (used in) provided by:</b>        |                |                 |
| <b>Operating activities</b>               |                |                 |
| Net loss for the period                   | <b>(5,314)</b> | <b>(11,473)</b> |
| Changes in non-cash working capital items |                |                 |
| Prepaid assets                            | <b>875</b>     | <b>875</b>      |
| Accounts payable and accrued liabilities  | <b>(1,986)</b> | <b>821</b>      |
| <b>Decrease in cash</b>                   | <b>(2,453)</b> | <b>(9,777)</b>  |
| <b>Cash - beginning of period</b>         | <b>31,253</b>  | <b>70,658</b>   |
| <b>Cash - end of period</b>               | <b>28,800</b>  | <b>60,881</b>   |

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

## **BRS Ventures Ltd**

Condensed Interim Statements of Changes in Shareholders' Equity

*Unaudited*

*Expressed in Canadian dollars*

|                                  | <b>Share<br/>capital<br/>number</b> | <b>Share<br/>capital<br/>\$</b> | <b>Contributed<br/>surplus<br/>\$</b> | <b>Deficit<br/>\$</b> | <b>Total<br/>\$</b> |
|----------------------------------|-------------------------------------|---------------------------------|---------------------------------------|-----------------------|---------------------|
| <b>Balance, October 31, 2014</b> | <b>12,941,659</b>                   | <b>988,145</b>                  | <b>92,150</b>                         | <b>(1,039,555)</b>    | <b>40,740</b>       |
| Net loss                         | -                                   | -                               | -                                     | (11,473)              | (11,473)            |
| <b>Balance, January 31, 2015</b> | <b>12,941,659</b>                   | <b>988,145</b>                  | <b>92,150</b>                         | <b>(1,051,028)</b>    | <b>29,267</b>       |
| Net loss                         | -                                   | -                               | -                                     | (12,000)              | (12,000)            |
| <b>Balance, October 31, 2015</b> | <b>12,941,659</b>                   | <b>988,145</b>                  | <b>92,150</b>                         | <b>(1,063,028)</b>    | <b>17,267</b>       |
| Net loss                         | -                                   | -                               | -                                     | (5,314)               | (5,314)             |
| <b>Balance, January 31, 2016</b> | <b>12,941,659</b>                   | <b>988,145</b>                  | <b>92,150</b>                         | <b>(1,068,342)</b>    | <b>11,953</b>       |

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

# **BRS Ventures Ltd.**

## **(A Capital Pool Company)**

Notes to the Condensed Interim Financial Statements  
Three months ended January 31, 2016 and 2015

---

*Unaudited - Expressed in Canadian Dollars*

### **1. Organization, nature and continuation of operations**

BRS Ventures Ltd. (the "Company" or "BRS") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007 and was classified as a capital pool company ("CPC") as defined by TSX Venture Exchange Policy 2.4 ("Policy 2.4"). Under Policy 2.4, as a CPC, the Company was required to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals. To date, the Company has not completed a QT. Accordingly it is currently trading on the NEX board of the TSX Venture Exchange (the "Exchange") under the trading symbol "BRV.H".

The Company's corporate office is located at Suite 880, 580 Hornby Street, Vancouver, British Columbia V6C 3B6.

### **2. Going concern**

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. For the three months ended January 31, 2016, the Company incurred operating losses in the amount of \$5,314, had accumulated losses of \$1,068,342, had working capital of \$11,953 and had not completed a Qualifying Transaction. In the event the Company is successful in securing a Qualifying Transaction, there can be no assurance that the required additional financing to complete a Qualifying Transaction can be secured. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

### **3. Basis of preparation**

#### **Statement of compliance and functional currency**

These condensed interim financial statements for the three months ended January 31, 2016 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 Company's October 31, 2015 annual financial statements which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

These condensed interim financial statements have been prepared on an accrual basis, under the historical cost convention except for financial assets and liabilities which have been measured at fair value as set out in the relevant accounting policies below. These condensed interim financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

The condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company's October 31, 2015 annual audited financial statements.

These financial statements were approved by the board of directors on March 30, 2016.

#### **Use of estimates and judgments**

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's October 31, 2015 annual audited financial statements.

# **BRS Ventures Ltd.**

## **(A Capital Pool Company)**

Notes to the Condensed Interim Financial Statements  
Three months ended January 31, 2016 and 2015

---

*Unaudited - Expressed in Canadian Dollars*

#### **4. Accounting standards issued but not yet effective**

##### **IFRS 9 – Financial Instruments**

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 will be annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of determining the impact of IFRS 9 on its financial statements.

#### **5. GST / HST payments not recovered**

During the year ended October 31, 2014, CRA advised the Company that it had re-assessed GST Input Tax Credits refunded related to the 2009 and 2010 fiscal years and determined that the Company was not eligible to recover these GST Input Tax Credits. During the year ended October 31, 2014, the Company had recorded an accrued liability of \$11,000 of GST / HST Input Tax Credits refunded related to this matter pending final resolution with CRA.

During the three months ended January 31, 2016, the CRA notified the Company that \$9,144 of GST / HST Input Tax Credits for the 2009 and 2010 fiscal years were eligible to be recovered. The Company had recorded a reduction to the accrued liability as at October 31, 2015.

The Company currently reports all GST amounts to the appropriate expense classification on the Statement of Loss.

#### **6. Share capital**

**a) Authorized:** Unlimited common shares without par value.

**b) Options:**

As at January 31, 2016 and October 31, 2015 there were no stock options outstanding.

**c) Escrow shares:**

Pursuant to the regulatory requirements as at January 31, 2016 and October 31, 2015, 724,997 issued and outstanding common shares were held in escrow. The shares will be released as to 10% on the completion of the Company's Qualifying Transaction and the remainder will be released in 6 equal tranches of 15% each every 6 months thereafter.



**BRS Ventures Ltd.**  
**(A Capital Pool Company)**

Notes to the Condensed Interim Financial Statements  
Three months ended January 31, 2016 and 2015

*Unaudited - Expressed in Canadian Dollars*

---

**7. Related party transactions**

The Company did not have any compensation paid or payable to the Board of Directors and corporate officers for services provided during the three months ended January 31, 2016 and 2015.

During the three months ended January 31, 2016 and 2015 the Company incurred the following additional related party expenditures:

|                      | <b>2016</b> | <b>2015</b> |
|----------------------|-------------|-------------|
|                      | \$          | \$          |
| Accounting and audit | 3,658       | 4,570       |

---

As at January 31, 2016, directors, officers or their related companies were owed \$2,823 (October 31, 2015 - \$229) in respect of services. The amounts due to related parties are unsecured, non-interest-bearing and due on demand.