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**BRS VENTURES LTD.**

Condensed Interim Financial Statements

(Unaudited – expressed in Canadian Dollars)

For the three and nine months ended July 31, 2015 and 2014

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**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 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 financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

# BRS Ventures Ltd.

Condensed Interim Statements of Financial Position

Unaudited

Expressed in Canadian dollars

	Note	July 31 2015	October 31 2014
		\$	\$
<b>Assets</b>			
Current			
Cash		34,595	70,658
Prepaid assets		875	1,750
		<b>35,470</b>	<b>72,408</b>
<b>Liabilities</b>			
Current			
Accounts payable and accrued liabilities	7	21,298	31,668
<b>Shareholders' Equity</b>			
Share capital	6	988,145	988,145
Contributed surplus		92,150	92,150
Deficit		(1,066,123)	(1,039,555)
		<b>14,172</b>	<b>40,740</b>
		<b>35,470</b>	<b>72,408</b>

Going Concern – note 2

## APPROVED BY THE DIRECTORS

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

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"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 and nine months ended July 31

Unaudited

Expressed in Canadian dollars

	Note	Three months ended July 31		Nine months ended July 31	
		2015	2014	2015	2014
		\$	\$	\$	\$
Expenses					
Accounting and audit	7	4,293	5,319	15,691	23,797
Legal		375	6,011	804	6,767
Listing		2,332	3,377	9,890	9,924
Office and miscellaneous		39	645	183	804
<b>Net loss and comprehensive loss for the period</b>		<b>(7,039)</b>	<b>(15,352)</b>	<b>(26,568)</b>	<b>(41,292)</b>
<b>Loss per share</b>					
Basic and diluted		<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted average number of shares outstanding</b>					
Basic and diluted		<b>12,941,659</b>	12,941,659	<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 nine months ended July 31

*Unaudited*

*Expressed in Canadian dollars*

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	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Cash (used in) provided by:</b>		
<b>Operating activities</b>		
Net loss for the period	<b>(26,568)</b>	(41,292)
Changes in non-cash working capital items		
Prepaid assets	<b>875</b>	(42)
Accounts payable and accrued liabilities	<b>(10,370)</b>	3,283
<b>Decrease in cash</b>	<b>(36,063)</b>	(38,051)
<b>Cash - beginning of period</b>	<b>70,658</b>	118,965
<b>Cash - end of period</b>	<b>34,595</b>	80,914

*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 capital number</b>	<b>Share capital \$</b>	<b>Contributed surplus \$</b>	<b>Deficit \$</b>	<b>Total \$</b>
<b>Balance, October 31, 2013</b>	<b>12,941,659</b>	<b>988,145</b>	<b>92,150</b>	<b>(977,329)</b>	<b>102,966</b>
Net loss	-	-	-	(41,292)	(41,292)
<b>Balance, July 31, 2014</b>	<b>12,941,659</b>	<b>988,145</b>	<b>92,150</b>	<b>(1,018,621)</b>	<b>61,674</b>
Net loss	-	-	-	(20,934)	(20,934)
<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	-	-	-	(26,568)	(26,568)
<b>Balance, July 31, 2015</b>	<b>12,941,659</b>	<b>988,145</b>	<b>92,150</b>	<b>(1,066,123)</b>	<b>14,172</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 and nine months ended July 31, 2015 and 2014

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*(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 address of the Company's registered office and its principal place of business is 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 nine months ended July 31, 2015, the Company incurred operating losses in the amount of \$26,568, had accumulated losses of \$1,066,123, had working capital of \$14,172 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 a material uncertainty 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 and nine months ended July 31, 2015 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, 2014 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, 2014 annual audited financial statements.

These financial statements were approved by the board of directors on September 28, 2015.

#### **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, 2014 annual audited financial statements.

# **BRS Ventures Ltd.**

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

Notes to the Condensed Interim Financial Statements  
Three and nine months ended July 31, 2015 and 2014

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*(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 – to replace IAS 39 – Financial Instruments: Recognition and Measurement. The standard is effective for 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 consolidated 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. The Company is disputing this finding with the CRA. As at October 31, 2014, the Company recorded an accrued liability of \$11,000 of GST / HST Input Tax Credits refunded related to this matter pending final resolution with CRA. 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:**

The Company has established a stock option plan in accordance with the policies of the Exchange pursuant to which the Company is authorized to grant share purchase options up to 10% of its outstanding shares. The exercise price of options granted equals the market price of the Company's stock on the date of the grant. The options are for a maximum term of five years.

As at July 31, 2015 and October 31, 2014 there were no stock options outstanding.

**c) Escrow shares:**

Pursuant to the regulatory requirements as at July 31, 2015 and October 31, 2014, 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.

#### **7. Key management compensation and related parties**

The retention of certain key management personnel is not subject to any management agreements.

Some key management personnel, or their related parties, may hold positions in other entities whose services are retained by the Company. In such instances, these appointments result in the Company's key management personnel representing those related parties in which they hold control or significant influence over the financial or operating policies of these entities.

Key management includes officers and directors (executive and non-executive) of the Company. There was no compensation paid or payable to key management during the three and nine months ended July 31, 2015 and 2014.



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

Notes to the Condensed Interim Financial Statements  
Three and nine months ended July 31, 2015 and 2014

*(Unaudited) Expressed in Canadian Dollars*

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During the three and nine months ended July 31, 2015 and 2014, the Company entered into transactions with directors and officers of the Company and/or companies they control as follows:

	<b>Three months ended July 31</b>		<b>Nine months ended July 31</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accounting and audit	<b>1,167</b>	2,194	<b>7,790</b>	5,280

As at July 31, 2015, directors, officers or their related companies were owed \$126 (October 31, 2014 - \$6,915) in respect of services. The amounts due to related parties are unsecured, non-interest-bearing and due on demand.