
ANGUS VENTURES INC.
(A CAPITAL POOL COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
OCTOBER 31, 2017
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of Angus Ventures Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Angus Ventures Inc.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at October 31, 2017	As at January 31, 2017
ASSETS		
Current assets		
Cash	\$ 1,644,438	\$ 100,411
Total assets	\$ 1,644,438	\$ 100,411
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,591	\$ 12,200
Non-current liabilities		
Due to related party (note 8)	2,848	2,848
Total liabilities	4,439	15,048
Shareholders' equity		
Share capital (note 3)	1,725,890	100,000
Warrants (note 4)	5,998	-
Contributed surplus (note 5)	28,568	-
Accumulated deficit	(120,457)	(14,637)
Total shareholders' equity	1,639,999	85,363
Total liabilities and shareholders' equity	\$ 1,644,438	\$ 100,411

Nature and continuance of operations (note 1)

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

Angus Ventures Inc.

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	October 31,		October 31,	
	2017	2016	2017	2016
Operating expenses				
Bank charges	\$ 123	\$ 18	\$ 202	\$ 54
Filing and regulatory fees	1,356	-	23,911	-
Office and general	6	90	2,506	90
Professional fees	179	594	46,557	1,194
Share-based payments (note 5(i))	28,568	-	28,568	-
Shareholder information	4,076	-	4,076	-
Net loss and comprehensive loss for the period	\$ (34,308)	\$ (702)	\$ (105,820)	\$ (1,338)
Basic and diluted net loss for the period	\$ (0.00)	\$ (7.02)	\$ (0.02)	\$ (13.38)
Weighted average number of common shares outstanding - basic and diluted	13,135,609	100	5,711,870	100

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

Angus Ventures Inc.**Condensed Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	<u>Share Capital</u>		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of shares	Amount				
Balance, January 31, 2016	100	\$ 1	\$ -	\$ -	\$ (7,980)	\$ (7,979)
Net loss for the period	-	-	-	-	(1,338)	(1,338)
Balance, October 31, 2016	100	\$ 1	\$ -	\$ -	\$ (9,318)	\$ (9,317)

	<u>Share Capital</u>		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of shares	Amount				
Balance, January 31, 2017	2,000,000	\$ 100,000	\$ -	\$ -	\$ (14,637)	\$ 85,363
Initial Public Offering (note 3(b)(ii))	2,000,000	200,000	-	-	-	200,000
Private placement (note 3(b)(ii))	14,900,000	1,490,000	-	-	-	1,490,000
Broker warrants (note 3(b)(ii))	-	(8,432)	8,432	-	-	-
Share issue costs	-	(62,730)	-	-	-	(62,730)
Exercise of warrants (note 3(b)(iii))	46,180	7,052	(2,434)	-	-	4,618
Share-based payments (note 5(i))	-	-	-	28,568	-	28,568
Net loss for the period	-	-	-	-	(105,820)	(105,820)
Balance, October 31, 2017	18,946,180	\$ 1,725,890	\$ 5,998	\$ 28,568	\$ (120,457)	\$ 1,639,999

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

Angus Ventures Inc.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Nine Months Ended October 31,	
	2017	2016
Operating activities		
Net loss for the period	\$ (105,820)	\$ (1,338)
Adjustment for:		
Share-based payments (note 5(i))	28,568	-
Changes in non-cash working capital item:		
Accounts payable and accrued liabilities	(10,609)	1,284
Net cash used in operating activities	(87,861)	(54)
Financing activities		
Proceeds from Initial Public Offering (note 3(b)(ii))	200,000	-
Proceeds from private placement (note 3(b)(ii))	1,490,000	-
Share issue costs	(62,730)	-
Exercise of warrants (note 3(b)(iii))	4,618	-
Net cash provided by operating activities	1,631,888	-
Net change in cash	1,544,027	(54)
Cash, beginning of period	100,411	484
Cash, end of period	\$ 1,644,438	\$ 430

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

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements

Three and Nine Months Ended October 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature and continuance of operations

Angus Ventures Inc. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on September 28, 2010. On September 1, 2017, the Company completed its Initial Public Offering (“IPO”) and is classified as a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4. The Company’s common shares were listed for trading on the TSX-V under the trading symbol “GUS.P” on September 1, 2017 and commenced trading at the open on September 6, 2017. The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company’s head office, principal address and registered and records office is located at 2080-777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1S4.

These unaudited condensed interim 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 process of forced liquidation. The Company’s continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses within 24 months of listing on the TSX-V. Such a transaction will be subject to regulatory approval and may be subject to shareholder approval. Management believes the Company has sufficient working capital to maintain its activities for the upcoming fiscal year.

There is no assurance that the Company will complete a transaction within twenty-four months from the date the Company’s shares are listed on the TSX-V, at which time the TSX-V may suspend or de-list the Company’s shares from trading.

The unaudited condensed interim financial statements of the Company were approved by the Board of Directors on December 27, 2017.

2. Significant accounting policies

The following is a summary of significant accounting policies used in the preparation of these unaudited condensed interim financial statements.

Statement of compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”).

This unaudited condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the year ended January 31, 2017.

The accounting policies applied in preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended January 31, 2017.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended October 31, 2017
(Expressed in Canadian Dollars)
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2. Significant accounting policies (continued)

Basis of presentation

These unaudited condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The unaudited condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of unaudited condensed interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future which include the fair value of warrants and stock options using the Black-Scholes option pricing model. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Significant judgments

The preparation of unaudited condensed interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's unaudited condensed interim financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Accounting standards and amendments not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the three and nine months ended October 31, 2017 and have not been applied in preparing these unaudited condensed interim financial statements. The Company is currently considering the possible effects of the new and revised standards which will be effective to the Company's financial statements for the year ending January 31, 2019 or later:

IFRS 9 – Financial Instruments is part of the IASB's wider 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. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 – Clarifications to IFRS 15 "Revenue from Contracts with Customers" issued. The amendments do not change the underlying principles of the standard, just clarify and offer some additional transition relief. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 – Leases, establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The standard is effective for annual periods beginning on or after January 1, 2019.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's unaudited condensed interim financial statements.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended October 31, 2017
(Expressed in Canadian Dollars)
(Unaudited)

3. Share capital

a) Authorized share capital

At October 31, 2017, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At October 31, 2017, the issued share capital amounted to \$1,725,890. The change in issued share capital for the periods were as follows:

	Number of Common Shares	Amount
Balance, January 31, 2016 and October 31, 2016	100	\$ 1
Balance, January 31, 2017	2,000,000	\$ 100,000
Initial Public Offering (ii)	2,000,000	200,000
Private placement (ii)	14,900,000	1,490,000
Broker warrants (ii)	-	(8,432)
Share issue costs	-	(62,730)
Exercise of warrants (iii)	46,180	7,052
Balance, October 31, 2017	18,946,180	\$ 1,725,890

(i) During the year ended January 31, 2017, the Company issued 2,000,000 shares at a price of \$0.05 per share for gross proceeds of \$100,000, and cancelled 100 incorporation shares at a price of \$0.01 per share held by one of its directors.

All of these issued shares are subject to escrow restrictions upon completion of the IPO and will be released from escrow in tranches over 36 months from the listing of the Company's shares for trading on the TSX-V.

(ii) On September 1, 2017, the Company completed its IPO of 2,000,000 common shares at a price of \$0.10 per share pursuant to an amended and restated prospectus dated July 26, 2017 and a concurrent private placement of 14,900,000 common shares (the "Placement") issued at \$0.10 per share resulting in aggregate gross proceeds to the Company of \$1,690,000.

A cash commission of 8% of the gross proceeds of the offering was paid to the Company's agent, Haywood Securities Inc. ("Haywood"), as well as a corporate finance fee of \$8,000 plus applicable taxes. In addition, Haywood received 160,000 non-transferable warrants to acquire up to 160,000 shares at a price of \$0.10 per share for a period of 24 months. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected dividend yield of 0%; risk-free interest rate of 1.34%; volatility of 100% and an expected life of 2 years. The fair value assigned to these warrants was \$8,432.

As a result of this issuance, the Company had 18,900,000 shares issued and outstanding, of which 12,300,000 shares have been placed in escrow pursuant to the terms and conditions of policies of the TSX-V. These shares are eligible for release in prescribed amounts over a three period commencing upon completion of a Qualifying Transaction over a three year period in accordance with the policies of the TSX-V.

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Notes to Condensed Interim Financial Statements
Three and Nine Months Ended October 31, 2017
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3. Share capital (continued)

b) Common shares issued (continued)

(ii) (continued) On the same date, Jamie Sokalsky, the Executive Vice-President of the Company, acquired 2,920,000 shares for total consideration of \$292,000 (\$0.10 per share) under the Placement and 40,000 shares for total consideration of \$4,000 (\$0.10 per share) under the IPO. Patrick Langlois, the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), acquired 2,010,000 shares for total consideration of \$201,000 (\$0.10 per share) under the Placement. David Palmer acquired 3,920,000 shares for total consideration of \$392,000 (\$0.10 per share) under the Placement and 40,000 shares for total consideration of \$4,000 (\$0.10 per share) under the IPO.

The common shares referred to above were acquired independently by each of Mr. Sokalsky, Mr. Langlois and Mr. Palmer (collectively, the "Acquirors") for investment purposes. Each of the Acquirors may increase or decrease their respective ownership or control in securities of the Company depending on, among other factors, market conditions and other relevant factors.

(iii) On September 15, 2017, 46,180 warrants with an exercise price of \$0.10 were exercised for cash proceeds of \$4,618.

4. Warrants

The following table summarizes warrants that have been issued, exercised or have expired during the periods presented:

	Number of Warrants	Fair Value
Balance, January 31, 2016 and October 31, 2016	-	\$ -
Balance, January 31, 2017	-	\$ -
Granted (note 3(b)(ii))	160,000	8,432
Exercised (note 3(b)(iii))	(46,180)	(2,434)
Balance, October 31, 2017	113,820	\$ 5,998

The following table reflects the warrants issued and outstanding as of October 31, 2017:

Expiry Date	Exercise Price	Warrants Outstanding	Valuation
September 1, 2019	\$ 0.10	113,820	\$ 5,998

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Notes to Condensed Interim Financial Statements
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5. Stock options

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees and consultants. Stock options are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting. The exercise price and vesting terms of stock options is determined by the Board of Directors of the Company at the time of grant.

The following table reflects the continuity of share-based compensation for the periods presented:

	Number of Stock Options	Weighted Average Exercise Price
Balance, January 31, 2016 and October 31, 2016	-	\$ -
Balance, January 31, 2017	-	\$ -
Stock options granted (i)	1,128,000	0.10
Balance, October 31, 2017	1,128,000	\$ 0.10

(i) On September 1, 2017, the Company granted an aggregate of 1,128,000 incentive stock options to acquire shares to its directors, officers and certain technical consultants, exercisable at a price of \$0.10 per share for a period of five years, vesting 25% on grant and every six months thereafter. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected dividend yield of 0%; risk-free interest rate of 1.59%; volatility of 100% and an expected life of 5 years. The fair value assigned to these options was \$84,262. For the three and nine months ended October 31, 2017, the impact on the unaudited condensed interim statement of comprehensive loss was \$28,568 (three and nine months ended October 31, 2016 - \$nil).

The following table reflects the actual stock options issued and outstanding as of October 31, 2017:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
September 1, 2022	0.10	4.84	1,128,000	282,000	846,000

6. Financial Instrument and risk management

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements

Three and Nine Months Ended October 31, 2017

(Expressed in Canadian Dollars)

(Unaudited)

6. Financial Instrument and risk management (continued)

The fair value of the Company's accounts payables and accrued liabilities, and due to related party approximate their carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's loss or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

(d) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on deposit with financial institutions and management actively negotiates favorable market related interest rates.

7. Capital disclosure and management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction ("QT") as defined in TSX-V Policy 2.4. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms and approved by the TSX-V.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
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(Expressed in Canadian Dollars)
(Unaudited)

7. Capital disclosure and management (continued)

As a CPC, the Company will be subject to externally imposed capital requirements as outlined in the TSX-V Policy 2.4 and summarized below:

1. No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a QT;
2. Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a QT;
3. No more than the lesser of \$210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate QT;
4. After the completion of its IPO and until the completion of a QT, a CPC may not issue any securities unless written acceptance of the TSX-V is obtained before the issuance of the securities.

There were no changes in the Company's approach to capital management during the nine months ended October 31, 2017.

8. Major shareholders and related party disclosures

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at October 31, 2017, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than set out below:

	Number of Common Shares	Percentage of Outstanding Common Shares
David Palmer	3,960,000	20.90 %
Jamie Sokalsky, Executive Vice-President	3,960,000	20.90 %
Patrick Langlois, CEO and CFO	2,910,000	15.36 %

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company

Related party disclosures

(i) As of October 31, 2017, the Company has a balance owing to one of its directors of \$2,848 (January 31, 2017 - \$2,848), for expenses paid on behalf of the Company. The amount due to the director is non-interest bearing and repayable upon demand.

(ii) On August 30, 2017, the Company announced that Jamie Sokalsky, the Executive Vice-President of the Company, acquired direct ownership of 1,000,000 common shares of the Company. The shares acquired were acquired privately from two third parties pursuant to share sale and purchase agreements dated July 26, 2017 at a price of \$0.07 per share for an aggregate price of \$70,000.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended October 31, 2017
(Expressed in Canadian Dollars)
(Unaudited)

8. Major shareholders and related party disclosures (continued)

Related party disclosures (continued)

(iii) On August 30, 2017, the Company announced that Patrick Langlois, the CEO and CFO of the Company, acquired direct ownership of 900,000 common shares of the Company. The shares acquired were acquired privately from two third parties pursuant to share sale and purchase agreements dated July 26, 2017 at a price of \$0.07 per share for an aggregate price of \$63,000.

(iv) Note 3(b(ii)).

(v) Remuneration of directors and key management of the Company was as follows:

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2017	2016	2017	2016
Share-based payments ⁽¹⁾	\$ 28,568	\$ -	\$ 28,568	\$ -

⁽¹⁾ Other than share-based payments, compensation to officers and directors is strictly prohibited.