

Axion Ventures Inc.
Amended and Restated Condensed Consolidated Interim
Financial Statements

(Expressed in United States Dollars)

For the Three Months Ended March 31, 2017 and 2016

(Unaudited)

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Administrative information

Directors

Todd Bonner
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Notice to Reader

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

The accompanying amended and restated unaudited condensed consolidated interim financial statements of Axion Ventures Inc. (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 amended and restated condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The Company is hereby filing these amended and restated unaudited condensed consolidated interim financial statements for the three months ended March 31, 2017 to:

- present the condensed consolidated interim financial statements in United States Dollars; and
- Correct certain accounting errors identified as a result of completion of the annual audit for the year ended December 31, 2017.

A summary of the adjustments in these amended and restated unaudited condensed consolidated interim financial statements for period ended March 31, 2017 are detailed as follows:

	As previously reported CAD'000	Adjustments USD'000	As restated USD'000
Non-current assets	10,764	(3,078)	7,686
Total current assets	14,063	(2,934)	11,129
Total assets	24,827	(6,012)	18,815
Total current liabilities	(8,976)	2,148	(6,828)
Net assets	15,851	(3,864)	11,987
Equity attributable to owners of the Company	17,007	(5,659)	11,348
Non-controlling interests	(1,156)	1,795	639
Total equity	15,851	(3,864)	11,987
Revenue	1,877	(477)	1,400
Gross profit	830	(213)	617
Loss before taxation	(1,743)	(95)	(1,838)
Loss for the period	(1,744)	(94)	(1,838)

In connection with the filing of these amended and restated unaudited condensed consolidated interim financial statements for the three months ended March 31, 2017 and the foregoing adjustments, the Company is also filing: (i) amended and restated management discussion and analysis in compliance the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* and Form 51-102F1 *Management Discussion and Analysis*; and (ii) CEO and CFO certifications in compliance with Form 52-109F2R *Certification of Refiled Interim Filings*.

Vancouver, Canada

July 12, 2018

Unaudited Condensed Consolidated Interim Financial Statements
(Expressed in United States Dollars)

Condensed Consolidated Interim Statement of Comprehensive Income
For the Three Months Ended March 31, 2017 and 2016

	Notes	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
Revenue	3	1,400	3,248
Cost of sales		<u>(783)</u>	<u>(998)</u>
Gross profit		617	2,250
Research and development expenses		(557)	(468)
Selling and distribution expenses		(452)	(385)
General and administrative expenses		<u>(1,500)</u>	<u>(872)</u>
(Loss)/Profit from operations		(1,892)	525
Other income		13	22
Finance income		6	1
Foreign currency exchange gain		<u>35</u>	<u>15</u>
(Loss)/Profit before income tax		(1,838)	563
Income tax expense		<u>-</u>	<u>-</u>
(Loss)/Profit for the period		<u>(1,838)</u>	<u>563</u>
Other comprehensive income/(loss):			
<i>Item that will or may be reclassified to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		<u>68</u>	<u>(11)</u>
Other comprehensive income (loss) for the period, net of tax		<u>68</u>	<u>(11)</u>
Total comprehensive (loss)/income		<u>(1,770)</u>	<u>552</u>

Condensed Consolidated Interim Statement of Comprehensive Income
For the Three Months Ended March 31, 2017 and 2016

	Notes	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
(Loss)/Profit for the period attributable to:			
Owners of the Company		(1,322)	577
Non-controlling interests		<u>(516)</u>	<u>(14)</u>
		<u>(1,838)</u>	<u>563</u>
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(1,394)	564
Non-controlling interests		<u>(376)</u>	<u>(12)</u>
		<u>(1,770)</u>	<u>552</u>
(Loss)/Profit per share attributable to owners of the Company			
	7		
Basic		(1.17 cents)	0.15 cents
Diluted		(1.17 cents)	0.15 cents

The accompanying notes are an integral part of these amended and restated unaudited condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

As at March 31, 2017 and December 31, 2016

	<i>Notes</i>	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Assets			
Non-current assets			
Intangible assets	8	5,361	4,630
Property, plant and equipment	9	178	111
Available-for-sale investments	10	1,867	361
Trade and other receivables	11	280	-
		<u>7,686</u>	<u>5,102</u>
Current assets			
Trade and other receivables	11	1,023	1,293
Cash and cash equivalents	12	10,106	7,166
		<u>11,129</u>	<u>8,459</u>
Total current assets		<u>11,129</u>	<u>8,459</u>
Total assets		<u>18,815</u>	<u>13,561</u>
Liabilities			
Current liabilities			
Trade and other payables	13	4,010	4,520
Deferred revenue		2,818	2,622
		<u>6,828</u>	<u>7,142</u>
Total current liabilities		<u>6,828</u>	<u>7,142</u>
Net current assets		<u>4,301</u>	<u>1,317</u>
NET ASSETS		<u>11,987</u>	<u>6,419</u>
Issued capital and reserves attributable to owners of the Company			
Share capital		63,717	56,568
Foreign currency translation reserve		(1,050)	(978)
Share-based payment reserve		596	412
Other reserve		(33,543)	(33,543)
Accumulated losses		(18,372)	(17,055)
		<u>11,348</u>	<u>5,404</u>
Non-controlling interests		639	1,015
TOTAL EQUITY		<u>11,987</u>	<u>6,419</u>

The accompanying notes are an integral part of these amended and restated unaudited condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Financial Statements
(Expressed in United States Dollars)

Condensed Consolidated Interim Statement of Changes in Equity
For the Three Months Ended March 31, 2017 and 2016

	Share capital US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Equity attributable to the owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At January 1, 2017	56,568	(978)	412	(33,543)	(17,055)	5,404	1,015	6,419
Comprehensive income for the period								
Loss for the period	-	-	-	-	(1,322)	(1,322)	(516)	(1,838)
Exchange difference arising on translation of foreign operations	-	(72)	-	-	-	(72)	140	68
Total comprehensive income for the period	-	(72)	-	-	(1,322)	(1,394)	(376)	(1,770)
Contributions by and distributions to owners								
Share-based payment expenses	-	-	189	-	-	189	-	189
Forfeiture of share options	-	-	(5)	-	5	-	-	-
Issuance of new shares	7,634	-	-	-	-	7,634	-	7,634
Share issue costs	(485)	-	-	-	-	(485)	-	(485)
Total contributions by and distributions to owners	7,149	-	184	-	5	7,338	-	7,338
At March 31, 2017	63,717	(1,050)	596	(33,543)	(18,372)	11,348	639	11,987

Axion Ventures Inc.**Unaudited Condensed Consolidated Interim Financial Statements
(Expressed in United States Dollars)**

AMENDED AND RESTATED

**Condensed Consolidated Interim Statement of Changes in Equity
For the Three Months Ended March 31, 2017 and 2016**

	Share capital US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Equity attributable to the owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At January 1, 2016	22,960	138	181	(11,439)	(9,937)	1,903	150	2,053
Comprehensive income for the period								
Profit for the period	-	-	-	-	577	577	(14)	563
Exchange difference arising on translation of foreign operations	-	(13)	-	-	-	(13)	2	(11)
Total comprehensive income for the period	-	(13)	-	-	577	564	(12)	552
Contributions by and distributions to owners								
Share-based payment expenses	-	-	20	-	-	20	-	20
Forfeiture of share options	-	-	(3)	-	3	-	-	-
Total contributions by and distributions to owners	-	-	17	-	3	20	-	20
At March 31, 2016	22,960	125	198	(11,439)	(9,357)	2,487	138	2,625

The accompanying notes are an integral part of these amended and restated unaudited condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Financial Statements
(Expressed in United States Dollars)

Condensed Consolidated Interim Statement of Cash Flows
For the Three Months Ended March 31, 2017 and 2016

	Notes	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
Cash flows from operating activities			
(Loss)/Profit before income tax		(1,838)	563
Adjustments for:			
Depreciation of property, plant and equipment		16	83
Amortisation of intangible assets		26	40
Share-based payment		189	20
Finance income		(6)	(1)
		<u>(1,613)</u>	<u>705</u>
(Increase)/Decrease in trade and other receivables		(10)	15
Decrease in trade and other payables		(510)	(1,288)
Increase in deferred revenue		<u>196</u>	<u>282</u>
Cash used in operations		(1,937)	(286)
Income taxes paid		<u>-</u>	<u>-</u>
Net cash flows used in operating activities		(1,937)	(286)
Investing activities			
Purchase of intangible assets	8	(755)	(791)
Purchase of property, plant and equipment	9	(83)	(21)
Addition of available-for-sale investments		(1,506)	-
Interest received		<u>6</u>	<u>1</u>
Net cash used in investing activities		(2,338)	(811)
Financing activities			
Issue of shares, net of transaction costs		<u>7,149</u>	<u>-</u>
Net cash flows generated from financing activities		7,149	-
Net increase/(decrease) in cash and cash equivalents		2,874	(1,097)
Cash and cash equivalents at the beginning of the period		7,166	2,146
Exchange difference on cash and cash equivalents		<u>66</u>	<u>(90)</u>
Cash and cash equivalents at the end of the period		10,106	959

The accompanying notes are an integral part of these amended and restated unaudited condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements For the Three Months Ended March 31, 2017 and 2016

1. General information

Axion Ventures Inc. ("Axion Ventures" or the "Company") was incorporated under the British Columbia Business Corporations Act on June 21, 2011, is domiciled in Canada and was originally classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V" or "Exchange").

On December 2, 2011, the shares of the Company commenced trading under the symbol "CSP.P". The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction as defined under the policies of the TSX-V ("QT"). On March 24, 2014, the Company moved from the TSX-V to the NEX board of the TSX-V trading under the symbol "CSP.H".

On May 11, 2016, the Company completed its QT as particularly described in its TSX-V filing statement previously filed with Canadian regulatory authorities. As a result of the completion of the QT, the Company ceased to be a CPC, and following receipt of final Exchange approval, the Company was listed as a Tier 2 Investment Issuer on the Exchange on May 18, 2016 under the symbol "CSP".

On November 1, 2016, the Company was approved for graduation from Tier 2 Investment Issuer to Tier 1 Investment Issuer status by the TSX-V. With the graduation to a Tier 1 listing, the common shares of the Company previously deposited into escrow pursuant to the rules of the TSX-V will be governed by the release provisions of Tier 1 Issuer's escrow.

On March 9, 2017, the Company changed its name from "Capstream Ventures Inc." to "Axion Ventures Inc." and effective from March 10, 2017, the Company's common shares traded under the new name and new symbol "AVX" on the TSX-V.

Axion Ventures became an Investment Issuer focused on investments in the online video gaming and other IT sectors after the completion of the QT.

The address of the Company's corporate office and principal place of business is 530 – 625 Howe Street, Vancouver, British Columbia, V6C 2T6, Canada.

These condensed consolidated interim financial statements for the three months ended March 31, 2017 and 2016 were authorized for issue by the Board of Directors of the Company on June 28, 2018.

2. Statement of compliance and basis of presentation

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") incorporating interpretations issued by the IFRS Interpretations Committee ("IFRICs"), applicable to preparation of interim financial statements including International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been condensed or omitted. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016, as amended and restated.

The accounting policies and methods of computation used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2016, as amended and restated.

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

2. Statement of compliance and basis of presentation (continued)

These condensed consolidated interim financial statements are presented in United States Dollars ("US\$"), unless otherwise stated. References to Canadian Dollars are indicated by "CAD" or "C\$".

3. Revenue

	Three months ended March 31,	
	2017	2016
	US\$'000	US\$'000
	(Restated and Unaudited)	(Restated and Unaudited)
Outsourcing	641	2,295
Licensing	48	13
Game operation	668	821
Training	43	119
	<u><u>1,400</u></u>	<u><u>3,248</u></u>

4. Segment information

These condensed consolidated interim financial statements present the financial information of the Company and its subsidiary undertakings (together, the "Group"). An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is defined on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive directors in order to allocate resources and assess performance of the segment. During the period, executive directors regularly review revenue and operating results derived from outsourcing, licensing, game operation and training consider as one single operating segment.

The Group's revenue from external customers and information about its non-currents assets by geographical location are detailed below.

	Three months ended March 31,	
	2017	2016
	US\$'000	US\$'000
	(Restated and Unaudited)	(Restated and Unaudited)
By country/region		
China	1,326	3,106
Rest of the world	74	142
	<u><u>1,400</u></u>	<u><u>3,248</u></u>
Total revenue		

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

4. Segment information (continued)

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
By country/region		
Canada	957	371
China	5,443	4,731
Rest of the world	1,286	-
	<u>7,686</u>	<u>5,102</u>
Non-current assets		

5. Expenses by nature

	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
Amortisation of intangible assets [^]	26	40
Depreciation of property, plant and equipment*	16	83
Employee benefit expenses (Note 6)	2,221	2,335
Operating lease expense – land and buildings	229	246

[^] Amortisation expenses of US\$13,800 (three months ended March 31, 2016: US\$nil), US\$1,046 (three months ended March 31, 2016: US\$nil), US\$10,718 (three months ended March 31, 2016: US\$40,293) and US\$1,159 (three months ended March 31, 2016: US\$2,560) have been included in cost of sales, research and development expenses, general and administrative expenses and capitalisation of intangible assets respectively.

* Depreciation expenses of US\$4,424 (three months ended March 31, 2016: US\$nil), US\$2,149 (three months ended March 31, 2016: US\$nil), US\$9,562 (three months ended March 31, 2016: US\$83,270) and US\$2,815 (three months ended March 31, 2016: US\$7,889) have been included in cost of sales, research and development expenses, general and administrative expenses and capitalisation of intangible assets respectively.

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

6. Employee benefit expenses

	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
Employee benefit expenses (including directors) comprise:		
Wages and salaries	1,551	1,691
Social welfare costs	443	571
Share-based payment expense	189	20
Other benefits	38	53
	<u>2,221</u>	<u>2,335</u>

7. (Loss)/Profit per share

The calculation of basic and diluted (loss)/profit per share is based on the following data:

	Three months ended March 31, 2017 US\$'000 (Restated and Unaudited)	2016 US\$'000 (Restated and Unaudited)
Numerator		
(Loss)/Profit for the period and (loss)/profit used in basic and diluted EPS	<u>(1,322)</u>	<u>577</u>
Denominator		
Weighted average number of ordinary shares used in basic and diluted (loss)/earnings per share	<u>112,514,675</u>	<u>384,376,565</u>

The Company has a number of share options and warrants in issue which have not been included in the diluted loss per share calculation, due to their anti-dilutive effect.

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

8. Intangible assets

During the period, additions to intangible assets by acquisition and capitalisation in respect of development costs amounted to approximately US\$755,000 (three months ended March 31, 2016: US\$790,871).

During the period, no intangible assets were disposed (three months ended March 31, 2016: US\$nil).

9. Property, plant and equipment

During the period, the Group acquired property, plant and equipment of approximately US\$83,000 (three months ended March 31, 2016: US\$21,000).

During the period, no property, plant and equipment were disposed (three months ended March 31, 2016: US\$nil).

10. Available-for-sale investments

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Unlisted equity investments:		
Innovega Inc.	361	361
Red Anchor Trading Corp.	1,506	-
	<u>1,867</u>	<u>361</u>

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

11. Trade and other receivables

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Trade receivables	667	614
Less: provision for impairment of trade receivables	-	-
	<hr/>	<hr/>
Trade receivables - net	667	614
Loan to a related company (Note)	280	-
	<hr/>	<hr/>
	947	614
Total financial assets other than cash and cash equivalents classified as loans and receivables		
Deposits	232	152
Prepaid expenses	201	490
Other receivables	(108)	14
Advances to employees	23	23
	<hr/>	<hr/>
Total trade and other receivables	1,303	1,293
Less: Non-current portion – Loan to a related company	(280)	-
	<hr/>	<hr/>
Current portion	<u>1,023</u>	<u>1,293</u>

Management considers that the fair values of trade and other receivables are not materially different from their carrying amounts because these balances have short maturity periods at inception.

Note:

Loan to a related party represented a Red Anchor (Thailand) Co., Ltd., a limited company organised and existing under Thai law, which holds an 11% equity interest in True Axion Interactive Ltd., before the Thailand Board of Investment status approved. The balance due is unsecured, interest-bearing at 1% per annum and repayable in year 2022.

Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016

12. Cash and cash equivalents

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Cash at banks	7,408	4,513
Short term bank deposits	2,698	2,653
	<u>10,106</u>	<u>7,166</u>

Management considered that the fair value of the short-term bank deposits was not materially different from their carrying amount because of the short maturity period at inception.

13. Trade and other payables

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Trade payables	853	825
Accrued salaries and benefits	1,801	1,953
Other tax liabilities	1,074	993
Advance from customers	-	313
Accrued expenses	226	284
Other payables	56	152
	<u>4,010</u>	<u>4,520</u>

All balances are unsecured, interest-free and repayable on demand.

All amounts are short-term and hence the carrying values of the Group's trade and other payables are considered to be a reasonable approximation of their fair values.

**Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016**

14. Related party transactions

The Group entered into the following related party transactions during the period.

Receivables:

	March 31, 2017 US\$'000 (Restated and Unaudited)	December 31, 2016 US\$'000
Red Anchor (Thailand) Co., Ltd., a company controlled by the major shareholders	280	-

15. Operating leases

The Group as a lessee

The Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	March 31, 2017 US\$'000	Land and buildings December 31, 2016 US\$'000
Not later than one year	1,106	882
Later than one year and not later than five years	1,434	1,219
Total future minimum lease payments	2,540	2,101

The Group leases a number of properties under operating leases. The leases run for an initial period of one to five years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases include contingent rentals.

Notes to the Condensed Consolidated Interim Financial Statements **For the Three Months Ended March 31, 2017 and 2016**

16. Events after the reporting date

Investment in Red Anchor Trading Corp.

On 26 October 2016, the Company entered into an investment agreement with Red Anchor Trading Corp. ("Red Anchor"), a company engaged in the business of developing an application known as "HotNow", which is a marketing automation platform for retailers to offer various promotions. The parties closed the transaction on April 4, 2017 and received final TSXV approval on April 7, 2017, whereby in consideration for the US\$1.5 million investment, Red Anchor issued 9,375 ordinary shares of Red Anchor to the Company at US\$160 per share, representing 15% of the post-closing issued and outstanding voting shares of Red Anchor on a fully-diluted basis. In connection with the investment, the Company received: (i) participation rights in any future security offering of Red Anchor that will allow it to maintain its proportionate interest in Red Anchor; (ii) tag-along rights in the event of certain share transfers; (iii) information rights to monthly management reports and financial statements of Red Anchor; (iv) inspection rights; and (v) for so long as the Company holds at least 5% of the outstanding shares of Red Anchor, the right to appoint at least one non-executive director to the Red Anchor board of directors.

Investment in Axia Corporation Limited

On May 2, 2017, the Company formed a joint venture with Coherent Asia, Limited ("Coherent") to research and develop a risk allocation platform intended to initially service Southeast Asia countries. Under the terms of the agreement, the joint venture initially operates as a Hong Kong company named "Axia Corporation Limited" ("Axia"), with a wholly-owned subsidiary of the Company holding a 70% interest and Coherent holding a 30% interest in Axia. Through its wholly-owned subsidiary, the Company has agreed to fund up to US\$500,000 until Axia delivers an operating prototype.

Shares issued in connection with agent's warrants

In connection with the QT concurrent financing, the Company issued 150,000 share purchase warrants ("agent's warrants") with an exercise price of C\$0.20 per common share and an expiry date of one year from the date of issuance. On May 11, 2017, these agent's warrants had been fully exercised.

Issuance of convertible debentures

On March 2, 2018, the Company closed a non-brokered private placement of convertible debentures in the principal amount of approximately US\$909,000 (the "Debentures"). The Debentures are convertible into common shares of the Company at a conversion price of C\$0.93 per share. The Debentures mature two years from the date of the closing and bear interest at the rate of 15% per annum, payable semi-annually in shares with the number of shares determined at the market price (as defined in the policies of the TSX-V) on the applicable interest payment date, unless the holder elects not to convert the interest into shares in which case the interest shall be calculated at a rate of 8% per annum and paid in cash.

Shareholder loans

On March 2, 2018, the Company entered into a shareholder loan agreement with Cern One Limited ("Cern One"), whereby Cern One advanced a loan to the Company amounting to US\$800,000 to fund ongoing expenses. The loan is unsecured, non-interest bearing, and payable on demand. Cern One is controlled by Mr. Todd Bonner's spouse, Nithinan Boonyawattapisut. Mr. Todd Bonner is the Chairman, the officer and through Cern One, a significant shareholder of the Company.

Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2017 and 2016

16. Events after the reporting date (continued)

On May 11, 2018, the Company entered into a loan agreement with Red Anchor, whereby Red Anchor loaned the Company approximately US\$1,025,000 to fund ongoing expenses. The loan is unsecured, non-interest bearing, and payable on demand. Red Anchor is controlled by Mr. Todd Bonner and his spouse, Nithinan Boonyawattapisut.

Shares issued in connection with finder's warrants

In connection with the QT, the Company issued 1,000,000 share purchase warrants ("QT finder's warrants") with an exercise price of C\$0.25 per common share and an expiry date of two years from the date of issuance. On May 11, 2018, these QT finder's warrants had been fully exercised.