

GLANCE TECHNOLOGIES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
August 31, 2016
Stated in Canadian dollars

Glance Technologies Inc.

Consolidated Statements of Financial Position

(stated in Canadian dollars)

ASSETS	Note	August 31, 2016 \$	November 30, 2015 \$
		(unaudited)	
Current assets			
Cash		862,700	106,821
Restricted cash	4	-	329,600
Accounts and other receivable	5	43,497	897
Prepaid expenses and deposits		6,657	6,271
Total current assets		912,854	443,589
Non-current assets			
Computer equipment	6	20,005	2,846
Intangible assets	7	573,945	584,900
Total non-current assets		593,950	587,746
Total assets		1,506,804	1,031,335
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	32,443	49,121
Advances payable	9	-	10,500
Total liabilities		32,443	59,621
SHAREHOLDERS' EQUITY			
Share capital	9	2,737,730	1,505,294
Shares to be issued	9	14,175	-
Reserves – Options	10	378,992	5,197
Deficit		(1,656,536)	(538,777)
Total shareholders' equity		1,474,361	971,714
Total liabilities and shareholders' equity		1,506,804	1,031,335

Nature of Operations and Going Concern (Note 1)

Commitments (Note 13)

Subsequent Events (Notes 1, 11 and 14)

“Penny Green” _____, Director

“Desmond Griffin” _____, Director

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

Glance Technologies Inc.

Consolidated Statements of Operations and Comprehensive Loss

Unaudited

(stated in Canadian dollars)

	Note	For the three months ended August 31, 2016 \$	For the three months ended August 31, 2015 \$	For the nine months ended August 31, 2016 \$	For the nine months ended August 31, 2015 \$
Revenue		429	-	429	-
Expenses					
Consulting fees	11	(39,000)	(111,000)	(45,511)	(111,000)
Depreciation	6,7	(17,063)	-	(18,091)	-
Management fees	11	(75,000)	(31,857)	(147,000)	(36,857)
Marketing and shareholder information	11	(108,773)	-	(160,258)	-
Office and miscellaneous	11	(31,266)	(4,319)	(54,393)	(6,129)
Professional fees	11	(65,405)	(4,035)	(135,676)	(4,035)
Rent	11	(15,000)	(4,501)	(36,074)	(4,501)
Salaries and wages		(28,540)	-	(28,540)	-
Stock option-based payments	10	(117,642)	-	(334,087)	-
Software development and information technology	11	(53,944)	(30,110)	(155,518)	(65,472)
Travel		(2,140)	(1,468)	(3,306)	(1,468)
		(553,773)	(187,290)	(1,118,454)	(229,462)
Loss from operations		(553,344)	(187,290)	(1,118,025)	(229,462)
Other expense					
Gain on disposal of equipment		266	-	266	-
Restructuring costs	3	-	(213,719)	-	(213,719)
Net loss and comprehensive loss for the period		(553,078)	(401,009)	(1,117,759)	(443,181)
Net loss per share					
Basic and diluted		(0.01)	(0.01)	(0.02)	(0.02)
Weighted average number of common shares outstanding		47,343,607	31,995,380	46,909,770	27,544,015

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

Glance Technologies Inc.

Consolidated Statements of Changes in Equity

Unaudited

(stated in Canadian dollars)

	Share capital (Number of shares)	Share capital \$	Shares to be Issued \$	Reserves - Options \$	Deficit \$	Total \$
Balance, November 30, 2014	2,985,000	14,925	-	-	(352)	14,573
Shares issued in settlement of debt	15,000	300	-	-	-	300
Shares issued for intangible assets	28,500,000	570,000	-	-	-	570,000
Shares issued on reverse acquisition	10,250,000	178,819	-	-	-	178,819
Shares issued for private placement	4,941,666	741,250	-	-	-	741,250
Net loss for the period	-	-	-	-	(443,181)	(443,181)
Balance, August 31, 2015	46,691,666	1,505,294	-	-	(443,533)	1,061,761

	Share capital (Number of shares)	Share capital \$	Shares to be Issued \$	Reserves - Options \$	Deficit \$	Total \$
Balance, November 30, 2015	46,691,666	1,505,294	-	5,197	(538,777)	971,714
Shares issued during initial public offering	5,290,000	793,500	-	-	-	793,500
Shares issued for private placement	1,666,330	249,950	-	-	-	249,950
Share issuance cost	-	(150,040)	-	-	-	(150,040)
Shares issued for cash	720,000	108,000	-	-	-	108,000
Shares issued for services	1,738,221	260,734	14,175	-	-	274,909
Shares issued in settlement of debt	66,666	10,000	-	-	-	10,000
Stock-options based compensation	-	(39,708)	-	373,795	-	334,087
Net loss for the period	-	-	-	-	(1,117,759)	(1,117,759)
Balance, August 31, 2016	56,172,883	2,737,730	14,175	378,992	(1,656,536)	1,474,361

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

Glance Technologies Inc.

Consolidated Statements of Cash Flows

Unaudited

(stated in Canadian dollars)

	For the nine months ended August 31, 2016 \$	For the nine months ended August 31, 2015 \$
Cash flows provided by (used in)		
Operating activities		
Net loss	(1,117,759)	(443,181)
Items not affecting cash:		
Depreciation	18,091	-
Stock option based payments	334,087	-
Restructuring costs	-	213,719
Shares issued for services	274,909	-
Gain on disposal of equipment	(266)	-
Changes in non-cash working capital:		
Accounts and other receivable	(42,600)	-
Prepaid expenses and deposits	(386)	(3,765)
Accounts payable and accrued liabilities	(4,278)	42,108
	(538,202)	(191,119)
Investing activities		
Patent cost	(5,292)	-
Purchase of computer equipment	(21,137)	-
Restricted cash	329,600	-
	303,171	-
Financing activities		
Proceeds from share issuances	990,910	741,250
Proceeds from short-term loan	150,000	-
Repayment of short-term loan	(150,000)	-
	990,910	741,250
Net change in cash	755,879	550,131
Cash - beginning of period	106,821	-
Cash - end of period	862,700	550,131
Non-cash investing and financing activities:		
Common shares issued for acquisition of intangible assets	-	570,000
Common shares issued to settle accounts payable	10,000	300
Computer equipment transferred to settle accounts payable	2,400	-
Stock options granted as finder's fee	39,708	-
Supplemental disclosures:		
Interest paid	-	-
Income taxes paid	-	-

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

Glance Technologies Inc.

Notes to the Condensed Interim Consolidated Financial Statements

August 31, 2016

Unaudited
(stated in Canadian dollars)

1. Nature of Operations and Going Concern

Glance Technologies Inc. (formerly Left Bank Capital Corp.) (“Glance Technologies” or the “Company”) was incorporated under the laws of the province of British Columbia, Canada, on October 24, 2014. The Company began limited operations and has not yet realized significant revenues from its planned operations. The Company’s registered office is located at Suite 1820, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

The Company’s common stock is quoted on the Canadian Securities Exchange under the symbol GET and began trading subsequent to the end of the reporting period on September 7, 2016.

On August 28, 2015, the Company completed a share exchange agreement (the “Transaction”) with Glance Pay Inc. (formerly, Clover Acquisitions Inc. and Glance Mobile Inc.) (“Glance Pay”). Glance Pay was incorporated on November 12, 2014 under the laws of the province of British Columbia, Canada. Glance Pay is a Canadian financial technology company involved in the business of developing and operating mobile payment processing software and smart phone applications.

Under the terms of the Transaction, the shareholders of Glance Pay each received one common share of Glance Technologies (“Glance Technologies Shares”) in exchange for one common share of Glance Pay (“Glance Pay Shares”). As a result, the shareholders of Glance Pay obtained 67.5% of Glance Technologies. Glance Technologies’ board of directors and senior management were reconstituted and consist of directors and senior management of Glance Pay. The Transaction was accounted as a reverse acquisition and the comparative information in these condensed interim consolidated financial statements represent the financial statements of Glance Pay.

The Company aims to enhance the payment process for both consumers and merchants online, and brick-and-mortar environments, using proprietary technology that combines mobile technologies and traditional payment processing. The Company launched its applications during August 2016.

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. During the nine months ended August 31, 2016, the Company incurred a net loss of \$1,117,759 and used cash of \$538,202 for operating activities. As at August 31, 2016, the Company has an accumulated deficit of \$1,656,536. The Company is enhancing its payment application and has not yet generated significant revenue from operations. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to August 31, 2016 is uncertain. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. Basis of Presentation

a) Statement of Compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and based on the principles of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended November 30, 2015, which include the Company’s significant accounting policies, and have been prepared in accordance with the same methods of application.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

2. Basis of Presentation (continued)

The Board of Directors approved the condensed interim consolidated financial statements for issuance on October 27, 2016.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Canadian dollars, which is the functional currency of the Company. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for the cash flow information.

c) Reclassifications

Certain of the prior period figures have been reclassified to conform to the current year's presentation.

d) Significant Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended November 30, 2015.

3. Acquisition of Glance Pay Inc.

On August 28, 2015, the Company completed the Transaction (Note 1) with Glance Pay. Under the terms of the Transaction, the Company issued one common share in exchange for one common share of Glance Pay. Subsequent to the Transaction, the Company completed a financing (the "Financing") issuing 4,941,666 units of the Company at a price of \$0.15 per unit for proceeds of \$741,250. Each unit was comprised of one common share and one half of a share purchase warrant to purchase one additional common share of the Company.

Upon closing of the Transaction and the Financing, the former shareholders of Glance Pay owned 75.4% of the combined entity, Glance Technologies. Glance Technologies' board of directors and senior management were reconstituted and consist of the directors and senior management of Glance Pay. Given the majority ownership of the common shares of the Company and the majority representation on the Company's Board of Directors are held by the former shareholders and directors of Glance Pay, Glance Pay has the power to govern the financial and operating policies so as to obtain benefits from the activities of the Company. The Transaction constituted a reverse acquisition where Glance Pay was considered the accounting acquirer of Glance Technologies.

Given the limited operations and inactive status of Glance Technologies at the date of the Transaction, the Company did not meet the definition of a business under IFRS 3, Business Combinations. The acquisition was therefore considered the issuance of shares by Glance Pay for the net assets of Glance Technologies, accompanied by recapitalization, and therefore fell under the scope of IFRS 2, Share-based Payments. As a result of reverse acquisition accounting, the consolidated financial statements of the Company represent a continuation of Glance Pay's financial statements and the acquisition of Glance Technologies.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

3. Acquisition of Glance Pay Inc. (continued)

The fair value of the 10,250,000 common shares of the Company that were deemed to have been issued and retained by the former shareholders of Glance Technologies was \$178,819, which was determined based on the fair value of net assets and liabilities of Glance Mobile on the date of the Transaction as follows:

	\$
Prepaid expenses	3,761
Intangible assets	584,900
Accounts payable and accrued liabilities	(39,119)
Net assets of Glance Mobile, at date of acquisition	549,542
Number of shares issued and outstanding of Glance Mobile, at date of acquisition	31,500,000
Per share value of Glance Mobile, at date of acquisition	0.0174
Number of Glance Mobile shares issued to former shareholders of Glance Technologies	10,250,000
Fair value of Glance Mobile shares issued to former shareholders of Glance Technologies	178,819

	\$
Fair value of identifiable assets and liabilities of Glance Technologies acquired:	
Advance payable	5,000
Due to related parties	29,900
Net liabilities acquired	34,900
Fair value of Glance Mobile shares issued to former shareholders of Glance Technologies	178,819
Restructuring costs	213,719

4. Restricted Cash

As at November 30, 2015, the Company held \$329,600 in a trust account which was held in escrow. The restricted cash could be released upon the earliest of the following:

- a) Listing of the Company's common shares on a Canadian Stock exchange;
- b) January 31, 2016, if the Company has not raised at least \$75,000 pursuant to a new special warrant offering by that date;
- c) Receipt of a court order; or
- d) May 1, 2016.

On January 31, 2016, the restricted cash of \$329,600 was released from escrow and became accessible to the Company's use.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

5. Accounts and Other Receivable

Accounts and other receivable balance consists for the following:

	August 31, 2016	November 31, 2015
	\$	\$
Accounts receivable – Customers	395	-
Accounts receivable – Merchant	15,685	-
GST receivable	27,417	897
Balance, August 31, 2016	43,497	897

6. Computer Equipment

A continuity of the Company's computer equipment is as follows:

	Total
	\$
Balance, November 30, 2015	2,846
Additions	21,137
Disposal	(2,134)
Amortization	(1,844)
Balance, August 31, 2016	20,005

7. Intangible Assets

A continuity of the Company's intangible assets is as follows:

	Computer Software	Payment Processing Applications	Patent	Total
	\$	\$	\$	\$
Balance, November 30, 2015	554,900	30,000	-	584,900
Additions	-	-	5,292	5,292
Amortization	(15,414)	(833)	-	(16,247)
Balance, August 31, 2016	539,486	29,167	5,292	573,945

On March 31, 2016, the Company filed a provisional application in the United States to patent its wireless electronic transaction system.

During August 2016, the Company launched its application and began amortizing its acquired computer software and payment processing application. The Company amortizes its intangible assets on a straight line basis over the estimated useful life of three years.

8. Short-Term Loan

On August 8, 2016, the Company entered into a loan agreement with an arm's length party (the "Lender") for \$150,000. The loan was unsecured, bears interest at 10% per annum after September 15, 2016, and was due the earlier of 18 months from the effective date or the closing of the initial public offering of the.

The loan was repaid upon closing of the Company's initial public offering on August 31, 2016.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

9. Share Capital

Common Shares:

On August 31, 2016, the Company completed an initial public offering of 5,290,000 units at \$0.15 per unit for gross proceeds of \$793,500. Each unit consisted of one common share of the Company and one-half of one share purchase warrant, with each full share purchase warrant entitling the holder to purchase one common share of the Company at an exercise price of \$0.25 per share for a period of one year. The agent was paid a commission of 8% of the gross proceeds of the offering, totalling \$63,480 and a corporate finance fee of \$35,000. In addition, the Company granted 423,200 incentive stock options to the agent, equalling 8% of the number of units sold. The agent's options are exercisable at \$0.15 per share for a period of two years.

The Company also incurred additional consulting costs and other expenses directly related to the initial public offering of \$35,564, for a total share issuance cost of \$134,044.

Also on August 31, 2016, the Company completed a private placement of 1,666,330 units at \$0.15 per unit for gross proceeds of \$249,950. Each unit consisted of one common share of the Company and one-half of one share purchase warrant, with each full share warrant entitling the holder to purchase one common share of the Company at an exercise price of \$0.25 per share for a period of one year. The agent was paid a commission of \$15,996 and was also issued 106,640 finder's warrants. The agent's warrants are exercisable at \$0.15 per share for a period of one year.

During the nine months ended August 31, 2016, the Company issued 720,000 common shares at \$0.15 per share for total cash proceeds of \$108,000. Cash of \$10,500 was received prior to November 30, 2015.

Also during the nine months ended August 31, 2016, the Company issued 1,638,221 common shares for services totaling \$245,734. The Company also issued a further 66,666 common shares to a company where the Chief Financial Officer is a principal for settlement of total debt of \$10,000.

As additional compensation for the provision of the short-term loan (Note 8), the Company issued 100,000 common shares to the Lender at a deemed price of \$0.15 per share. The resultant \$15,000 was expensed as consulting fees in the Company's statement of operations.

During the nine months ended August 31, 2016, the Company incurred consulting, marketing and professional fees of \$14,175 to be settled in common shares of the Company.

As at August 31, 2016, 41,325,000 of the Company's issued common shares were held in escrow.

Share Purchase Warrants:

	Number of warrants	Weighted average exercise price \$
Balance, November 30, 2015	2,470,833	0.25
Issued pursuant to initial public offering	2,645,000	0.25
Issued pursuant to the private placement	833,165	0.25
Issued to agent in connection with the private placement	106,640	0.15
Outstanding, August 31, 2016	6,055,638	0.25

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

9. Share Capital (continued)

Share Purchase Warrants (continued):

Additional information regarding share purchase warrants outstanding as at August 31, 2016 is as follows:

Number of warrants outstanding	Exercise price \$	Expiry date
5,948,998	0.25	August 31, 2017
106,640*	0.25	August 31, 2018
<u>6,055,638</u>		

* These warrants relate to agent warrants issued as finder's fees pursuant to a private placement.

10. Stock Options

Pursuant to the Company's stock option plan, directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors.

On January 15, 2016, the Company modified the exercise price of 400,000 stock options granted during the year ended November 30, 2015 from \$0.20 per share to \$0.15 per share, resulting in an increase in the fair value of share-based payments of \$1,505. A total of 400,000 of these stock options were subsequently cancelled due to the termination of certain officers of the Company.

During the period ended August 31, 2016, the Company granted 3,472,000 stock options with an exercise price of \$0.15 per common share of the Company, with terms ranging between one and five years to certain of its directors, officers, employees, and consultants. Also during the period ended August 31, 2016, the Company granted 423,200 stock options with an exercise price of \$0.15 per common share of the Company, with a term of two years, to its agent in connection with the initial public offering (Note 9). A total of 2,480,200 of these stock options vested during the nine months ended August 31, 2016, while a further 1,015,000 stock options vest in their entirety between one and two years. The remaining 400,000 stock options were granted pursuant to certain marketing and design contracts, the vesting of which depends on specific performance conditions such as a target for the number of the restaurant sign-ups for the use of the Company's payment processing application. The Company expects these performance conditions and the related vesting of the stock options to be completed by the end of fiscal 2018. A total of 50,000 of these stock options were subsequently cancelled due to the termination of a certain officer of the Company.

A continuity schedule of the incentive stock options is as follows:

	Number of options	Weighted average exercise price \$
Outstanding, November 30, 2015	550,000	0.14
Granted	3,895,200	0.15
Cancelled	(425,000)	0.15
Outstanding, August 31, 2016	4,020,200	0.15

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

10. Stock Options (continued)

Additional information regarding stock options outstanding as at August 31, 2016 is as follows:

Range of exercise prices \$	Number of options outstanding	Number of options vested	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.10	150,000	45,000	4.16	0.10
0.15	3,870,200	2,435,200	4.31	0.15
	4,020,200	2,480,200	4.30	0.15

The fair value of options granted during the period was estimated on the date of grant using the Black-Scholes option pricing model assuming no expected dividends and the following assumptions:

	2016	2015
Expected stock price volatility	125%	N/A
Risk-free interest rate	0.72%	N/A
Expected life of options (years)	4.61	N/A
Expected forfeiture rate	0%	N/A

The weighted average fair value of options outstanding was \$0.12 (November 30, 2015 - \$0.12) per option. During the nine months ended August 31, 2016, the Company recognized stock options-based payment of \$334,087 (2015 - \$nil) for options granted to directors, officers, and consultants, and \$39,708 for stock options granted to the Company's agent in connection with the initial public offering (Note 9).

11. Related Party Transactions

- As at August 31, 2016, the Company owed \$1,749 (November 30, 2015 - \$17,808) to the President of the Company and a company controlled by the spouse of the President of the Company for expense reimbursements, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, due on demand, and to be settled in cash.
- As at August 31, 2016, the Company owed \$7,500 (November 30, 2015 - \$15,900) to a company where the Chief Financial Officer of the Company is a principal for contractual services, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, due on demand, and to be settled in cash.
- As at August 31, 2016, the Company owed \$3,853 (November 30, 2015 - \$nil) to the Chief Operating Officer of the Company for expense reimbursements, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, due on demand, and to be settled in cash.
- During the nine months ended August 31, 2016, the Company incurred software research and development costs of \$98,000 (2015 - \$56,000) and management fees of \$92,000 (2015 - \$8,000) to the President of the Company and a company controlled by the spouse of the President of the Company. The Company has an agreement with the President of the Company for fees of \$15,000 per month of which \$5,000 is to be settled in common shares of the Company. As at August 31, 2016, the Company has an agreement with a company controlled by the spouse of the President of the Company for cash fees of \$10,000 per month. The Company terminated the service agreement with the company controlled by the spouse of the President of the Company on September 5, 2016 without any additional obligation to either party. Effective September 6, 2016, the spouse of the President serves the Company in the capacity of Chief Technical Officer.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

11. Related Party Transactions (continued)

- e) During the nine months ended August 31, 2016, the Company incurred management fees of \$55,000 (2015 – \$28,857) to the Chief Operating Officer of the Company. The Company has an agreement with the Chief Operating Officer of the Company for fees of \$10,000 per month, which are settled in common shares of the Company.
- f) The Company is party to a services agreement with a company owned by the Chief Operating Officer of the Company for \$12,500 per month. Pursuant to the agreement, the company owned by the Chief Operating Officer of the Company provides various services to the Company including leased office premises, administration, accounting and business development services. The fees are settled entirely in common shares of the Company. During the nine months ended August 31, 2016, the Company incurred accounting fees of \$8,250 (2015 – \$Nil), marketing expense of \$5,500 (2015 – \$Nil), office expense of \$27,500 (2015 – \$Nil), and rent of \$27,500 (2015 – \$Nil) to a company controlled by the Chief Operating Officer of the Company. During the nine months ended August 31, 2015, the Company incurred consulting fees of \$14,000 to the same company.
- g) During the nine months ended August 31, 2016, the Company incurred accounting fees of \$46,525 (2015 – \$Nil) to the company where the Chief Financial Officer of the Company is a principal.
- h) During the nine months ended August 31, 2016, the Company incurred marketing expenses of \$14,550 (2015 - \$Nil) to the Chief Marketing Officer of the Company, and marketing expenses of \$50,000 (2015 - \$Nil) to the company controlled by the Chief Marketing Officer of the Company.
- i) During the nine months ended August 31, 2016, the Company incurred share-based compensation of \$233,821 (2015 - \$Nil) to officers and directors of the Company.
- j) During the nine months ended August 31, 2016, the Company issued 1,362,580 common shares to officers and directors of the Company for services with a fair value of \$204,462. In addition, the Company also issued 66,666 common shares to a company for which the Chief Financial Officer of the Company is a principal, for settlement of accounts payable of \$10,000. As at August 31, 2016, common shares with fair value of \$3,000 were to be issued to the company where the Chief Financial Officer is a principal (Note 14).

12. Segmented Information

The Company's business consists of one reportable segment and all of the Company's assets are located in Canada. The Company has not generated significant revenue to date. During the period ended August 31, 2016, the Company's revenue recognized pertains to fees charged to a total of five restaurants for payment processing through the Company's Glance Pay application.

13. Commitments

- a) On March 18, 2016, the Company entered into a consulting agreement for legal services in exchange for monthly compensation of \$6,000, of which \$4,000 is payable in cash and \$2,000 is payable in common shares of the Company. The consultant or the Company may terminate the agreement by providing 45 days' written notice.

Glance Technologies Inc.

Notes to the Condensed Interim Consolidated Financial Statements

August 31, 2016

Unaudited

(stated in Canadian dollars)

13. Commitments (continued)

- b) On April 15, 2016, the Company appointed a Chief Marketing Officer of the Company and entered into a management agreement with the Chief Marketing Officer whereby the Chief Marketing Officer will provide services consistent with that position for monthly compensation of \$2,500, of which \$300 is payable in cash and \$2,150 is payable in common shares of the Company. Furthermore, the Company will pay a commission of \$200 for each new restaurant the Chief Marketing Officer signs up to use the Company's mobile payments app or trains to use the Company's mobile payments app, and \$25 for each new restaurant that a marketing representative signed up by the Chief Marketing Officer signs up to use the Company's mobile payments app. If the Company raises a minimum of \$3,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay any portion of the service fee in cash instead of compensation shares by providing written notice. If the Company raises a minimum of \$2,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay up to two-thirds of the service fee in cash instead of compensation shares by providing written notice. If the Company raises a minimum of \$1,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay up to one-third of the service fee in cash instead of compensation shares by providing written notice. The officer may terminate the agreement by providing 30 days written notice, while the Company may terminate the agreement by providing 3 months' written notice.
- c) On April 15, 2016, the Company entered into a services agreement with ROMD Marketing and Design Inc. ("ROMD") for marketing and design services for monthly compensation of \$10,000, of which \$1,350 is payable in cash to ROMD's nominees and \$8,650 is payable to ROMD's nominees in common shares of the Company. If the Company raises a minimum of \$3,000,000 in new equity financing, ROMD may elect for the Company to pay any portion of the service fee in cash instead of common shares by providing written notice. If the Company raises a minimum of \$2,000,000 in new equity financing, ROMD may elect for the Company to pay up to two-thirds of the service fee in cash instead of common shares by providing written notice. If the Company raises a minimum of \$1,000,000 in new equity financing, ROMD may elect for the Company to pay up to one-third of the service fee in cash instead of common shares by providing written notice. The agreement is to be effective for a term of 12 months, and the officer and the Company may terminate the agreement by providing 3 months' written notice. The agreement, however, may not be terminated within the first six months following the effective date.

14. Subsequent Events

- a) On September 6, 2016, the Company granted an aggregate of 1,190,000 incentive stock options with an exercise price of \$0.15 per share exercisable for a period of 5 years from the grant date to various officers, directors, consultants and employees of the Company. The options vest as follows: 110,000 of the options vested on grant; 50,000 of the options vest 6 months after the date of grant; 30,000 vest over a 12-month period; 240,000 vest over an 18-month period; 500,000 vest over a 24-month period; and 260,000 vest upon certain milestones being achieved. 550,000 of these incentive stock options were granted to the directors and officers of the Company.
- b) On September 6, 2016, the Company issued 20,000 common shares to a company of which the Chief Financial Officer is a principal to settle \$3,000 of accounts payable for professional fees accrued as at August 31, 2016.
- c) On September 6, 2016, the Company issued 100,000 common shares to settle \$15,000 of consulting work. Total fees of \$7,500 were incurred and accrued during the nine months ended August 31, 2016.

Glance Technologies Inc.
Notes to the Condensed Interim Consolidated Financial Statements
August 31, 2016

Unaudited
(stated in Canadian dollars)

14. Subsequent Events (continued)

- d) On September 6, 2016, the Company issued 33,333 units for cash proceeds of \$5,000. Each unit comprised of one common share and one-half of one common share purchase warrant with each whole share purchase warrant entitling the holder to purchase one common share at a price of \$0.25 per share for a period of 12 months.
- e) On September 13, 2016, the Company granted 55,000 incentive stock options with an exercise price of \$0.28 per share exercisable for a period of 5 years from the date of grant to an employee of the Company. These options vest over a 12-month period.
- f) On October 5, 2016, the Company granted 400,000 stock options with an exercise price of \$0.28 per share, exercisable for a period of 5 years from the date of grant, to a consultant of the Company. These options vest over a 24-month period. The Company also entered into a separate agreement with the consultant for fees of \$3,500 per month, which are payable in common shares of the Company.