GLANCE TECHNOLOGIES INC.

CONSOLIDATED FINANCIAL STATEMENTS

November 30, 2016

Stated in Canadian dollars

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP
1066 West Hastings Street, Suite 1250
Vancouver, BC Canada V6E 3X1

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Glance Technologies Inc.

We have audited the accompanying consolidated financial statements of Glance Technologies Inc. which comprise the consolidated statements of financial position as at November 30, 2016 and 2015, and the consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also involves evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Glance Technologies Inc. as at November 30, 2016 and 2015, and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2 of the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Glance Technologies Inc. to continue as a going concern.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

March 30, 2017

Glance Technologies Inc.
Consolidated Statements of Financial Position

(stated in Canadian dollars)

ASSETS	Note	**November 30, 2016 $**	November 30, 2015 $
Current assets			
Cash		**360,917**	106,821
Restricted cash	5	**-**	329,600
Accounts and other receivable	6	**67,575**	897
Prepaid expenses and deposits		**37,242**	6,271
Total current assets		**465,734**	443,589
Non-current assets			
Computer equipment	7	**111,001**	2,846
Intangible assets	8	**525,203**	584,900
Total non-current assets		**636,204**	587,746
Total assets		**1,101,938**	1,031,335
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	**142,873**	49,121
Advances payable	11	**-**	10,500
Total liabilities		**142,873**	59,621
SHAREHOLDERS' EQUITY			
Share capital	11	**2,988,667**	1,505,294
Shares issuable	11	**93,743**	-
Reserves	12	**565,577**	5,197
Deficit		**(2,688,922)**	(538,777)
Total shareholders' equity		**959,065**	971,714
Total liabilities and shareholders' equity		**1,101,938**	1,031,335

Nature of Operations and Going Concern (Notes 1 and 2)
Commitments (Note 16)
Subsequent Events (Note 20)

"Penny Green", Director

"Desmond Griffin", Director

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

Glance Technologies Inc.
Consolidated Statements of Operations and Comprehensive Loss

(stated in Canadian dollars)

	Note	**For the year ended November 30, 2016 $**	For the year ended November 30, 2015 $
Revenue		**8,005**	-
Expenses			
Depreciation	7,8	**(71,221)**	-
Finance expenses		**(23,789)**	(1,868)
Management fees	13	**(34,250)**	(39,857)
Office and miscellaneous	13,14	**(290,112)**	(18,229)
Professional fees	13	**(180,556)**	(26,649)
Sales and marketing expenses	13,14	**(699,980)**	(131,000)
Software development and information technology	13,14	**(378,577)**	(103,933)
Stock option-based payments	12	**(479,931)**	(5,197)
		(2,158,416)	(326,733)
Loss from operations		**(2,150,411)**	(326,733)
Other income (expense)			
Gain on disposal of equipment		**266**	-
Gain on forgiveness of related party debt		**-**	2,027
Restructuring costs	4	**-**	(213,719)
Net loss and comprehensive loss for the year		**(2,150,145)**	(538,425)
Net loss per share – basic and diluted		**(0.04)**	(0.02)
Weighted average number of common shares outstanding		**49,259,503**	32,317,813

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

Glance Technologies Inc.
Consolidated Statements of Changes in Equity

(stated in Canadian dollars)

	Share capital (Number of shares)	Share capital $	Shares issuable $	Reserves $	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
Stock option-based payments	-	-	-	5,197	-	5,197
Net loss for the year	-	-	-	-	(538,425)	(538,425)
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 placements	3,635,882	603,469	-	-	-	603,469
Share issuance costs	-	(237,393)	-	7,512	-	(229,881)
Shares issued for cash	720,000	108,000	-	-	-	108,000
Shares issued for services	1,858,221	278,734	93,743	-	-	372,477
Shares issued in settlement of debt	66,666	10,000	-	-	-	10,000
Stock option-based payments	-	(72,937)	-	552,868	-	479,931
Net loss for the year	-	-	-	-	(2,150,145)	(2,150,145)
Balance, November 30, 2016	**58,262,435**	**2,988,667**	**93,743**	**565,577**	**(2,688,922)**	**959,065**

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

Glance Technologies Inc
Consolidated Statements of Cash Flows
(stated in Canadian dollars)

	For the year ended November 30, 2016 $	For the year ended November 30, 2015 $
Cash flows provided by (used in)		
Operating activities		
Net loss	**(2,150,145)**	(538,425)
Items not affecting cash:		
Depreciation	**71,221**	-
Gain on disposal of equipment	**(266)**	-
Gain on forgiveness of related party debt	**-**	(2,027)
Restructuring costs	**-**	213,719
Shares issued for services	**372,477**	-
Stock option-based payments	**479,931**	5,197
Changes in non-cash working capital:		
Accounts and other receivable	**(66,678)**	(897)
Prepaid expenses and deposits	**(30,971)**	(6,271)
Accounts payable and accrued liabilities	**106,152**	21,221
	(1,218,279)	(307,483)
Investing activities		
Patent costs	**(5,292)**	-
Purchase of computer equipment	**(116,521)**	(2,846)
Restricted cash	**329,600**	(329,600)
	207,787	(332,446)
Financing activities		
Proceeds from issuance of common shares	**1,494,469**	741,250
Financing costs paid	**(229,881)**	-
Proceeds from short-term loan	**150,000**	5,500
Repayment of short-term loan	**(150,000)**	-
	1,264,588	746,750
Net change in cash	**254,096**	106,821
Cash - beginning of year	**106,821**	-
Cash - end of year	**360,917**	106,821
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	**72,937**	**-**
Share purchase warrants issued as finder's fee	**7,512**	**-**
Supplemental disclosures:		
Interest paid	**-**	-
Income taxes paid	**-**	-

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

1. Nature of Operations

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 in August 2016 and has not yet realized significant revenues from its planned operations. The Company's registered office was located at Suite 1820, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2. Subsequent to the reporting period, the office re-located to Suite 200, 1238 Homer Street, Vancouver, British Columbia, V6B 2Y5.

The Company's common stock is quoted on the Canadian Securities Exchange under the symbol 'GET' and began trading 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 75.4% 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 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.

2. Going Concern

These 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 year ended November 30, 2016, the Company incurred a net loss of $2,150,145 (2015 - $538,425) and used cash of $1,218,279 (2015 - $307,483) for operating activities. As at November 30, 2016, the Company has an accumulated deficit of $2,688,922 (2015 - $538,777).

The Company is enhancing its payment application and has not yet generated significant revenue from operations. The continued operations of the Company are dependent on future profitable operations, management's ability to manage costs and the future availability of equity or debt financing. 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 November 30, 2016 is uncertain. These 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.

3. Basis of Measurement

a) Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") in effect at December 31, 2015. The Board of Directors approved the consolidated financial statements for issuance on March 29, 2017.

b) Basis of Preparation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for the cash flow information. The presentation and functional currency of the Company is the Canadian dollar.

In the opinion of the Company's management, all adjustments considered necessary for a fair presentation have been included,

c) Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company - Glance Pay Inc. and Glance Pay USA Inc. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances are eliminated upon consolidation.

d) Reclassifications

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

e) 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.

Significant areas requiring the use of estimates include the collectability of accounts receivable, the useful life and carrying value of computer equipment and intangible assets, the measurement of share-based payments, and unrecognized deferred income tax assets.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements include the factors that are used in determining the fair value of stock-based compensation and the application of the going concern assumption which requires management to take into account all available information about the future, which is at least but not limited to, 12 months from the year end of the reporting period.

f) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value to be cash equivalents.

g) Accounts receivable

Accounts receivable is comprised of amounts due from restaurants and merchants for use of the Company's payment processing mobile application, and is recorded net of allowance for doubtful accounts. Factors such as current economic conditions, historical information, and reasons for any accounts being past due are all considered when determining whether to write off accounts receivable.

3. Basis of Measurement (continued)

h) Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Where the cost of certain components of property and equipment are significant in relation to the total cost of the item, they are accounted for and depreciated separately. Depreciation commences when the equipment is put into use. Depreciation is recognized in the consolidated statement of operations over three years on a straight line basis. The Company reviews the depreciation rate and method at each reporting date.

i) Intangible assets

The Company's finite life and indefinite life intangible assets are recorded at their cost which, for intangible assets acquired in business combinations, represents the fair value at the acquisition date. Indefinite life intangible assets are not subject to depreciation and are inspected for impairment annually or when indicated by changes in events or circumstances. An impairment of an indefinite life intangible asset is recorded when, and to the extent that, the carrying value of an indefinite life intangible asset exceeds the fair value of the related indefinite life intangible assets.

Finite life intangible assets are carried at cost less accumulated depreciation and impairment. The asset is depreciated over three years on a straight-line basis, being its estimated useful life. Finite life intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable through future discounted net cash flows from the use or disposal of this asset.

j) Revenue recognition

Revenue is recognized in accordance with IAS 18, *Revenue,* and is derived from credit card margins on customers using the mobile application in restaurants to pay for their meal. Restaurants are billed monthly for this service and revenue is recognized when the amount of revenue can be measured reliably, the economic benefits associated with the revenue will flow to the Company, the stage of completion of the transactions at the end of the reporting period can be measured reliably, and the costs incurred for the transaction can be measured reliably. Additional sources of revenue have commenced in 2017 as the Company is offering digital marketing solutions to restaurants. The restaurants are billed monthly and there is a notice provision in place, so revenue is recognized monthly as it is earned.

k) Foreign currency translation

The Company's functional currency and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the statement of operations.

l) Loss per share

Basic loss per common share is computed by dividing their respective net loss by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. The dilutive effect of convertible securities is reflected in the diluted loss per share by application of the "if converted" method. The dilutive effect of outstanding incentive stock options and their equivalents is reflected in the diluted loss per share by application of the treasury stock method. As at November 30, 2016, the Company had 12,759,233 (2015 – 3,020,833) potentially dilutive shares outstanding.

m) Comprehensive loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of operations.

3. Basis of Measurement (continued)

n) Corporate income taxes

Income tax is recognized in the consolidated statement of operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred income tax assets and liabilities are presented as non-current

o) Share-based payments

The grant date fair value of share-based payments is recognized as a share-based expense, with a corresponding increase in equity, over the period the recipient becomes entitled to the options. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet these conditions at the vesting dates. For share-based payment awards with non-vesting conditions, the grant date fair value is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

All equity-settled share-based payments are reflected in the share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

p) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company's financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

Classification choices for financial assets include:

- **Fair value through profit or loss ("FVTPL"):** measured at fair value with changes in fair value on re-measurement recorded in net income or loss;
- **Held to maturity:** non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity and are recorded at amortized cost with gains or losses recognized in net income or loss in the period that the asset is derecognized or impaired;
- **Available-for-sale:** non-derivative financial assets not classified in any other category; and are measured at fair value with changes in fair value recognized in other comprehensive income for the current period until realized through disposal or impairment; and
- **Loans and receivables:** non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are measured at amortized cost with gains and losses recognized in net income or loss in the period that the financial asset is derecognized or impaired.

Financial instruments include cash, restricted cash, accounts and other receivable, accounts payable and accrued liabilities, and advances payable. Cash and restricted cash is classified as FVTPL, accounts and other receivable is classified as loans and receivable, and accounts payable and accrued liabilities and advances payable are classified as other financial liabilities.

(stated in Canadian dollars)

3. Basis of Measurement (continued)

q) New accounting standards and interpretations

Certain pronouncements have been issued by the IASB, or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after December 1, 2016 or later years.

New standard IFRS 9, “Financial Instruments”

New standard IFRS 15, “Revenue from Contracts with Customers”

Amended standard IFRS 2, “Share-based Payment”

The Company has not early adopted these revised standards and is assessing the impact these standards will have on the consolidated financial statements. 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 consolidated financial statements.

4. Acquisition of Glance Pay Inc.

On August 28, 2015, the Company completed the Transaction (refer to 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, 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.

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 Pay 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 Pay, at date of acquisition	549,542
Number of shares issued and outstanding of Glance Pay, at date of acquisition	31,500,000
Per share value of Glance Pay, at date of acquisition	0.0174
Number of Glance Pay shares issued to former shareholders of Glance Technologies	10,250,000
Fair value of Glance Pay shares issued to former shareholders of Glance Technologies	178,819

(stated in Canadian dollars)

4. Acquisition of Glance Pay Inc. (continued)

	$
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 Pay shares issued to former shareholders of Glance Technologies	178,819
Restructuring costs	213,719

5. Restricted Cash

As at November 30, 2016, the Company held $nil (2015 - $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 for the Company's use.

6. Accounts and Other Receivable

Accounts and other receivable consists of the following:

	November 30, 2016 $	**November 30, 2015 $**
Accounts receivable – Restaurants	4,460	-
Accounts receivable – Merchant	13,042	-
GST receivable	49,050	897
Other receivables	1,023	-
	67,575	**897**

7. Computer Equipment

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

	$
Balance, November 30, 2014	-
Additions	2,846
Balance, November 30, 2015	2,846
Additions	116,521
Disposal	(2,134)
Depreciation	(6,232)
Balance, November 30, 2016	**111,001**

(stated in Canadian dollars)

8. Intangible Assets

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

	Computer Software $	Payment Processing Applications $	Patent $	Total $
Balance, November 30, 2014	14,900	-	-	14,900
Additions	540,000	30,000	-	570,000
Balance, November 30, 2015	554,900	30,000	-	584,900
Additions	-	-	5,292	5,292
Depreciation	(61,656)	(3,333)	-	(64,989)
Balance, November 30, 2016	**493,244**	**26,667**	**5,292**	**525,203**

On January 5, 2015, Glance Pay acquired computer software and related intellectual property with a fair value of $540,000 from certain officers and directors of Glance Pay in exchange for 27,000,000 common shares of Glance Pay.

On March 15, 2015, Glance Pay acquired payment application designs and payment processing applications from an arm's length party in exchange for 1,500,000 common shares of Glance Pay with a fair value of $30,000.

All fair values of intangible asset acquisitions were determined based on independent valuation conducted at the date of acquisition.

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

In August 2016, the Company launched its payment processing 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.

9. Short-Term Loan

On August 8, 2016, the Company entered into a loan agreement with an non-related party for $150,000. The loan was unsecured, bears interest at 10% per annum after September 15, 2016, and was due on the earlier of 18 months from the effective date or the closing of the initial public offering. The loan was repaid upon closing of the Company's initial public offering on August 31, 2016. As part of the financing, the Company issued 100,000 common shares as additional compensation for the short-term loan (refer to Note 11(k)).

10. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consists of the following:

	November 30, 2016 $	November 30, 2015 $
Accounts payable	47,369	-
Accrued liabilities	11,323	-
Amounts due to related parties	54,963	49,121
Payroll liabilities	29,218	-
	142,873	**49,121**

11. Share Capital

Common Shares:

Authorized: unlimited number of common shares, without par value

Issued share capital of Glance Pay before the reverse asset acquisition on August 28, 2015:

a) On December 1, 2014, Glance Pay issued 15,000 common shares at $0.02 per share to a director of Glance Pay to settle debt of $300.

b) On January 5, 2015, Glance Pay issued 27,000,000 common shares with a fair value of $540,000 to the officers and directors of Glance Pay for the acquisition of computer software. Refer to Note 8.

c) On March 15, 2015, Glance Pay issued 1,500,000 common shares with a fair value of $30,000 for the acquisition of payment application designs and payment processing applications. Refer to Note 8.

d) On August 28, 2015, Glance Pay was deemed to have issued 10,250,000 common shares pursuant to the merger with Glance Technologies. Refer to Note 4.

Issued share capital of Glance Technologies after the reverse asset acquisition on August 28, 2015:

e) On August 31, 2015, Glance Technologies issued 4,941,666 units at $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 at $0.25 per share until August 31, 2017.

Issued share capital during the year ended November 30, 2016

f) 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, totaling $63,480 and a corporate finance fee of $35,000. In addition, the Company granted 423,200 incentive stock options with a fair value of $39,708 to the agent, equaling 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.

g) 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 with a fair value of $7,512. The agent's warrants are exercisable at $0.15 per share for a period of one year.

h) On September 6, 2016, the Company completed a private placement of 33,333 units at $0.15 per unit for gross proceeds of $5,000. 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.

i) On November 29, 2016, the Company completed a private placement of 1,936,219 units at $0.18 per unit for gross proceeds of $348,519. 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 $0.33 per share for a period of two years. The agent was paid a commission of $64,852 and was also issued 193,621 options with a fair value of $33,229, vesting immediately at $0.18 per share, valid for a period of two years.

   The Company also incurred additional legal costs and other expenses directly related to the private placement of $14,989, for a total share issuance cost of $79,841.

(stated in Canadian dollars)

11. Share Capital (continued)

Common Shares (continued):

j) During the year ended November 30, 2016, the Company issued 1,758,221 common shares for services totaling $263,734; of this amount, 1,285,412 common shares were issued to officers and directors of the Company for services with a fair value of $192,812. The Company issued 66,666 common shares to a company where the former Chief Financial Officer is a principal for settlement of outstanding accounts payable of $10,000.

k) As additional compensation for the short-term loan (refer to Note 9), the Company issued 100,000 common shares to the loan holder at $0.15 per share for fair value of $15,000, which was recorded as consulting fees.

l) During the year ended November 30, 2016, the Company incurred consulting, marketing, and professional fees of $93,793 to be settled in common shares of the Company.

m) During the year ended November 30, 2016, the Company issued 720,000 common shares at $0.15 per share for proceeds of $108,000, of which $10,500 was received prior to November 30, 2015.

n) As at November 30, 2016, the Company had 40,498,500 common shares which were held in escrow.

Share Purchase Warrants:

	Number of warrants	**Weighted average exercise price $**
Balance, November 30, 2014	-	-
Issued pursuant to the private placement	2,470,833	0.25
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 placements	1,817,939	0.29
Issued to agent in connection with the private placements	106,640	0.15
Outstanding, November 30, 2016	7,040,412	0.26

Additional information regarding share purchase warrants outstanding as at November 30, 2016 is as follows:

Number of warrants outstanding	Exercise price $	Expiry date
5,948,998	0.25	August 31, 2017
16,666	0.25	September 6, 2017
106,640*	0.15	August 31, 2018
968,108	0.33	November 29, 2018
7,040,412		

* These warrants relate to agent warrants issued as finder's fees pursuant to a private placement in August 2016.

12. 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.

(stated in Canadian dollars)

12. Stock Options (continued)

On October 29, 2015, the Company granted 150,000 stock options to a director of the Company, with an exercise price of $0.10 per share until October 29, 2020. 30% of the stock options vest on April 9, 2016, 30% of the stock options vest on October 29, 2016, and the remaining 40% of the stock options vest on October 29, 2017.

On November 6, 2015, the Company granted 200,000 stock options to the Vice President of Corporate Communications of the Company, with an exercise price of $0.20 per share until November 6, 2020. 30% of the stock options vest on May 5, 2016, 30% of the stock options vest on November 6, 2016, and the remaining 40% of the stock options vest on November 6, 2017. These options were cancelled in the current year due to the termination of the Vice President of Corporate Communications.

On November 12, 2015, the Company granted 200,000 stock options to the Vice President of Social Media Strategy of the Company, with an exercise price of $0.20 per share until November 12, 2020. 30% of the stock options vest on May 12, 2016, 30% of the stock options vest on November 12, 2016, and the remaining 40% of the stock options vest on November 12, 2017. These options were cancelled in the current year due to the termination of the Vice President of Social Media Strategy.

On January 15, 2016, the Company amended the terms of stock options granted to officers of the Company where stock options with an original exercise price of $0.20 per share were modified to $0.15 per share. The Company recognized an incremental compensation cost of $1,404 for these modified stock options during the year ended November 30, 2016.

During the year ended November 30, 2016, the Company granted 5,117,000 stock options. The exercise price ranges from $0.15 to $0.28 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 year ended November 30, 2016, the Company granted 616,821 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 (refer to Note 11(f)) and private placement completed. A total of 3,112,154 of these stock options vested during the year ended November 30, 2016, while a further 2,016,667 stock options vest in their entirety between one and five years. The remaining 605,000 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 continuity schedule of the incentive stock options is as follows:

	Number of options	**Weighted average exercise price $**
Outstanding, November 30, 2014	-	-
Granted	550,000	0.14
Outstanding, November 30, 2015	550,000	0.14
Granted	5,733,821	0.16
Cancelled	(565,000)	0.15
Outstanding, November 30, 2016	**5,718,821**	**0.16**

(stated in Canadian dollars)

12. Stock Options (continued)

Additional information regarding stock options outstanding as at November 30, 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	90,000	3.92	0.10
0.15	4,920,200	2,838,533	4.23	0.15
0.18	193,621	193,621	2.00	0.18
0.28	455,000	80,000	4.84	0.28
	5,718,821	3,202,154	4.19	0.16

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 weighted average assumptions:

	2016	**2015**
Expected stock price volatility	125%	N/A
Risk-free interest rate	0.70%	N/A
Expected life of options (years)	4.03	N/A
Expected forfeiture rate	0%	N/A

The weighted average fair value of options granted was $0.14 (2015 - $0.12) per option. During the year ended November 30, 2016, the Company recognized stock options-based payment expense of $479,931 (2015 - $5,197) for options granted to directors, officers, and consultants, and $72,937 (2015 - $nil) for stock options granted to the Company's agent in connection with the initial public offering and private placement completed (refer to Note 11).

13. Related Party Transactions

During the fiscal years ended November 30, 2016 and 2015, compensation of key management personnel and related parties were as follows:

	November 30, 2016 $	**November 30, 2015 $**
Remuneration and fees	342,585	166,757
Share-based compensation	285,751	-
	628,336	**166,757**

The remuneration and fees were allocated to sales and marketing, general and administrative, and research and development expenses.

a) As at November 30, 2016, the Company owed $9,521 (2015 - $17,808) to the Chief Executive Officer (CEO) of the Company and a company controlled by the spouse of the CEO of the Company for expense reimbursements, which is included in accounts payable and accrued liabilities. The amount due is unsecured, non-interest bearing, due on demand, and to be settled in cash.

b) As at November 30, 2016, the Company owed $12,266 (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.

13. Related Party Transactions (continued)

c) During the year ended November 30, 2016, the Company incurred software research and development costs of $200,750 (2015 - $77,000) and management fees of $34,250 (2015 - $11,000) to the CEO of the Company and a company controlled by the spouse of the CEO of the Company. The Company has an agreement with the CEO of the Company for fees of $15,000 per month, of which $5,000 per month is to be settled in common shares of the Company. During the year, the Company had an agreement with a company controlled by the spouse of the CEO 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 CEO of the Company on September 5, 2016 without any additional obligation to either party. Effective September 6, 2016, the spouse of the CEO was hired as an employee of the Company as the Chief Technical Officer. During the year ended November 30, 2016, the Company incurred software development and information technology expenses of $28,584 (2015 - $Nil) to the Chief Technical Officer. As at November 30, 2016, the Company owed $20,434 (2015 - $nil) to the Chief Technical Officer, which has been included in accounts payable and accrued liabilities.

d) During the year ended November 30, 2016, the Company incurred management fees of $nil (2015 – $28,857), consulting fees of $nil (2015 - $34,000), and sales and marketing expenses of $85,000 (2015 - $nil) 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. This agreement was amended subsequent to the year end (refer to Note 20 (c)).

e) 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. Up until August 31, 2016, the fees were settled entirely in common shares of the Company. On September 1, 2016, the agreement was amended to compensate the monthly fee in cash rather than common shares, with the agreement terminating on March 31, 2017. During the year ended November 30, 2016, the Company incurred accounting fees of $12,750 (2015 – $Nil), marketing expense of $8,500 (2015 – $Nil), office expense of $27,500 (2015 – $Nil), and rent of $57,500 (2015 – $Nil) to a company controlled by the Chief Operating Officer of the Company, of which $30,000 was settled in cash.

f) During the year ended November 30, 2016, the Company incurred professional fees of $61,825 (2015 – $15,900) to a company where the former Chief Financial Officer (CFO) of the Company is a principal. The former CFO of the Company resigned on November 16, 2016.

g) During the year ended November 30, 2016, the Company incurred sales and marketing expenses of $23,713 (2015 - $Nil) to the Chief Marketing Officer of the Company, and sales and marketing expenses of $80,000 (2015 - $Nil) to the company controlled by the Chief Marketing Officer of the Company. As at November 30, 2016, the Company owed $6,986 (2015 - $Nil) to the Chief Marketing Officer of the Company for expense reimbursements, which is included in accounts payable and accrued liabilities. As at November 30, 2016, the Company owed $1,917 (2015 - $Nil) to a company controlled the Chief Marketing Officer of the Company for marketing expenses, which is included in accounts payable and accrued liabilities. The amounts due are unsecured, non-interest bearing, due on demand, and to be settled in cash.

h) During the year ended November 30, 2016, the Company incurred office and miscellaneous expense of $17,964 (2015 - $Nil) to the Chief Financial Officer of the Company. As at November 30, 2016, the Company owed $3,839 to the Chief Financial Officer, which has been included in accounts payable and accrued liabilities.

i) During the year ended November 30, 2016, the Company incurred stock option-based payments of $274,808 (2015 - $5,197) to officers and directors of the Company.

(stated in Canadian dollars)

14. Operating Expenses

Office and miscellaneous costs consist of the following:

	November 30, 2016 $	November 30, 2015 $
Salaries	93,005	-
Rent	66,074	8,860
Office expenses	116,718	7,901
Travel	14,315	1,468
	290,112	**18,229**

Software development and information technology expenses consist of the following:

	November 30, 2016 $	November 30, 2015 $
Salaries and management fee	203,398	-
Software and development	126,931	103,933
Computer expenses	48,248	-
	378,577	**103,933**

Sales and marketing expenses consist of the following:

	November 30, 2016 $	November 30, 2015 $
Salaries and management fee	151,663	-
Sales and marketing	481,588	-
Consulting	66,729	131,000
	699,980	**131,000**

15. Segmented Information

The Company's business consists of one reportable segment and all of the Company's non-current assets and revenues are located in Canada.

16. Commitments

a) 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. Upon the Company raising a minimum of $1,000,000 in new equity financing, the Chief Marketing Officer elected for the Company to pay up to one-third of the service fee in cash instead of compensation shares, as per his agreement. 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. 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.

(stated in Canadian dollars)

16. Commitments (continued)

b) 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, which 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 from the effective date.

c) On October 5, 2016, the Company entered into a consulting agreement with a consultant to assume the role of the Vice President of Restaurant Relations and Implementation. The consultant is to be compensated with a monthly fee of $3,500, which is payable in the Company's common shares. The consultant has also received 400,000 incentive stock options as compensation, which are exercisable at a price of $0.28 per share for a period of 5 years from the date of grant. 20% of the stock options vests upon grant date, and an additional 20% of the stock options vests every 6 months thereafter.

17. Income Taxes

The Company is subject to Canadian federal and provincial tax at the rate of 26%. The tax effect of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2016	2015
	$	$
Net loss for the year	**(2,150,145)**	(538,425)
Statutory rate	**26%**	26%
Income tax recovery	**(559,038)**	(139,991)
Permanent differences	**130,077**	50,967
Change in unrecognized deferred income tax assets	**428,961**	89,024
Income tax provision	**-**	-

The significant components of deferred income tax assets and liabilities as at November 30, 2016 and 2015 are as follows:

	November 30, 2016	November 30, 2015
	$	$
Deferred Income Tax Assets (Liabilities)		
Non-capital losses carried forward	**432,477**	84,491
Capital assets	**1,435**	-
Intangible assets	**20,210**	3,656
Share issuance costs	**62,986**	-
	517,108	88,147
Unrecognized deferred income tax assets	**(517,108)**	(88,147)
Net Deferred Income Tax Assets	**-**	-

(stated in Canadian dollars)

17. Income Taxes (continued)

As at November 30, 2016, the Company has non-capital losses carried forward of $1,663,371, which is available to offset future years' taxable income, as follows:

	$
2034	352
2035	324,611
2036	1,338,408
	1,663,371

18. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the general operations of the Company and facilitate the liquidity needs of its operations. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its working capital position, share capital, shares issuable, reserves and accumulated deficit.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management from the year ended November 30, 2015. The Company is not subject to externally imposed capital requirements.

19. Financial Instruments

a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at November 30, 2016, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, November 30, 2016 $
Cash	360,917	–	–	360,917

As at November 30, 2016, the fair value of financial instruments measured on a recurring basis includes cash based on level one inputs, consisting of quoted prices in active markets for identical assets.

The fair value of other financial instruments, which include accounts and other receivable, accounts payable and accrued liabilities, and advances payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

b) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter-party default on its obligation. The Company minimizes its credit risk associated with its cash balance by dealing with major financial institutions in Canada. Accounts and other receivables are comprised of trade receivables from restaurants and merchants and GST receivable due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

19. Financial Instruments (continued)

c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations. As at November 30, 2016, the Company's cash balance, including restricted cash, was $360,917 (2015 - $436,421) to settle current liabilities of $142,873 (2015 - $59,621).

20. Subsequent Events

a) On December 30, 2016, the Company completed a private placement of 2,579,438 units at $0.18 per unit for gross proceeds of $464,299. 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 $0.33 per share for a period of two years.

The agent was paid a commission of $46,430, incurred legal expenses of $7,740, and issued 257,944 agent options which are exercisable for two years at an exercise price of $0.18 per share and vests immediately.

b) On January 25, 2017, the Company completed a private placement of 565,111 units at $0.18 per unit for gross proceeds of $101,720. 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 $0.33 per share for a period of two years.

The agent was paid a commission of $10,172 and issued 56,511 agent options which are exercisable for two years at an exercise price of $0.18 per share and vests immediately.

c) On February 21, 2017, the Board of Directors approved an amendment to the Chief Operating Officer's contract where the $10,000 monthly fee is now payable in cash rather than common shares of the Company.

d) On February 24, 2017, the Company completed a non-brokered private placement of 2,669,665 units at $0.18 per unit for gross proceeds of $480,540. 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 $0.33 per share for a period of two years.

Finder's fees of $15,263 was paid, in addition to the issuance of 84,800 share purchase warrants, which entitles the holder to purchase one common share of the Company at an exercise price of $0.33 per share for a period of one year.

e) On February 28, 2017, the Company issued 269,722 common shares at $0.24 per share for the conversion of outstanding debt of $64,733 owing to officers and consultants of the Company.

f) On March 3, 2017, the Company issued 423,958 common shares at $0.24 per share for the conversion of outstanding debt of $101,750 owed to the Chief Executive Officer and Chief Operating Officer.

g) On March 9, 2017, the Company entered into a one-year consulting agreement with an unrelated party for investor relations services. Per the agreement, the Company is to compensate the consultant through a monthly fee of $3,000 plus taxes, and grant 300,000 stock options which are exercisable at a price of $0.25 per share for a period of five years of which 75,000 stock options will vest every 3 months, commencing on June 9, 2017.

20. Subsequent Events (continued)

h) On March 16, 2017, the Company announced a rights offering to the holders of its common shares from March 29 until April 21, 2017, on the basis of one right for each common share of the Company held. Six rights will entitle the holder to subscribe for one unit of the Company at a price of $0.20 per unit. Each unit consists of one common share and one share purchase warrant, with each warrant exercisable into one common share for a period of 24 months from the issuance date of the units at a price of $0.23 per share for the first six months and $0.25 per share thereafter until the expiry date. The rights offering is backed with a $1,000,000 guarantee of financing from a syndicate of Mackie Research Capital Corporation ($700k) and Leede Jones Gable Inc. ($300k).