



**Calyx Ventures Inc.**

*(Formerly Calyx Bio-Ventures Inc.)*

Condensed Interim Consolidated Financial Statements

(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

**For the three and nine months ended  
September 30, 2018 and 2017**

## **NOTE TO READER**

Under National Instrument 51-102, if an auditor has not performed a review of condensed interim consolidated financial statements they must be accompanied by a note indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the management. The Corporation's independent auditor has not performed a review of these condensed interim consolidated financial statements.

**CALYX VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Unaudited – Expressed in Canadian Dollars)

As at	September 30, 2018	December 31, 2017
<b>ASSETS</b>		
<b>Current</b>		
Cash (Note 5)	\$ 31,801	\$ 393,676
Receivables	63,110	63,791
Digital currencies (Note 5)	1,955	34,048
Related party advances (Note 8)	63,712	-
Prepaid expenses and deposits	34,212	50,931
	<b>194,790</b>	<b>542,446</b>
<b>Non-current assets</b>		
Equipment (Note 6)	689,968	777,004
Intangible assets	883,733	913,733
<b>Total Assets</b>	<b>\$ 1,768,491</b>	<b>\$ 2,233,183</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 114,516	\$ 553,278
Promissory note	-	52,000
	<b>114,516</b>	<b>605,278</b>
<b>Non-current liabilities</b>		
Unearned revenue	-	5,500
<b>Total Liabilities</b>	<b>114,516</b>	<b>610,778</b>
<b>Shareholders' Equity</b>		
Capital stock (Note 7)	10,547,858	9,847,088
Subscriptions received (Note 7)	-	28,750
Reserves (Note 7)	2,763,656	2,763,656
Deficit	(11,657,539)	(11,017,087)
	<b>1,653,975</b>	<b>1,622,407</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 1,768,491</b>	<b>\$ 2,233,183</b>

Nature and Continuance of Operations (Note 1)

Subsequent Events (Note 9)

Approved and authorized for issue by the Board of Directors

“Roger Forde” Director  
 Roger Forde

“Gavin McMillan” Director  
 Gavin McMillan

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

**CALYX VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited – Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
<b>REVENUE</b>	<b>\$63,029</b>	\$ 19,200	<b>\$ 245,359</b>	\$ 76,650
<b>COST OF SALES</b>	<b>(61,230)</b>	(9,750)	<b>(122,374)</b>	(29,250)
<b>GROSS PROFIT</b>	<b>1,799</b>	9,450	<b>122,985</b>	47,400
<b>OPERATING EXPENSES</b>				
Depreciation (Note 6)	<b>65,691</b>	1,020	<b>189,397</b>	3,060
Depreciation of intangible assets	<b>10,000</b>	33,674	<b>30,000</b>	101,023
Development expenses	<b>13,403</b>	32,198	<b>51,081</b>	79,841
Personnel costs	<b>28,913</b>	42,019	<b>105,115</b>	144,044
Professional and regulatory	<b>87,168</b>	36,521	<b>241,493</b>	85,681
Investor relations	<b>6,355</b>	1,037	<b>18,707</b>	9,882
Office and administrative	<b>58,889</b>	6,739	<b>119,411</b>	61,805
	<b>(270,419)</b>	(153,208)	<b>(755,204)</b>	(485,336)
<b>OTHER INCOME (EXPENSES)</b>				
Other income	-	-	<b>200</b>	3,600
Accretion	-	(2,580)	-	(7,528)
Foreign exchange gain	<b>117</b>	-	<b>230</b>	319
Changes in fair value of digital currency	<b>13,956</b>	-	<b>(8,661)</b>	-
	<b>14,073</b>	(2,580)	<b>(8,231)</b>	(3,609)
<b>Net and comprehensive loss for the period</b>	<b>\$ (254,547)</b>	\$ (146,338)	<b>\$ (640,450)</b>	\$ (441,545)
<b>Basic and diluted loss per common share</b>	<b>\$ (0.00)</b>	\$ (0.00)	<b>\$ (0.00)</b>	\$ (0.00)
<b>Weighted average number of common shares outstanding</b>	<b>94,781,658</b>	64,296,051	<b>88,654,640</b>	63,895,665

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

**CALYX VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited – Expressed in Canadian Dollars)

	Nine months ended September 30, 2018	Nine months ended September 30, 2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (640,450)	\$ (441,545)
Items not affecting cash:		
Depreciation (Note 6)	189,397	3,060
Depreciation of intangible assets (Note 6)	30,000	101,023
Accretion	-	7,528
Digital currency revaluation	8,661	-
Changes in working capital items relating to operations:		
Receivables	680	(13,739)
Digital currencies	23,432	-
Prepaid expenses and deposits	16,719	19,917
Accounts payable and accrued liabilities	(438,762)	43,991
Related party advances	(63,712)	-
Unearned revenue	(5,500)	-
Net cash flows used in operating activities	(879,535)	(279,765)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of equipment (Note 6)	(102,362)	(19,531)
Net cash flows used in investing activities	(102,362)	(19,531)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of promissory note	(52,000)	-
Subscriptions received (Note 7)	672,020	117,000
Net cash flows provided from financing activities	620,020	117,000
<b>Change in cash during the period</b>	(361,877)	(182,296)
<b>Cash, beginning of period</b>	393,676	188,657
<b>Cash, end of period</b>	\$ 31,801	\$ 6,361

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

**CALYX VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited – Expressed in Canadian Dollars)

	<b>Capital Stock</b>		<b>Subscriptions Received</b>	<b>Contributed Surplus</b>	<b>Deficit</b>	<b>Total</b>
	<b>Number</b>	<b>Amount</b>				
<b>Balance as at December 31, 2016</b>	61,384,529	\$ 7,680,624	\$ -	\$ 2,570,076	\$ (9,564,759)	\$ 685,941
Subscriptions received	-	-	117,000	-	-	117,000
Shares issued for intangible assets	4,540,000	340,500	-	-	-	340,500
Loss for the period	-	-	-	-	(441,545)	(441,545)
<b>Balance as at September 30, 2017</b>	<b>62,924,529</b>	<b>\$ 8,021,124</b>	<b>\$ 117,000</b>	<b>\$ 2,570,076</b>	<b>\$ (10,006,304)</b>	<b>\$ 701,896</b>
<b>Balance as at December 31, 2017</b>	85,045,958	\$ 9,847,088	\$ 28,750	\$ 2,763,656	\$ (11,017,089)	\$ 1,622,405
Shares issued for cash	9,285,700	650,000	-	-	-	650,000
Share issue costs - cash	-	(980)	-	-	-	(980)
Options exercised	450,000	51,750	(28,750)	-	-	23,000
Loss for the period	-	-	-	-	(640,450)	(385,895)
<b>Balance as at September 30, 2018</b>	<b>94,781,658</b>	<b>\$ 10,547,858</b>	<b>\$ -</b>	<b>\$ 2,763,656</b>	<b>\$ 11,657,539</b>	<b>\$ 1,908,530</b>

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

## **CALYX BIO-VENTURES INC.**

*(Formerly Calyx Bio-Ventures Inc.)*

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017  
(Unaudited – Expressed in Canadian Dollars)

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Calyx Ventures Inc. (formerly Calyx Bio-Ventures Inc.) (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on June 10, 2008. The registered address of the Company is located at 2200 – 885 West Georgia Street, Vancouver, BC, V6C 3E8.

On February 4, 2018 the Company changed its name to Calyx Ventures Inc.

The Company, through its wholly owned subsidiaries, is in the business of bringing technology solutions to advanced indoor agriculture, including mining of digital currencies.

Through its wholly owned subsidiary, Cannigistics Agri-Solutions Corp. (“Cannigistics”), the Company is in the business of bringing technology solutions to advanced indoor agriculture.

Through its wholly owned subsidiary, Canada Blockchain Hosting Corp. (“CBH”), the Company is in the business of digital currencies, many aspects of which are not specifically addressed by current IFRS guidance. The Company is required to make judgements as to its accounting policies under IAS 8. The Company has disclosed its presentation, recognition and derecognition, and measurement of digital currencies, and the recognition of revenue as well as significant assumptions and judgements, however, if specific guidance is enacted by the IASB in the future, the impact may result in changes to the Company’s earnings and financial position as presented.

#### **Going concern**

These condensed interim consolidated financial statements have been prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned significant revenue and has an accumulated deficit of \$11,657,539. The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional financing and/or achieve profitable operations in the future.

These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. These adjustments could be material. The Company’s financing efforts to date, while substantial, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations. Management will pursue funding initiatives if, as and when required to meet the Company’s requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful or sufficient.

There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

### **2. BASIS OF PRESENTATION**

#### **Basis of presentation**

The consolidated financial statements of the Company have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

**CALYX BIO-VENTURES INC.**

*(Formerly Calyx Bio-Ventures Inc.)*

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017  
(Unaudited – Expressed in Canadian Dollars)**

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**2. BASIS OF PRESENTATION (CONTINUED)**

**Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These Condensed Consolidated Interim Financial Statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these Condensed Consolidated Interim Financial Statements be read in conjunction with the most recent audited annual consolidated financial statements of the Company for the year ended December 31, 2017 available on [sedar.com](http://sedar.com) on April 30, 2018.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 29, 2018.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the year ended December 31, 2017 and have been consistently followed in the preparation of these consolidated condensed interim financial statements except as disclosed below.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

There have been no material revisions to the nature and amount of changes in estimates of amounts reported in the annual financial statements 2017.



**CALYX BIO-VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017  
(Unaudited – Expressed in Canadian Dollars)****5. BASIS OF FAIR VALUE**

The Company's financial instruments consist of cash, receivables, digital currencies, accounts payable and accrued liabilities, and promissory notes. The fair value of the Company's other receivables, accounts payable and loans payable to related parties approximate the carrying value, which is the amount on the consolidated statements of financial position due to their short-term maturities or ability of prompt liquidation. The Company's cash, is measured at fair value under the fair market hierarchy, based on level one quoted prices in active markets for identical assets.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable marker data (unobservable inputs).

The following table sets forth the Company's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as at September 30, 2018:

		Level 1	Level 2	Level 3
Cash	\$	31,801	\$ -	\$ -
Digital currencies		1,955	-	-
	\$	33,756	\$ -	\$ -

Digital currencies are recorded at their fair value on the date they are received as revenues and are revalued to their current market value at each reporting date. Fair value is determined by taking the hourly volume weighted average price (per the Central European Time zone) from [www.cryptocompare.com](http://www.cryptocompare.com).

	September 30, 2018	December 31, 2017
Bitcoin	\$1,833	\$ 13,336
Ethereum	122	20,712
	\$ 1,955	\$ 34,048

**6. EQUIPMENT**

The Company's equipment was as follows:

	Computer Equipment
<b>Balance December 31, 2016</b>	\$ 12,436
Additions	781,568
Depreciation for the period	(17,000)
<b>Balance December 31, 2017</b>	777,004
Additions	102,362
Depreciation for the period	(189,397)
<b>Balance September 30, 2018</b>	\$ 689,968

**CALYX BIO-VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017  
(Unaudited – Expressed in Canadian Dollars)****7. SHAREHOLDERS' EQUITY****Capital Stock****Issued and outstanding shares**

In June 2018, the Company issued 9,285,700 common shares at \$0.07 from a non-brokered private placement for gross proceeds of \$650,000. Each Unit consists of one common share of the Company, and one-half-of-one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of twelve months. There were no proceeds allocated to the warrants in the private placement and, in connection with the private placement, the Company incurred share issue costs of \$980 cash paid and issued 14,000 share purchase warrants.

In January 2018, the Company issued 200,000 common shares at \$0.115 from the exercise of options for gross proceeds of \$23,000.

In January 2018, the Company issued 250,000 common shares at \$0.115 from the exercise of options for gross proceeds of \$28,750.

**Common share purchase warrants**

Common share purchase warrant transactions are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, December 31, 2016	2,857,929	\$ 0.15
Issued	7,428,571	0.15
Exercised	(3,014,286)	0.15
Balance, December 31, 2017	7,272,214	\$ 0.15
Issued	4,656,850	0.15
Balance, September 30, 2018	11,929,064	0.15

As at September 30, 2018, the outstanding share purchase warrants were as follows:

Number of Warrants	Exercise Price	Expiry Date
543,643	\$ 0.15	October 28, 2018
6,728,571	\$ 0.15	November 10, 2019
4,656,850	\$ 0.15	June 28, 2019
11,929,064		

**Stock options**

Stock option transactions are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, December 31, 2016	2,600,000	\$ 0.115
Exercised	(1,250,000)	0.115
Granted	1,650,000	0.210
Balance, December 31, 2017	3,000,000	\$ 0.167
Exercised	(450,000)	0.115
Balance, September 30, 2018	2,550,000	0.176

**CALYX BIO-VENTURES INC.***(Formerly Calyx Bio-Ventures Inc.)***NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017  
(Unaudited – Expressed in Canadian Dollars)****7. SHAREHOLDERS' EQUITY (CONTINUED)**

As at September 30, 2018, the following stock options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of Options	Weighted Average Remaining Contractual Life in Years
October 24, 2021	\$ 0.115	900,000	3.32
November 19, 2022	\$ 0.210	1,650,000	4.39
	\$ 0.167	2,550,000	4.02

**8. RELATED PARTY TRANSACTIONS**

a) Transactions:

Key management personnel include directors and senior management members. The Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	Nine months September 30, 2018	Nine months September 30, 2017
Management fees	\$ 118,500	\$ 99,000

During the nine months ended September 30, 2018, the Company reimbursed a company controlled by an officer \$40,500 (2017 – \$29,250) for cloud hosting costs incurred on behalf of the Company.

As at September 30, 2018, related party advances include \$63,712 owing from the CEO, a company controlled by the CEO and a director (December 31, 2017 – accounts payable and accrued liabilities include \$53,218 owed to the CEO). Amounts due to/from related parties are unsecured, have no fixed repayments and are non-interest bearing.

**9. SUBSEQUENT EVENTS**

In October 2018 the Company issued 2,500,000 stock options to directors, officers and consultants of the Company. The options will be exercisable at a price of \$0.10 per share for a period of twelve months.