

Interim Condensed Consolidated Financial Statements

Calyx Bio-Ventures Inc.

For the three months ended March 31, 2015 and 2014

[Expressed in Canadian dollars]

Unaudited – Prepared by Management

Calyx Bio-Ventures Inc. (“Calyx” or the “Company”)

**NOTICE OF NO AUDITOR REVIEW OF INTERIM
CONSOLIDATED FINANCIAL STATEMENTS**

The Company’s auditors have not reviewed or been involved in the preparation of these interim condensed consolidated financial statements.

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

In accordance with National Instrument 51-102 Section 4.3(3)(a) released by the Canadian Securities Administrators, the Company discloses that its auditors have not audited or reviewed the interim condensed consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor, for the three month periods ended March 31, 2015 and 2014.

The accompanying interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

Calyx Bio-Ventures Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

[Expressed in Canadian Dollars]

	As at	
	March 31, 2015	December 31, 2014
	\$	\$
	Unaudited	
ASSETS		
Current		
Cash	4,782	17,083
Accounts and other amounts receivable	16,957	15,681
Prepaid expenses and deposits	14,365	13,215
Total current assets	36,104	45,979
Non-Current Assets		
Equipment	12,506	14,500
Intangible assets	252,526	276,200
Total assets	301,136	336,679
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	91,108	81,915
Shareholders' equity		
Share capital	6,712,163	6,712,163
Warrants	-	533,014
Contributed surplus	2,259,173	1,726,159
Deficit	(8,761,308)	(8,716,572)
Total shareholders' equity	210,028	254,764
Total liabilities and shareholders' equity	301,136	336,679

See accompanying notes

On behalf of the Board:
DIRECTORS

Hugh Notman

Don Konantz

Calyx Bio-Ventures Inc.**INTERIM CODENSED CONSOLIDATED STATEMENTS OF NET LOSS,
COMPREHENSIVE LOSS AND DEFICIT**

[Expressed in Canadian Dollars]

Unaudited

	Three months ended March 31	
	2015	2014
	\$	\$
EXPENSES		
Depreciation	1,994	-
Depreciation of intangible assets	23,674	-
Personnel costs	9,331	127,605
Professional and regulatory	1,497	10,910
Marketing	1,978	68,490
Office and administrative	5,744	16,036
	<u>44,218</u>	<u>223,041</u>
Loss before the undermoted	(44,218)	(223,041)
OTHER INCOME (EXPENSES)		
Share-based compensation	-	(44,033)
Foreign exchange loss	(518)	(863)
	<u>(518)</u>	<u>(44,896)</u>
Net loss and comprehensive loss for the period	<u>(44,736)</u>	<u>(267,937)</u>
Deficit, beginning of period	(8,716,572)	(8,189,586)
Deficit, end of period	(8,761,308)	(8,457,523)
Basic and diluted loss per common share	(\$0.00)	(\$0.01)
Weighted average number of common shares outstanding		
- basic and diluted	48,351,892	38,351,892

See accompanying notes

Calyx Bio-Ventures Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY

[Expressed in Canadian Dollars]

Unaudited

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total Shareholders ' Equity
		\$	\$	\$	\$	\$
<u>Three months ended March 31, 2015 and March 31, 2014:</u>						
Balance, December 31, 2014	48,351,892	6,712,163	533,014	1,726,159	(8,716,572)	254,764
Net and comprehensive loss	-	-	-	-	(44,736)	(44,736)
Warrants expired	-	-	(533,014)	533,014	-	-
Balance, March 31, 2015	48,351,892	6,712,163	-	2,259,173	(8,761,308)	210,028
<u>Three months ended March 31, 2015 and year ended December 31, 2014:</u>						
Balance, December 31, 2013	38,351,892	6,462,163	1,318,613	882,931	(8,189,586)	474,121
Net and comprehensive loss	-	-	-	-	(267,937)	(267,937)
Share-based compensation	-	-	-	44,033	-	44,033
Balance, March 31, 2014	38,351,892	6,462,163	1,318,613	926,964	(8,457,523)	250,217
<u>Three months ended March 31, 2015 and year ended December 31, 2014:</u>						
Balance, December 31, 2014	48,351,892	6,712,163	533,014	1,726,159	(8,716,572)	254,764
Net and comprehensive loss	-	-	-	-	(44,736)	(44,736)
Warrants expired	-	-	(533,014)	533,014	-	-
Balance, March 31, 2015	48,351,892	6,712,163	-	2,259,173	(8,761,308)	210,028
<u>Three months ended March 31, 2015 and year ended December 31, 2014:</u>						
Balance, December 31, 2013	38,351,892	6,462,163	1,318,613	882,931	(8,189,586)	474,121
Net and comprehensive loss	-	-	-	-	(526,986)	(526,986)
Warrants expired	-	-	(785,599)	785,599	-	-
Issue shares - acquisition	10,000,000	250,000	-	-	-	250,000
Share-based compensation	-	-	-	57,629	-	57,629
Balance, December 31, 2014	48,351,892	6,712,163	533,014	1,726,159	(8,716,572)	254,764

See accompanying notes

Calyx Bio-Ventures Inc.**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

[Expressed in Canadian Dollars]

Unaudited

	Three months ended March 31	
	2015	2014
	\$	\$
OPERATING ACTIVITIES		
Net loss for the period	(44,736)	(267,937)
Add (deduct) items not involving cash:		
Depreciation	1,994	-
Depreciation of intangible assets	23,674	-
Share-based compensation	-	44,033
Changes in working capital items relating to operations:		
Accounts and other amounts receivable	(1,276)	(6,187)
Prepaid expenses and deposits	(1,150)	4,490
Accounts payable and accrued liabilities	9,193	(6,534)
Cash used in operating activities	(12,301)	(232,135)
INVESTING ACTIVITIES	-	-
FINANCING ACTIVITIES	-	-
Increase (decrease) in cash for the period	(12,301)	(232,135)
Cash, beginning of period	17,083	497,540
Cash, end of period	4,782	265,405

See accompanying notes

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

1. Nature of Business

Calyx Bio-Ventures Inc. (“Calyx” or “the Company”) was incorporated under the Business Corporations Act (British Columbia) on June 10, 2008. The head office and registered address of the Company are located at 450 – 400 Burrard Street, Vancouver, BC, V6C 3A6. These interim condensed consolidated financial statements reflect the consolidated financial position, statements of net loss and comprehensive loss, change in equity and cash flows of Calyx and its wholly owned subsidiaries (collectively, “the Company”). These interim condensed consolidated financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2015.

These interim condensed consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern which assumes that the Company will continue in operations for the foreseeable future and be able to realize its assets and discharge its obligations in the normal course of business. The Company has incurred losses since inception and as at March 31, 2015, has an accumulated deficit of approximately \$8.76 million. The ability of the Company to continue as a going concern is dependent upon obtaining ongoing financing and there can be no assurance that the Company will be able to raise any capital through any type of offering or similar financial arrangement. This may cast significant doubt upon the entity’s ability to continue as a going concern.

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

2. Basis of presentation

In preparing the Company's interim condensed financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates and the operating results for the interim periods presented are not necessarily indicative of the results expected for the full year.

These interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and their interpretations adopted by the International Accounting Standards Board (“IASB”). The interim condensed consolidated financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting (IAS 34) and should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2014.

The policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of March 31, 2015. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending December 31, 2015 could result in restatement of these interim condensed financial statements.

3. Changes in Accounting Policies

New Standards and Interpretations Not Yet Adopted

IFRS 9 - Financial Instruments

This new standard is a partial replacement of IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

single impairment method to be used, replacing the multiple impairment methods in IAS 39. The proposed effective date of IFRS 9 is January 1, 2018.

The Company has not early adopted this standard and is currently assessing the impact that this standard will have on its condensed 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 are not expected to have a significant impact on the Company's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

In preparing these interim condensed 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 that applied to the audited annual consolidated financial statements for the year ended December 31, 2014. See Note 2 – Summary of Significant Accounting Policies in the Company's audited annual consolidated financial statements for a list and description of key accounting policies.

5. Acquisition

Acquisition of Cannigistics Agri-Solutions Corp.

On December 9, 2014, the Company completed the acquisition of all of the issued and outstanding shares of Cannigistics. Cannigistics is a development stage company focused on bringing sophisticated, versatile and flexible technology solutions to advanced indoor agriculture.

The acquisition of Cannigistics was accounted for as an asset acquisition. The assets acquired and liabilities assumed are consolidated as of December 9, 2014.

Consideration paid for all of the issued and outstanding shares of Cannigistics consisted of 10,000,000 common shares of the Company with a fair value of \$250,000.

An additional 3,000,000 common shares are issuable on the achievement of certain milestones by April 15, 2015.

Allocation of Value – Assets and Liabilities of Cannigistics:

Assets acquired:

Current receivables	\$	16,961
Computer equipment		20,000
Intangible assets - software		284,091
		<u>321,052</u>

Liabilities assumed:

Accounts payable and accruals		(31,484)
-------------------------------	--	----------

Net assets acquired

\$ 289,568

Cost consisted of:

Issuance of common shares	\$	250,000
Transaction costs		39,568

Total cost of acquisition

\$ 289,568

The intangible assets acquired by the Company with the acquisition of Cannigistics were software related.

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

In connection with the acquisition of Cannigistics, the Company incurred legal and professional fees of \$39,568. These transaction costs were added to the total purchase price and allocated among the net assets acquired.

6. Intangible Assets

As of March 31, 2015, the Company's intangible assets consist entirely of software. The Company's intangible assets are as follows:

	<u>Software</u>
December 31, 2013	\$ -
Acquired from Cannigistics (note 5)	284,091
Depreciation	<u>(7,891)</u>
December 31, 2014	\$ 276,200
Depreciation	<u>(23,674)</u>
March 31, 2015	\$ 252,526

All software related intangibles are being depreciated on a straight-line basis over three years.

7. Equipment

As of March 31, 2015, the Company's equipment was as follows:

	<u>Computer Equipment</u>
December 31, 2013	\$ -
Acquired from Cannigistics (note 5)	20,000
Depreciation	<u>(5,500)</u>
December 31, 2014	\$ 14,500
Depreciation	<u>(1,994)</u>
March 31, 2015	\$ 12,506

The Company provides for depreciation of its equipment using the declining balance method with annual rates at 55%.

8. Equity

[a] Share Capital

Authorized:

Common shares: unlimited number, without par value;
Preferred shares: unlimited number, issuable in series.

Financing Activities:

There were no financing activities during the three month period ended March 31, 2015.

During the year ended December 31, 2014, the Company issued 10,000,000 common shares for the acquisition of Cannigistics (Note 5).

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

[b] Warrants

Warrant transactions:

	Number of common shares issuable	Amount \$
Balance, December 31, 2013	16,351,334	1,318,613
Expired warrants	(7,351,334)	(785,599)
Balance, December 31, 2014	9,000,000	533,014
Expired warrants	(9,000,000)	(533,014)
Balance, March 31, 2015	-	-

During the three months ended March 31, 2015, all remaining common share warrants (9,000,000) expired without exercise. The value of these warrants (\$533,014) has been transferred to contributed surplus.

[c] Contributed surplus

	Amount \$
Balance, December 31, 2013	882,931
Share-based compensation	
Immediate vesting	26,550
Graded vesting-2013 options	31,079
Expired common share purchase warrants	785,599
Balance, December 31, 2014	1,726,159
Expired common share purchase warrants	533,014
Balance, March 31, 2015	2,259,173

[d] Stock options

The Company has a “rolling” stock option plan (the “Plan”) that allows the Company to issue a number of stock options of up to 10% of the Company’s issued and outstanding common shares at any given time. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or not more than 2% of the issued shares on a yearly basis if granted to any one consultant or to any one employee engaged in investor relations activities.

The term, subject to a maximum of ten years, and vesting period of the options is determined by the Board of Directors. The exercise price of the options are required to have an exercise price no less than the Discounted Market Price (as such term is defined in the policies of the TSX Venture Exchange, or “TSX-V”), or such other price as may be required by the TSX-V; there are no cash settlement alternatives for the option holders.

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

Stock option transactions are summarized as follows:

	Number of optioned common shares	Weighted average exercise price \$
Balance, December 31, 2013	3,476,753	0.23
Options forfeited	(791,753)	0.25
Options granted	150,000	0.20
Balance, December 31, 2014	2,835,000	0.22
Options forfeited	(850,000)	0.20
Balance, March 31, 2015	1,985,000	0.23

No options were granted during the three month period ended March 31, 2015.

Options granted in 2014:

On February 13, 2014, 150,000 options were granted to directors of the Company during the year. These options vested on issue, have a five year term and are exercisable at \$0.20 per share. The calculated value of these options was \$26,550 and is included in share based compensation expense and the corresponding credit in contributed surplus. The value of the options was calculated using the Black-Scholes pricing model with the following assumptions: dividend yield 0.0%, expected volatility 138.17%; risk-free interest rate 1.69%, and an expected life of five years. The director did not seek re-election at the Company's annual general meeting in December, 2014, and as a result these options were forfeited during the three month period ended March 31, 2015.

Options granted in 2013:

Graded vesting:

350,000 options with a five year term and an exercise price of \$0.20 per share were granted to a contractor with vesting occurring in four equal tranches every three months commencing three months after the date of issue. The Black-Scholes option pricing model was used to estimate the value of the options with the following weighted-average assumptions: dividend yield 0.0%, expected volatility 161%; risk-free interest rate 1.89%, and an expected life of five years. During the comparative three month period for the prior year, ending March 31, 2014, 87,500 options vested with an estimated value of \$17,483 included in share based compensation expense with the corresponding credit included in contributed surplus. The contractor's engagement with the Company ended in November 2014, and as a result these options were forfeited during the three month period ended March 31, 2015.

The expected life of the options granted was based on historical data and expectations at the time and is not necessarily indicative of forfeiture or exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

The options outstanding under the Plan at March 31, 2015 are as follows:

Exercise price	Options outstanding		Options exercisable
	Number of common shares issuable	Remaining contractual life (years)	Number of common shares issuable
\$0.21	85,000	1.72	85,000
\$0.40	300,000	1.98	300,000
\$0.20	1,350,000	3.43	1,350,000
\$0.22	250,000	3.68	250,000
	<u>1,985,000</u>	<u>3.16</u>	<u>1,985,000</u>

9. Related Party Transactions

During the three months ended March 31, 2015 the Company granted Nil stock options [2014-150,000], with a fair value of \$Nil [2014-\$26,550] to key management personnel. Details of stock options are disclosed in Note 8.

During the three months ended March 31, 2015 the Company incurred fees of \$Nil [2014-\$92,634] for key management personnel. All transactions are recorded at their exchange amount and incurred in the normal course of business.

10. Capital Management

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its strategic plan. The Company manages and performs regular review of financial information. The Company does not have any externally imposed capital requirement to which it is subject.

11. Financial Instruments

Recognition and Measurement

The Company has made the following classifications for its financial instruments, each of which is fair valued at Level 1 inputs – quoted market prices in active markets for identical assets:

- a) Cash is classified as held-for-trading and are measured at fair value at the end of each period with any resulting gains or losses recognized as net gains or losses in the consolidated statements of net loss.
- b) Accounts and other amounts receivables are initially measured at fair value and subsequently at amortized cost. At March 31, 2015, the balance in accounts and other amounts receivable consists of HST recoverable \$16,957 [2014- \$53,389].
- c) Accounts payable and due to associate are initially measured at fair value and subsequently at amortized cost.

Calyx Bio-Ventures Inc.
Unaudited – Prepared by Management

Notes to Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2015 and 2014 (unaudited)

Management of Financial Risk

The Company, through its financial assets and liabilities, is exposed to various risks. The following is an analysis of risks as at March 31, 2015:

Financial Risk Management

The Board of Directors is responsible for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, accounts and other amounts receivable, accounts payable and accrued liabilities.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and accounts and other amounts receivable. The cash consists of operating funds with commercial banks. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its accounts and other amounts receivables. This risk is minimal as receivables consist primarily of refundable government taxes.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short term business requirements. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is exposed to foreign exchange risk on its cash and its obligations under accounts payable. At March 31, 2015, the Company has the following amounts denoted in US currency: cash - \$1,340, and accounts payable and accrued liabilities - \$6,189.

The Company has expenditures denominated in US dollars. Fluctuations in the value of the US dollar relative to the Canadian dollar will not have a significant impact the Company's results from operations.

12. Subsequent Event

Sale of interest in Agrisoma

As of December 31, 2014, the Company had an equity interest of approximately 22.8% in Agrisoma Biosciences Inc. ("Agrisoma"), which was written down to a carrying value of \$Nil in the 2013 fiscal year to reflect the uncertainty of this investment.

On April 14, 2015, Calyx sold its interest in Agrisoma back to Agrisoma for aggregate consideration of \$300,237 in cash, all of which was paid in full upon closing.