GULFSTREAM ACQUISITION 1 CORP.
INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
MARCH 31, 2013

(Unaudited – Expressed in Canadian Dollars)

GULFSTREAM ACQUISITION 1 CORP.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these interim financial statements they must be accompanied by a notice indicating that these interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Audit Committee of the Board of Directors has reviewed the interim financial statements and related financial reporting matters.

The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

GULFSTREAM ACQUISITION 1 CORP.

INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian dollars)

	March 31, 2013	**December 31, 2012**
ASSETS		
CURRENT		
Cash	$ 186,994	$ 180,075
Deferred share issue costs (Note 4)	10,000	10,000
	$ 196,994	$ 190,075
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 35,713	$ 15,407
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)	215,000	190,000
CONTRIBUTED SURPLUS	11,845	11,845
DEFICIT	(65,564)	(27,177)
	161,281	174,668
	$ 196,994	$ 190,075

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Notes 1 and 2)

Approved on behalf of the Board:

"Mark Attanasio"
Director

"Charles Shin"
Director

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

GULFSTREAM ACQUISITION 1 CORP.

INTERIM STATEMENTS OF COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2013

(Unaudited - Expressed in Canadian dollars)

	Three Months Ended March 31, 2013
EXPENSES	
Accounting	$ 2,971
Legal	19,766
Listing & Regulatory Fees	15,650
NET AND COMPREHENSIVE LOSS	$ (38,387)
LOSS PER SHARE - basic and diluted	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	3,816,666

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

GULFSTREAM ACQUISITION 1 CORP.

INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH ENDED MARCH 31, 2013

(Unaudited - Expressed in Canadian dollars)

		Three Months Ended March 31, 2013
OPERATING ACTIVITIES		
Net loss for the period	$	(38,387)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities		20,306
Cash flows used in operating activities		(18,081)
FINANCING ACTIVITY		
Issuance of shares		25,000
Cash flows provided by financing activity		25,000
NET INCREASE IN CASH		6,919
CASH, BEGINNING OF PERIOD		180,075
CASH, END OF PERIOD	$	186,994
SUPPLEMENTAL INFORMATION		
Interest paid	$	_
Income taxes paid	$	_

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

GULFSTREAM ACQUISITION 1 CORP.

INTERIM STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD FROM INCORPORATION ON JUNE 8, 2012 TO MARCH 31, 2013

(Unaudited - Expressed in Canadian dollars)

	Number of Common Shares Issued	**Amount of Common Shares Issued**	**Contributed Surplus**	**Deficit**	**Total**
Balance, June 7, 2012	**-**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued for cash	3,750,000	190,000	-	-	190,000
Share based compensation	-	-	11,845	-	11,845
Net loss for the period	-	-	-	(27,177)	(27,177)
Balance, December 31, 2012	**3,750,000**	**$ 190,000**	**$ 11,845**	**$ (27,177)**	**$ 174,668**
Shares issued for cash	500,000	25,000	-	-	25,000
Net loss for the period	-	-	-	(38,387)	(38,387)
Balance, March 31, 2013	**4,250,000**	**$ 215,000**	**$ 11,845**	**$ (65,564)**	**$ 161,281**

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

1. NATURE OF BUSINESS

Gulfstream Acquisition 1 Corp. (the “Company”) was incorporated on June 8, 2012 under the Ontario Business Corporations Act. The Company is a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (the "Exchange") Policy 2.4 and accordingly, its planned principal activity is to use its capital to investigate and acquire a business or group of assets (the “Qualifying Transaction”). The address of the Company’s principal place of business and registered office is Suite 701 - 130 Adelaide Street, Toronto, Ontario, Canada M5H 2K4.

2. BASIS OF PREPARATION AND CONTINUING OPERATIONS

Statement of Compliance

These interim financial statements are 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”).

Approval of the Financial Statements

The interim financial statements of the Company for the three months ended March 31, 2013 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on May 28, 2013.

Basis of Measurement

These interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going Concern

As at March 31, 2013, the Company had no business operations and its only significant asset was cash. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition of, or participation in, a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. Where an acquisition or participation is warranted (E.g. a Qualifying Transaction), additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to identify, evaluate and negotiate an acquisition, participate in or invest in an interest in a Qualifying Transaction, and obtain additional financing.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within twenty-four months from the date the Company’s shares are listed for trading, at which time the Exchange may suspend or de-list the Company’s shares from trading.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

a) Use of Estimates

The preparation of these interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the interim financial statements and revenues and expenses for the periods reported. Significant areas requiring the use of management estimates include the determination of share-based compensation and deferred income tax assets and liabilities. Actual results could differ from these estimates.

b) Income Taxes

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

c) Loss Per Share

Basic loss per share is computed by dividing net earnings available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

d) Share Issue Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

e) Share-based Compensation

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of equity settled stock options awarded to employees defined under IFRS 2 Share-based payments (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees defined under IFRS 2, as of the date of delivery of service, is recognized as share-based compensation expense, included in general and administrative expenses in the statement of comprehensive loss, over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates relate to the determination of share-based compensation and deferred income taxes. Actual results could differ from those estimates.

g) Financial Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and accounts payable. At initial recognition management has classified financial assets and liabilities as follows:

Financial assets - The Company has classified its cash at FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in income.

Financial liabilities - The Company has classified its accounts payable as other financial liabilities. Accounts payable are recognized at the amount required to be paid less, when material, a discount to reduce the payable to fair value. The Company derecognizes a financial liability when it its contractual obligations are discharged, cancelled or expire.

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning after January 1, 2013, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

New accounting standards effective January 1, 2013

IFRS 10 *Consolidated Financial Statements* - IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation - Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements.*

IFRS 11 *Joint Arrangements* - IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers*.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 12 *Disclosure of Interests in Other Entities* - IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 Fair Value Measurement - IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to other standards - In addition, there have been other amendments to existing standards, including IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

Amendments to IAS 1 *Presentation of Financial Statements* - The IASB has amended IAS 1 to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be reclassified into profit or loss in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately.

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* - IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. Stripping activity may result in two types of benefits: i) inventory produced and ii) improved access to ore that will be mined in the future. Stripping costs associated with inventory production should be accounted for as a current production cost in accordance with IAS 2 Inventories, and those associated with improved access to ore should be accounted for as an addition to, or enhancement of, an existing asset.

Each of the new standards, IFRS 10 to 13, IFRIC 20 and the amendments to other standards, is effective for the Company beginning on January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new standards will have on its financial statements or whether to early adopt any of the new requirements.

New accounting standards effective January 1, 2015

IFRS 9 *Financial Instruments* - IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 is effective for annual periods beginning on or after January 2015 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

4. DEFERRED SHARE ISSUE COSTS

During the period from incorporation on June 8, 2012 to December 31, 2012, the Company entered into a Letter Agreement (the "Agreement") with Canaccord Genuity Corp. ("Agent") to raise total gross proceeds of up to $310,000 at $0.10 per common share by way of an initial public offering (the "Offering"). The total gross proceeds of the Offering was reduced from $310,000 to $250,000 on March 12, 2013. Under the Agreement, the Company granted the Agent the right of first refusal to provide any additional proposed brokered equity financing that may be required.

In consideration of services to be performed by the Agent, the Company agreed to pay a cash commission of 10% of the proceeds raised from the Offering, an administration fee of $10,000 and other related expenses. The Company will also issue agent's warrants to the Agent to purchase, within twenty-four months of the listing on the Exchange, the number of shares of the Company that is equal to 10% of the total number of shares sold pursuant to the Offering at a price of $0.10 per share. Upon execution of the Agreement, the Company paid the Agent a $10,000 retainer toward legal and other expenses associated with the Offering.

5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) At the date of incorporation on June 8, 2012, the Company issued 1 common share at a price of $0.05 per share.

On August 21, 2012, the Company issued of 3,099,999 shares at a price of $0.05 per share to the directors of the Company for total proceeds of $154,999.95.

On September 1, 2012, the Company issued 100,000 common shares at $0.05 per share to the director of the Company for total proceeds of $5,000.

On November 5, 2012, the Company issued 500,000 common shares at $0.05 per share for total proceeds of $25,000.

On November 13, 2012, the Company issued 50,000 common shares at $0.10 per share for total proceeds of $5,000.

On February 26, 2013, the Company issued 500,000 common shares at $0.05 per share for total proceeds of $25,000.

On March 28, 2013, the Company filed a prospectus reflecting the reduced Offering and the common shares issued on February 26, 2013.

5. SHARE CAPITAL (continued)

c) Stock options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in their discretion, and in accordance with the requirements of the TSX Venture Exchange (the "Exchange"), grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options will be exercisable for a period of up to 5 years from the date of grant, and must comply with the rules of the Exchange.

On September 19, 2012, the Company granted 685,000 stock options with an exercise price of $0.10 per unit expiring 5 years from the date of listing on Exchange. The fair value of the options granted was $22,195. The Company calculated the fair value of the share based payments using the Black-Scholes model and amortized them over the estimated vesting period. The options vest upon the Company completing its listing on the Exchange. During the period from incorporation on June 8, 2012 to December 31, 2012, the Company recorded share based payments of $11,845.

To comply with the policies of the TSXV Exchange and as a result of the reduced total gross proceeds of the Offering and the common shares issued (Note 4), on March 12, 2013, the Company reduced the total number of stock options granted from 685,000 to 675,000. The terms and the fair value of the outstanding stock options remain the same. No share based payments was recorded for the three months ended March 31, 2013.

Additional information regarding stock options outstanding as at March 31, 2013 is as follows:

		Outstanding			Exercisable	
Grant Date	Exercise prices $	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price $	Number of options	Weighted average exercise price $
9/19/2012	0.10	685,000	4.72	0.10	685,000	0.10
03/12/2013	0.10	(10,000)	4.72	0.10	(10,000)	0.10
	0.10	675,000	4.72	0.10	675,000	0.10

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2012
Share price	$0.05
Expected life	5 years
Expected volatility	100%
Dividend yield	-
Risk-free interest rate	1.43%
Forfeiture rate	0%

Any common shares acquired pursuant to the exercise of options prior to completion of a Qualifying Transaction must be deposited into escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

6. MANAGEMENT OF 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 the identification, evaluation and acquisition of a Qualified Transaction. The Company does not have any externally imposed capital requirements to which it is subject.

As at March 31, 2013, the Company had capital resources consisting mainly of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

7. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	$
Combined statutory tax rate	26.5%
Income tax recovery at combined statutory rate	(10,173)
Non-deductible items for tax purposes and other items	0
Tax benefits not recognized	10,173
Deferred income tax expense	–

Significant components of the Company's deferred income tax assets are shown below:

	$
Non-capital loss carry forwards	14,236
Tax benefits not recognized	(14,236)
Net deferred income tax assets	–

As at March 31, 2013, the Company had approximately $14,236 in non-capital loss carry forward available to reduce taxable income for future years. The non-capital loss expires in 2032.

8. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable. The carrying value of these financial instruments approximates their fair values due to their immediate or short-term maturity.

The following table summarizes the carrying values of the Company's financial instruments:

	March 31, 2013 $
FVTPL (i)	186,994
Other financial liabilities (ii)	35,713

(i) Cash
(ii)Accounts payable

8. FINANCIAL INSTRUMENTS

The Company classifies its fair value measurements in accordance with an established hierarchy that priorities the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
Level 3 - Inputs that are not based on observable market date

The following table sets for the Company's financial assets measured at fair value by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash	186,994	-	-	186,994

i) Credit risk

Credit risk is the risk of financial loss to the Company if counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its cash with a large Canadian chartered bank. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's cash and cash equivalents.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. The Company does not have any interest bearing financial instruments.

iii) Currency risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

iv) 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 manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term expenditures for the identification, evaluation and acquisition of a Qualified Transaction by raising additional funds through share issuance when required.

The Company does not have investments in any asset backed deposits. The Company does not have any contractual financial liabilities as at March 31, 2013.