GULFSTREAM ACQUISTION 1 CORP.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Gulfstream Acquisition 1 Corp.

We have audited the accompanying financial statements of Gulfstream Acquisition 1 Corp. which comprise the statements of financial position as at December 31, 2015 and 2014, and the statements of comprehensive loss, cash flows and changes in equity for the years ended December 31, 2015 and 2014, and the related notes comprising 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 financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, 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 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 audits 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 financial statements. The procedures selected depend on our 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, we consider 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 includes evaluating the appropriateness of 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, the financial statements present fairly, in all material respects, the financial position of Gulfstream Acquisition 1 Corp. as at December 31, 2015 and 2014, and its financial performance and its cash flows for the years ended December 31, 2015 and 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Gulfstream Acquisition 1 Corp. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
April 15, 2016

GULFSTREAM ACQUISITION 1 CORP.

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015 AND 2014

(Expressed in Canadian dollars)

	2015	**2014**
ASSETS		
CURRENT		
Cash	$ 305,990	$ 320,459
	$ 305,990	$ 320,459
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 22,505	$ 15,096
EQUITY		
SHARE CAPITAL (Note 4)	387,574	349,232
CONTRIBUTED SURPLUS	61,632	89,458
DEFICIT	(165,721)	(133,327)
	283,485	305,363
	$ 305,990	$ 320,459

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Notes 1 and 2)
SUBSEQUENT EVENT (Note 8)

Approved on behalf of the Board:

"Mark Attanasio"
Director

"Charles Shin"
Director

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

GULFSTREAM ACQUISITION 1 CORP.

STATEMENTS OF COMPREHENSIVE LOSS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Expressed in Canadian dollars)

	2015	2014
EXPENSES		
Accounting	$ 10,161	$ 13,178
Legal fees	11,618	5,195
Listing and regulatory	10,615	7,471
Other expenses	-	1,549
Provision for GST receivable	-	9,488
NET LOSS AND COMPREHENSIVE LOSS	$ (32,394)	$ (36,881)
LOSS PER SHARE – BASIC AND DILUTED	$ (0.00)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,807,333	6,750,000

GULFSTREAM ACQUISITION 1 CORP.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Expressed in Canadian dollars)

	2015	**2014**
OPERATING ACTIVITIES		
Net loss for the year	$ (32,394)	$ (36,881)
Items not affecting cash:		
Provision for GST receivable	-	9,488
	(32,394)	(27,393)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	7,409	3,821
Amounts receivable	-	(5,180)
Cash used in operating activities	(24,985)	(28,752)
FINANCING ACTIVITIES		
Shares issued for cash	10,516	-
Cash provided by financing activities	10,516	-
DECREASE IN CASH	(14,469)	(28,752)
CASH, BEGINNING OF YEAR	320,459	349,211
CASH, END OF YEAR	$ 305,990	$ 320,459
SUPPLEMENTAL INFORMATION		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

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

GULFSTREAM ACQUISITION 1 CORP.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Expressed in Canadian dollars)

	Number of Common Shares Issued	Amount of Common Shares Issued	Contributed Surplus	Deficit	Total
Balance, December 31, 2013	**6,750,000**	**$ 349,232**	**$ 89,458**	**$ (96,446)**	**$ 342,244**
Comprehensive loss for the year	-	-	-	(36,881)	(36,881)
Balance, December 31, 2014	**6,750,000**	**$ 349,232**	**$ 89,458**	**$ (133,327)**	**$ 305,363**
Shares issued for exercise of warrants	105,159	38,342	(27,826)	-	10,516
Comprehensive loss for the year	-	-	-	(32,394)	(32,394)
Balance, December 31, 2015	**6,855,159**	**$ 387,574**	**$ 61,632**	**$ (165,721)**	**$ 283,485**

The accompanying notes are an integral part of these 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 financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Approval of the Financial Statements

The financial statements of the Company for the year ended December 31, 2015 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on April 15, 2016.

Basis of Measurement

These 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 December 31, 2015, the Company had no business operations and its only significant asset was cash. The Company reported a net loss of $32,394 for the year ended December 31, 2015 and has accumulated losses of $165,721 since inception.

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 (the “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. These factors create a material uncertainty that raises significant doubt upon the Company’s ability to continue as a going concern. 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 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 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) Significant Accounting Estimates and Judgements

The preparation of these 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 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 the recognition of deferred income tax assets. Actual results could differ from these estimates.

Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective or assessments with a significant risk of material adjustment in the next year. Significant areas requiring critical accounting judgements include the Company's ability to carry on as a going concern.

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

f) 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 of 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.

g) Changes in Accounting Policies

There were no new or revised accounting standards scheduled for mandatory adoption on January 1, 2015, and thus no new standards were adopted in 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) 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 future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company intends to adopt these standards when they become effective.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 15 Revenue from Contracts with Customers – In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 Financial Instruments – In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

4. SHARE CAPITAL

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

b) Issued and outstanding:

On June 15, 2015 the Company issued 105,159 common shares at $0.10 per share for total proceeds of $10,516 pursuant to an exercise of warrants by Canaccord Genuity Corp.

c) Escrow shares

The Company has 4,200,000 shares held in escrow at December 31, 2015 (2014 – 4,200,000). 10% of the escrowed shares will be released from escrow upon issuance of notice of final acceptance of a Qualifying Transaction by the TSX-V and as the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt without the consent of the regulatory authorities.

d) 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.

(Expressed in Canadian dollars)

4. SHARE CAPITAL (continued)

d) Stock options (continued)

There were no stock option transactions during the years ended December 31, 2015 and 2014.

The following table summarizes stock options outstanding and exercisable at December 31, 2015 and 2014:

		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	675,000	2.45	0.10	675,000	0.10

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.

e) Warrants

On June 14, 2013, the Company granted Canaccord Genuity Corp. (the “Agent”) and its sub-agent an aggregate of 250,000 non-transferable warrants (each, an “Agent’s Warrant”), each of which entitles the Agent or its sub-agent, as applicable, to purchase one share at a price of $0.10 per Share for a period of 24 months from the date of the listing of the shares on the TSX Venture Exchange (the “Exchange”). The total fair value of the Agent’s Warrants issued of $68,768 was calculated using the Black-Scholes option pricing model. Upon issuance of the warrants on June 14, 2013 the Company recorded share issuance costs of $68,768.

On June 13, 2015, the Company received notice from the Agent to exercise 105,159 of the Agent’s Warrants to purchase common shares for total proceeds of $10,516, and subsequently on June 15, 2015 the Company issued 105,159 common shares to the Agent pursuant to their exercise. The Company re-classified $27,826 from contributed surplus to share capital for the exercise of these 105,159 Agent’s Warrants. On June 15, 2015, the remaining 144,841 Agent’s Warrants expired unexercised.

(Expressed in Canadian dollars)

4. SHARE CAPITAL (continued)

e) Warrants (continued)

Warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance at December 31, 2014 and 2013	250,000	$0.10
Exercised	(105,159)	0.10
Expired	(144,841)	0.10
Balance at December 31, 2015	-	

There were no warrants outstanding at December 31, 2015.

5. 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 December 31, 2015, 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.

(Expressed in Canadian dollars)

6. 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:

	2015	**2014**
Combined statutory tax rate	26%	26%
Income tax recovery at combined statutory rate	$ (8,422)	$ (9,589)
Non-deductible items for tax purposes and other items	-	613
Tax benefits not recognized	8,422	8,976
Deferred income tax expense	$ –	$ –

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

	2015	**2014**
Non-capital loss carry forwards	$ 45,040	$ 34,174
Share issuance costs	4,888	7,332
Tax benefits not recognized	(49,928)	(41,506)
Net deferred income tax assets	$ –	$ –

As at December 31, 2015, the Company had approximately $173,000 in non-capital loss carry forward available to reduce taxable income for future years. The non-capital losses expire accordingly:

2032	$ 15,000
2033	70,000
2034	46,000
2035	42,000
	$173,000

7. 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:

	2015
FVTPL (i)	$ 305,990
Other financial liabilities (ii)	22,505

(i) Cash
(ii) Accounts payable

7. FINANCIAL INSTRUMENTS (continued)

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	305,990	-	-	305,990

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.

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 December 31, 2015.

8. SUBSEQUENT EVENT

On February 17, 2016 the Company signed a non-binding letter of intent with Blue Goose Capital Corp. ("Blue Goose") which outlines a proposed transaction that will result in the Company acquiring all of the issued and outstanding shares of Blue Goose. The proposed transaction is expected to constitute the Company's Qualifying Transaction pursuant to Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange.