

Interim Condensed Financial Statements of

Alternate Health Corp.

(Unaudited)

Three and six month periods ended June 30, 2016

Alternate Health Corp.

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Three and six month periods ended June 30, 2016
(Unaudited)

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Alternate Health Corp.

Interim Condensed Statement of Financial Position

As at June 30, 2016 with comparative figures for the twelve month period ending Dec 31, 2015
(Unaudited)

	June 30 2016	Dec 31 2015
ASSETS		
Current assets		
Cash	\$ -	\$ 110
HST receivable	2,256	762
	2,256	872
	\$ 2,256	\$ 872
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 27,127	\$ 9,961
Due to related party (Note 4)	10,617	4,727
	37,744	14,688
Shareholders' equity		
Share capital (Note 5)	7,932	7,932
Deficit	(43,420)	(21,748)
	(35,488)	(13,816)
	\$ 2,256	\$ 872

See accompanying notes to interim condensed financial statements

Alternate Health Corp.

Interim Condensed Statement of Loss and Comprehensive Loss

For the three and six month periods ended June 30, 2016 and 2015
(Unaudited)

	Three month period ended June 30 2016	Three month period ended June 30 2015	Six month period ended June 30 2016	Six month period ended June 30 2015
Revenue	\$ -	\$ -	\$ -	\$ -
Operating expenses				
Bank charges and interest	95	139	185	139
Office and general	5,978	6,932	5,978	6,932
Professional fees	12,131	-	15,509	-
	\$ 18,204	\$ 7,071	\$ 21,672	\$ 7,071

See accompanying notes to interim condensed financial statements

Alternate Health Corp.

Interim Condensed Statement of Changes in Equity

For the six month period ended June 30, 2016 with comparative figures for the six month period ended June 30, 2015

(Unaudited)

	Share capital	Deficit	Total
Balance, beginning of December 31, 2015	\$ 7,932	\$ (21,748)	(13,816)
Net and comprehensive loss	-	(21,672)	(21,672)
For the period ended June 30, 2016	7,932	(43,420)	(35,488)
Balance, beginning of December 31, 2014	1	-	1
Net and comprehensive loss	-	(7,071)	(7,071)
Change in account	7,931	-	7,931
For the period ended June 30, 2015	\$ 7,932	\$ (7,071)	861

See accompanying notes to interim condensed financial statements

Alternate Health Corp.

Interim Condensed Statement of Cash Flows

For the three and six month periods ended June 30, 2016 and 2015
(Unaudited)

	Three month period ended June 30 2016	Three month period ended June 30 2015	Six month period ended June 30 2016	Six month period ended June 30 2015
Operating activities				
Net and comprehensive loss	\$ (18,204)	\$ (7,071)	\$ (21,672)	\$ (7,071)
Change in non-cash working capital items (Note 6)	14,062	-	15,672	1
Cash provided by (used in) operating activities	(4,142)	(7,071)	(6,000)	(7,070)
Investing activities				
Due to/from related party	3,875	12,007	5,890	12,007
Cash provided by (used in) investing activities	3,875	12,007	5,890	12,007
Financing activities				
Issuance of new shares	-	7,932	-	7,931
Cash provided by (used in) financing activities	-	7,932	-	7,931
Increase (decrease) in cash	(267)	12,868	(110)	12,868
Cash, beginning of period	267	-	110	-
Cash (bank indebtedness), end of period	\$ -	\$ 12,868	\$ -	\$ 12,868

See accompanying notes to interim condensed financial statements

Alternate Health Corp.

Notes to Financial Statements

June 30, 2016 with comparative figures for the twelve month period ending Dec 31, 2015
(Unaudited)

1. Nature of operations

Alternate Health Corp. (“AHI” or “the Company”) was incorporated on October 26, 2014, under the laws of the province of British Columbia, Canada. The head office, principal address, records office and registered address of the Company are located at 309 – 1485 6th Ave W. Vancouver, British Columbia, Canada, V6H 4G1.

These interim condensed financial statements were authorized for issuance by the Board of Directors of the Company on August 26, 2016.

2. Going concern

These interim condensed financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from Alternate Health Inc (see note 7), debt or equity financing of the Company and or profits from its business activities.

3. Summary of significant accounting policies

The significant accounting policies and critical and critical estimates and judgments as disclosed in the Company's December 31, 2015 audited annual financial statements have been consistently applied in the preparation of these condensed unaudited financial statements.

The unaudited condensed financial statements are presented in Canadian dollars.

Statement of Compliance

These condensed interim financial statements were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) and do not contain all the information required for financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”). They are however accompanied by notes selected in order to provide information necessary to the understanding of the Company’s financial position and its operations since its annual audited financial statements for the year ended December 31, 2015. The condensed interim financial statements should be read in conjunction with the Company’s audited annual statements and related notes as and for the year ended December 31, 2015. The condensed interim financial statements of the Company were authorized for issue by the Audit Committee and the Board of Directors on August 26, 2016.

Alternate Health Corp.

Notes to Financial Statements

June 30, 2016 with comparative figures for the twelve month period ending Dec 31, 2015
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4. Due to related party

Amounts due to related party are due on demand, are unsecured and bear no rate of interest.

	June 30 2016	Dec 31 2015
Due to Alternate Health Inc.	\$ 10,617	\$ 4,727

The advances are due to Alternate Health Inc. ("AHI"), a related company by virtue of common management.

5. Share capital

	June 30 2016	December 31 2015
Authorized		
Unlimited number of common shares without par value.		
Issued		
396,600 common shares	\$ 7,932	\$ 7,932

6. Change in non-cash working capital items

	Three month period ended June 30 2016	Three month period ended June 30 2015	Six month period ended June 30 2016	Six month period ended June 30 2015
Share subscription receivable	\$ -	\$ -	\$ -	\$ 1
Accounts payable and accrued liabilities	16,149	-	17,165	-
HST receivable	(2,087)	-	(1,493)	-
	\$ 14,062	\$ -	\$ 15,672	\$ 1

Alternate Health Corp.

Notes to Financial Statements

June 30, 2016 with comparative figures for the twelve month period ending Dec 31, 2015
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7. Share Exchange Agreement

On November 23, 2015, the Company, and Alternate Health Inc. and its shareholders (“AHI”), an arms’ length British Columbia-based company signed a definitive share exchange agreement to complete a proposed acquisition of AHI by AHC (the “Share Exchange Agreement”).

Pursuant to the terms of the Share Exchange Agreement, AHC will acquire all of the issued and outstanding shares of AHI in exchange for issuance of AHC shares on a one for one basis to the Company’s shareholders, which will result in AHI becoming a wholly-owned subsidiary of AHC and the business of AHI becoming the business of AHC (the “Acquisition”). Pursuant to the terms of the proposed Acquisition, AHC will issue 29,970,000 shares to the shareholders of AHI for the Acquisition, resulting in AHI becoming a wholly owned subsidiary of AHC. 550,000 Warrants of AHC will also be issued to/exchanged with the holders of warrants of the Company on a one for one basis. The actual number of AHC shares and warrants issued at closing will be increased by the number of additional AHI shares and warrants issued between November 23, 2015 and closing of the Acquisition.

The proposed Acquisition is being used by AHC to file for listing on the Canadian Securities Exchange (“CSE”). Completion of the Acquisition is subject to approval of the CSE.