

Interim Condensed Financial Statements of

ALTERNATE HEALTH CORP.
(Formerly 1017344 BC Ltd.)

Three and nine month periods ended September 30, 2015
(Unaudited)

ALTERNATE HEALTH CORP.

Interim Condensed Statement of Financial Position

As at September 30, 2015 and December 31, 2014

(Unaudited)

	Sept 30, 2015	Dec 31, 2014
ASSETS		
Current assets		
Cash	\$ 5,200	\$ -
HST receivable	700	1
	\$ 5,900	\$ 1
LIABILITY AND SHAREHOLDERS' EQUITY		
Current liability		
Accounts payable	\$ 212	
Due to related party (note 5)	4,245	\$ -
	\$ 4,457	
Going concern (note 2)		
Shareholders' equity		
Share capital (note 6)	7,932	1
Deficit	(6,489)	-
	1,443	1
	\$ 5,900	\$ 1

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
September 30, 2015 (Unaudited)

	Three months ended Sept 30, 2015	Nine months ended Sept 30, 2015
Revenue	\$ -	\$ -
Operating expenses		
Bank charges and interest	38	177
Transaction Fees	(620)	6,312
	(582)	6,489
Net and comprehensive gain (loss)	\$ 582	\$ (6,489)

See accompanying notes to interim condensed financial statements

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Interim Condensed Statement of Changes in Equity

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

	Share capital	Deficit	Total
Balance, December 31, 2014	1	-	1
Net and comprehensive loss	-	(6,489)	(6,489)
Changes	7,931	-	7,931
Balance, Sept 30, 2015	\$ 7,932	\$ (6,489)	\$ 1,443

See accompanying notes to interim condensed financial statements

ALTERNATE HEALTH CORP.

Interim Condensed Statement of Cash Flows

For the period from July 1, 2015 to Sept 30, 2015
and Dec 31, 2014 (unaudited)

	Three months ended Sept 30, 2015	Nine months ended Sept 30, 2015
Operating activities		
Net and comprehensive gain (loss)	\$ 582	\$ (6,489)
Changes in non-cash working capital accounts (note 7)	(488)	(487)
	94	(6,976)
Financing activities		
Advances from related party	(7,762)	4,245
Issuance (redemption) of share capital	-	7,931
	(7,762)	12,176
Increase (decrease) in cash	(7,668)	5,200
Cash, beginning of period	12,868	-
Cash, end of period	\$ 5,200	\$ 5,200

See accompanying notes to revised interim condensed financial statements

ALTERNATE HEALTH CORP.

Notes to Interim Condensed Financial Statements

September 30, 2015 with comparative figures for the period from incorporation October 26, 2014 to Dec 31, 2014 (unaudited)

1. Nature of operations

Alternate Health Corp. (formerly 1017344 BC Ltd.) (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 condensed interim financial statements have been prepared on the assumption that the Company and its subsidiaries 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 directors and companies controlled by directors and or profits from its business activities.

These interim condensed financial statements were authorized for issuance by the Board of Directors of the Company on November 30, 2015.

2. Going concern

These interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards on a going concern basis which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

These interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards on a going concern basis which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company had financed its working capital requirements primarily through equity financings, convertible loans and third party and related party loans. The Company’s ability to continue as a going concern is dependent upon its ability to commence profitable operations, generate funds therefrom and raise additional financing in order to meet current and future obligations. While the Company has been successful in raising financing in the past there is no assurance that it will be able to obtain additional financing or that such financing will be available on reasonable terms. These conditions combine with the loss for the period ended March 31, 2015 indicate the existence of a material uncertainty that may cast doubt on the Company’s ability to continue as a going concern.

These interim condensed financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

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3. Plan of arrangement

On October 29, 2014, the Company entered into an Arrangement Agreement with Riske Capital Corp. (“Riske”). Riske is a reporting issuer in the provinces of Alberta and British Columbia.

Final Court Order approving the Arrangement was received by Riske on December 3, 2014. Under the terms of the Arrangement: (i) Riske will transfer to the Company all of its interest in a letter of intent with Fusion Business Group and \$1,000 cash; and (ii) the Company will issue 396,600 Common Shares to the shareholders of Riske. By resolution of the board of directors of Riske, the Closing of the transaction and Effective Date of Arrangement as it pertains to the Company was deemed to have occurred on April 15, 2015. The letter of intent with Fusion Business Group was cancelled on April 15, 2015.

Following completion of the Arrangement Agreement, the Company became a reporting issuer.

4. Summary of significant accounting policies

These interim condensed financial statements are prepared in accordance with International Financial Reporting Standards. The significant policies are detailed as follows:

(a) Statement of Compliance with International Financial Reporting Standards

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the Interpretations of the IFRS Interpretations Committee (“IFRIC”).

(b) Basis of presentation

These interim financial statements have been prepared on a historical cost basis.

(c) Functional currency

The Company’s functional and reporting currency as determined by management, is the Canadian dollar.

(d) Standards issued but not yet effective

IFRS 9 Financial Instruments (“IFRS 9”) covers the classification and measurement of

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financial assets and financial liabilities and the effective date is for annual periods on or after January 1, 2018, with earlier application permitted. The Company is still assessing the impact of adopting IFRS 9. Amendments to IFRS 9 also provide relief from the requirement to restate comparative financial statements for the effect of applying IFRS 9. Instead, additional transition disclosures will be required to help investors understand the effect that the initial application of IFRS 9 has on the classification and measurement of financial instruments.

5. Due to related party

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

	2015	2014
Due to Alternate Health Inc.	\$ 4,245	\$ -

During the 2015 fiscal year the Company acted as paying agent for the related party, Alternate Health Inc. (AHI) a company under common control. Under the paying agent arrangement AHI made an interest free loan of \$77,000 to the Company to pay AHI expenses and the balance outstanding at September 30, 2015 was \$4,245. AHC did not charge a fee for this arrangement and the expenses paid have been recorded on the books of AHI.

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6. Share capital

	2015	2014
Authorized		
Unlimited number of common shares without par value.		
Issued		
396,600 common shares	\$ 7,932	\$ 1

On October 26, 2014, the Company issued one common share for gross proceeds of \$1. This share was subsequently cancelled prior to June 30, 2015.

On April 15, 2015, pursuant to the Plan of Arrangement (see Note 3), the Company issued 396,600 common shares to Riske, and such shares were subsequently distributed to each shareholder of Riske pursuant to the Arrangement.

7. Changes in non-cash working capital accounts

	Three month ended Sept 30, 2015	Nine month ended Sept 30, 2015	2014
Accounts receivable	\$ (700)	\$ (699)	\$ -
Accounts payable	\$ 212	\$ 212	
	\$ (488)	\$ (487)	\$ -

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8. Subsequent event

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