

Edgefront Realty Corp.

Interim Financial Statements
(Unaudited)

Period from July 30, 2012 (date of incorporation)
to September 30, 2012

Notice To Reader

The accompanying unaudited interim financial statements of Edgefront Realty Corp. (the "Company") for the period ended September 30, 2012 have been prepared by and are the responsibility of the Company's management. These financial statements have not been reviewed or audited by the Company's auditor.

Edgefront Realty Corp.
Interim Statement of Financial Position
(unaudited)
As at September 30, 2012

	\$
Assets	
Cash and cash equivalents (note 2)	<u>4,899,713</u>
Liabilities	
Accounts payable and accrued liabilities (note 3)	<u>312,500</u>
Shareholders' Equity	
Capital stock (note 4)	4,600,000
Deficit	<u>(12,787)</u>
	<u>4,587,213</u>
Total Liabilities and Shareholders' Equity	<u>4,899,713</u>

On behalf of the Board:

"Kelly Hanczyk" Director

"Mario Forgione" Director

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

Edgefront Realty Corp.

Interim Statement of Loss and Comprehensive Loss

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

	\$
Expenses	
Audit and Legal	12,500
Interest and bank charges	<u>287</u>
Net loss and comprehensive loss	<u>12,787</u>
Net loss per share , basic and diluted	<u>-</u>

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

Edgefront Realty Corp.

Interim Statement of Changes in Shareholders' Equity

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

	Number of shares	Share capital \$	Cumulative net loss \$	Total \$
July 30, 2012	-	-	-	-
Common shares issued for cash	51,000,000	4,600,000	-	4,600,000
Net loss for the period	-	-	(12,787)	(12,787)
September 30, 2012	51,100,000	4,600,000	(12,787)	4,587,213

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

Edgefront Realty Corp.

Interim Statement of Cash Flows

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

	\$
Cash provided by (used in)	
Operating activities	
Net loss for the period	(12,787)
Changes in non-cash operating items:	
Increase in accounts payable and accrued liabilities	<u>312,500</u>
	299,713
Financing activities	
Issuance of common shares	<u>4,600,000</u>
Increase in cash during the period	4,899,713
Cash - Beginning of period	<u>-</u>
Cash - End of period	<u>4,899,713</u>

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

Edgefront Realty Corp.

Notes to Interim Financial Statements

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

1 Organization

Edgefront Realty Corp. (the Company) was incorporated under the Business Corporation Act (Ontario) on July 30, 2012 and to date there have been no operations. The registered office of the Company is located at 1 Toronto Street, Suite 201, Toronto, Ontario. The principal business of the Company is the identification and evaluation of assets or businesses for the purpose of completing a qualifying transaction.

2 Summary of significant accounting policies

The interim financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting, and do not include all of the information required for full annual financial statements. These interim financial statements are presented in Canadian dollars, which is the function currency of the Company. The financial statements were authorized for issue by the board of directors of the Company on November 29, 2012.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with original maturities of three months or less. As at September 30, 2012, there were cash equivalents of \$3,999,996. The cash equivalents are comprised of guaranteed investment certificates of a Canadian chartered bank which can be cashed at any time without penalty.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results may differ from these estimates.

Financial instruments

The company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. All financial instruments are initially recognized at fair value. Subsequent measurement depends on the nature and classification adopted for the financial instrument as follows:

Financial instrument	Classification	Measurement
Cash and cash equivalents	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Financial liability	Amortized cost

Edgefront Realty Corp.

Notes to Interim Financial Statements

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

3 Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as at September 30, 2012 are comprised as follows:

	Sept 30, 2012
Accrued audit fees	7,500
Accrued legal fees	5,000
Subscription refund payable	300,000
	<u>312,500</u>

Subscription refund payable relates to funds received from a subscriber for common shares of the Company that was in excess of the amount of common shares for which a subscription agreement was received and for which the subscriber was allocated by the Company. The funds were refunded to the subscriber on October 3, 2012.

4 Capital stock

	Shares	Amount \$
Authorized		
Unlimited number of common shares		
Issued and outstanding		
Common shares issued for cash		
Issued at \$0.05 per share	10,000,000	500,000
Issued at \$0.10 per share	41,000,000	4,100,000
	<u>51,000,000</u>	<u>4,600,000</u>

On July 30, 2012, the Company issued 100 common shares for cash consideration of \$5. On August 30, 2012, the Company issued 9,999,900 common shares for cash consideration of \$499,995. This total of 10,000,000 shares will be held in escrow and will be released in future periods in accordance with an escrow agreement to be entered into between the Company and the initial shareholders.

On August 31, 2012, the Company issued 31,100,000 common shares for cash consideration of \$3,110,000 in a private placement. Of these 31,100,000 common shares, 22,000,000 common shares will be held in escrow and will be released in future periods in accordance with an escrow agreement to be entered into between the Company and the shareholders of the private placement.

On September 25, 2012, the Company issued 9,900,000 common shares at \$0.10 per share for cash of \$990,000 in a private placement.

As at September 30, 2012, the directors and officers of the Company beneficially own, directly or indirectly, or have control or direction over 22,600,000 common shares or approximately 44.0% of the issued and outstanding common shares of the Company.

Edgefront Realty Corp.

Notes to Interim Financial Statements

(unaudited)

For the period from July 30, 2012 (date of incorporation) to September 30, 2012

5 Subsequent events

On October 29, 2012, 400,000 shares held by an arm's length shareholder were transferred to officers and directors of the Company. All of these common shares will be held in escrow and will be released in future periods in accordance with an escrow agreement to be entered into between the Company and the shareholders of the private placement. Following the transfer, the directors and officers of the Company beneficially own, directly or indirectly, or have control or direction over 23,000,000 common shares or approximately 45.1% of the issued and outstanding common shares of the Company.

On October 26, 2012, the Company filed a final prospectus for the sale to the public of a minimum of 2,000,000, and a maximum of 4,000,000 common shares, at a price of \$0.10 per share (the offering), payable on closing for the aggregate gross proceeds of a minimum of \$200,000 and a maximum of \$400,000, prior to deduction of issue costs.

The offering closed on November 22, 2012 with 4,000,000 common shares sold at \$0.10 per share for aggregate gross proceeds of \$400,000.

In connection with the offering, the Company granted stock options to directors and officers of the Company to purchase 5,500,000 common shares at \$0.10 per share. The stock options will expire five years from the date the options are granted. Additionally, the Company granted the agent under the offering, Desjardins Financial, an option to purchase, at a price of \$0.10 per common share, that number of common shares that is equal to 6% of the common shares sold in connection with the offering (the Agent's Options). The Agent's Options will expire 24 months from the date the Company's common shares are listed for trading on the exchange.