

**exactEarth Ltd.**  
**Interim Consolidated Statements of Financial Position**  
(in thousands of Canadian Dollars)  
Unaudited

		<b>As at July 31, 2016</b>	<b>As at October 31, 2015</b>
		<u>\$</u>	<u>\$</u>
<b>ASSETS</b>			
Current assets			
Cash		15,087	2,365
Trade accounts receivable		1,605	3,865
Unbilled revenue	(note 14)	799	1,954
Prepaid expenses and other assets		1,022	676
Total current assets		<u>18,513</u>	<u>8,860</u>
Property, plant and equipment	(notes 5, 7 and 15)	30,968	48,538
Intangible assets	(notes 6, 7 and 15)	<u>18,704</u>	<u>24,646</u>
Total assets		<u><u>68,185</u></u>	<u><u>82,044</u></u>
<b>LIABILITIES &amp; EQUITY</b>			
Current liabilities			
Accounts payable and accrued liabilities		4,534	10,966
Due to related parties	(notes 13 and 16)	21	295
Deferred revenue	(note 14)	993	1,037
Current portion of loans	(notes 8 and 16)	702	361
Current portion of long-term incentive plan	(notes 9 and 12)	37	-
Total current liabilities		<u>6,287</u>	<u>12,659</u>
Government loan	(note 8)	1,145	1,436
Long-term debt	(note 8)	226	-
Due to related parties	(notes 13 and 16)	-	44,801
Long-term incentive plan	(notes 9 and 12)	<u>117</u>	<u>82</u>
Total liabilities		<u>7,775</u>	<u>58,978</u>
Shareholders' equity			
Share capital	(notes 9 and 16)	123,726	55,120
Contributed surplus	(note 9)	549	249
Accumulated other comprehensive loss		(30)	(296)
Deficit		<u>(63,835)</u>	<u>(32,007)</u>
Total shareholders' equity		<u>60,410</u>	<u>23,066</u>
Total liabilities and equity		<u><u>68,185</u></u>	<u><u>82,044</u></u>

*See accompanying notes*

On behalf of the Board:

Maria Izurieta, Director - exactEarth Ltd.

Peter Mabson, Director - exactEarth Ltd.

**exactEarth Ltd.**  
**Interim Consolidated Statements of Comprehensive Loss**  
(In thousands of Canadian Dollars)  
Unaudited

		Three months ended		Nine months ended	
		July 31, 2016	July 31, 2015	July 31, 2016	July 31, 2015
		\$	\$	\$	\$
Revenue	(note 15)	4,008	7,781	15,610	19,138
Cost of revenue		1,983	2,771	7,165	7,905
Gross margin		2,025	5,010	8,445	11,233
Operating expenses					
Research and development		-	15	28	46
Selling, general and administrative		1,654	2,599	5,728	6,194
Product development		513	345	1,415	1,046
Depreciation and amortization	(notes 5 and 6)	911	1,370	3,723	4,110
Impairment loss	(note 7)	-	-	27,987	-
(Loss) income from operations		(1,053)	681	(30,436)	(163)
Other expense					
Other expense		75	28	155	55
Foreign exchange loss		190	28	925	295
Interest (income) expense	(note 13)	(3)	316	312	983
Total other expense		262	372	1,392	1,333
Income tax expense	(note 11)	-	-	-	-
Net (loss) income		(1,315)	309	(31,828)	(1,496)
Other comprehensive (loss) income					
Items that may be subsequently reclassified to net income:					
Foreign currency translation, net of income tax expense of nil		99	(197)	266	(252)
Total other comprehensive (loss) income		99	(197)	266	(252)
Comprehensive income (loss)		(1,216)	112	(31,562)	(1,748)
Basic and diluted (loss) income per share	(note 9)	(0.06)	0.03	(1.77)	(0.13)

**exactEarth Ltd.**  
**Interim Consolidated Statements of Cash Flows**  
(in thousands of Canadian Dollars)  
Unaudited

	Three months ended		Nine months ended	
	July 31,	July 31,	July 31,	July 31,
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	\$	\$	\$	\$
Net (loss) income	(1,315)	309	(31,828)	(1,496)
Add (deduct) items not involving cash				
Nonmonetary transaction (note 10)	(1,486)		(2,368)	
Impairment loss (note 7)	-	-	27,987	-
Non cash interest (note 3)	44	39	113	118
Depreciation and amortization (notes 5 and 6)	911	1,370	3,723	4,110
Settlement of long term incentive plan	-	-	-	(1)
Foreign exchange loss on revaluation of foreign currency shareholder loans	-	203	-	327
Long term incentive plan (note 12)	7	203	72	609
Stock based compensation (notes 9 and 12)	181	-	300	-
Change in non-cash working capital balances	(111)	468	576	576
Cash flows (used in) from operations	<u>(1,769)</u>	<u>2,592</u>	<u>(1,425)</u>	<u>4,243</u>
Investing activities				
Acquisition of property, plant, and equipment (note 5)	(829)	(769)	(2,117)	(5,183)
Reimbursement of acquisition costs of property, plant, and equipment (note 5)	-	36	120	371
Acquisition of intangible assets (note 6)	(3,731)	(6,594)	(6,785)	(7,005)
Cash flows used in investing activities	<u>(4,560)</u>	<u>(7,327)</u>	<u>(8,782)</u>	<u>(11,817)</u>
Financing activities				
Government loan repayment (notes 3 and 8)	(123)	(123)	(369)	(205)
Long-term debt repayment (note 8)	(88)	-	(117)	-
Shares issued (note 16)	-	-	20,440	-
Shareholder loan advances	-	4,516	3,000	8,516
Cash flows (used in) from financing activities	<u>(211)</u>	<u>4,393</u>	<u>22,954</u>	<u>8,311</u>
Effect of exchange rate changes on cash	46	413	(25)	393
Net (decrease) increase in cash	(6,494)	71	12,722	1,130
Cash, beginning of the period	<u>21,581</u>	<u>3,462</u>	<u>2,365</u>	<u>2,403</u>
Cash, end of the period	<u><u>15,087</u></u>	<u><u>3,533</u></u>	<u><u>15,087</u></u>	<u><u>3,533</u></u>
Supplemental cash flow information				
Interest paid	<u>-</u>	<u>380</u>	<u>334</u>	<u>948</u>
Interest received	<u>42</u>	<u>5</u>	<u>81</u>	<u>13</u>
Taxes paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**exactEarth Ltd.**  
**Interim Consolidated Statements of Changes in Equity**  
(in thousands of Canadian Dollars)  
Unaudited

<b>For the Nine Months Ended July 31, 2016</b>	<b>Total</b>	<b>Deficit</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance October 31, 2015	23,066	(32,007)	(296)	55,120	249
Stock option expense (note 9)	300	-	-	-	300
Comprehensive loss	(31,562)	(31,828)	266	-	-
7,349,780 common shares issued on conversion of debt (note 16)	48,166	-	-	48,166	-
3,144,615 common shares issued for cash (note 16)	20,440	-	-	20,440	-
Balance July 31, 2016	<u>60,410</u>	<u>(63,835)</u>	<u>(30)</u>	<u>123,726</u>	<u>549</u>
	-				
<b>For the Nine Months Ended July 31, 2015</b>					
Balance October 31, 2014	24,356	(30,952)	(62)	55,120	250
Settlement of long-term incentive plans	(1)	-	-	-	(1)
Comprehensive loss	(1,748)	(1,496)	(252)	-	-
Balance July 31, 2015	<u>22,607</u>	<u>(32,448)</u>	<u>(314)</u>	<u>55,120</u>	<u>249</u>