

PRIME MERIDIAN RESOURCES CORP.

Condensed Consolidated Financial Statements

Nine months ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by the auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

PRIME MERIDIAN RESOURCES CORP.

Consolidated Statements of Financial Position
As at September 30, 2017 and December 31, 2016
Expressed in Canadian Dollars

	Notes	September 30, 2017	December 31, 2016
ASSETS			
Current Assets			
Cash		\$ 4,461	\$ 69,647
Marketable securities	4	10,750	1,750
GST receivable		4,664	18,336
		19,875	89,733
Long-term Assets			
Advances receivable	5	731,489	273,873
Total ASSETS		\$ 751,364	\$ 363,606
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current Liabilities			
Accounts payable and accrued liabilities	8	\$ 1,534,695	\$ 941,552
Short-term loans	7	777,827	425,434
Payable to Primrose Drilling Ventures Ltd.	8	637,578	685,958
		2,950,100	2,052,944
Shareholder's deficiency			
Share capital	9	7,198,408	7,198,408
Contributed surplus		2,061,425	2,061,425
Accumulated other comprehensive loss		(385,568)	(438,936)
Deficit		(11,073,001)	(10,510,235)
		(2,198,736)	(1,689,338)
		\$ 751,364	\$ 363,606

Nature of operations and going concern (note 1)

The accompanying notes are an integral part of these condensed consolidated financial statements

Approved on behalf of the directors on November 29, 2017

"Brian Leeners"

Director

"Gregory Pearson"

Director

PRIME MERIDIAN RESOURCES CORP.

Consolidated Statements of Comprehensive Loss

For the Three and Nine Months Ended September 30, 2017 and 2016

Expressed in Canadian Dollars

	Notes	For the three months ended September 30,		For the nine months ended September 30,	
		2017	2016	2017	2016
Expenses					
Consulting and management fees	6	\$ 84,751	\$ 63,000	\$ 312,930	\$ 192,000
Exchange loss (gain)		(30,811)	-	(54,068)	-
Insurance		-	-	-	2,264
Interest expense		59,183	-	167,326	-
Rent and office	6	30,040	29,700	108,336	90,238
Professional fees	6	2,675	-	24,828	3,853
Transfer agent and filing fees		355	1,540	11,500	9,783
Operating expenses		146,123	94,240	570,852	298,137
Loss before other items		(146,123)	(94,240)	(570,852)	(298,137)
Other income (expense)					
Interest income		4	266	836	266
Change in value of marketable securities		-	500	9,000	1,000
Recovery of exploration and evaluation expenditures		-	-	-	25,000
		4	766	9,836	26,266
Loss of the period		(146,119)	(93,474)	(561,016)	(271,871)
Translation of subsidiary to presentation currency		31,523	(7,846)	51,618	86,010
Comprehensive loss for the period		\$ (114,596)	\$ (101,320)	\$ (509,398)	\$ (185,861)
Basic and diluted comprehensive loss per share		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.01)
Weighted average number of common shares outstanding		21,475,422	20,590,422	21,475,422	20,590,422

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

PRIME MERIDIAN RESOURCES CORP.

Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2017 and 2016

Expressed in Canadian Dollars

	For the Nine Months ended September 30,	
	2017	2016
Cash provided by (used in):		
Operating activities		
Net loss for the year	\$ (561,016)	\$ (271,871)
Items not affecting cash:		
Foreign exchange	52,000	39
Change in fair value of marketable securities	(9,000)	(1,000)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	593,143	229,073
GST receivable	13,672	25,278
Net cash provided by (used in) operating activities	88,799	(18,481)
Investing activities		
Advances receivable	(457,616)	-
Exploration and evaluation expenditures	-	-
Net cash (used in) provided by investing activities	(457,616)	-
Financing activities		
Loan proceeds	303,631	-
Share subscriptions received	-	18,500
Net cash provided by (used in) financing activities	303,631	18,500
Net increase (decrease) in cash	(65,186)	19
Cash, beginning of the period	69,647	8
Cash, end of the period	\$ 4,461	\$ 27

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

PRIME MERIDIAN RESOURCES CORP.

Consolidated Statements of Changes in Shareholders' Equity
For the Nine Months Ended September 30, 2017 and 2016
Expressed in Canadian Dollars

	Number of common shares outstanding	Share capital	Subscriptions received	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total Shareholders' Equity (deficit)
Balance, December 31, 2016	21,475,422	\$ 7,198,408	\$ -	\$ 2,061,425	\$ (438,936)	\$ (10,510,235)	\$ (1,689,338)
Translation of subsidiary to presentation currency	-	-	-	-	51,618	-	51,618
Loss for the period	-	-	-	-	-	(516,016)	(516,016)
Balance, September 30, 2017	21,475,422	\$ 7,198,408	\$ -	\$ 2,061,425	\$ (387,318)	(11,071,251)	\$ (2,198,736)
Balance, December 31, 2015	20,590,422	\$ 7,109,908	\$ 70,000	\$ 2,061,425	\$ (458,727)	\$ (9,973,472)	\$ (1,190,866)
Shares issued for cash	885,000	88,500	(70,000)	-	-	-	18,500
Translation of subsidiary to presentation currency	-	-	-	-	84,510	-	84,510
Loss for the period	-	-	-	-	-	(272,871)	(272,871)
Balance, September 30, 2016	20,590,422	\$ 7,109,908	\$ 70,000	\$ 2,061,425	\$ (374,217)	(10,246,343)	\$ (1,359,227)

PRIME MERIDIAN RESOURCES CORP.

Notes to the Consolidated Financial Statements

For the Nine Months Ended September 30, 2017 and 2016

Expressed in Canadian Dollars

1. Nature of operations and going concern

Prime Meridian Resources Corp. (“the Company” or “PMR”) was federally incorporated on February 22, 2007 and is a public company listed on the TSX Venture Exchange (“TSX-V”). The Company has submitted an application to the TSX-Venture Exchange for its change of business to the TSX Venture Exchange focused on the acquisition and financing of companies in the agriculture and agriculture technology sectors, announced on September 26, 2016 (the “COB Transactions”) (Note 7), as well, the Company has engaged a third party agent to fund the COB Transactions. (Note 8). In addition, the Company established a wholly owned subsidiary, TryLine AG (Pty) Ltd. in South Africa during the year ended December 31, 2016.

The corporate head office of the Company is located at 14th Floor, 1040 West Georgia Street, Vancouver, B.C., V6E 4H8.

These condensed consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) applicable to a going concern which contemplates that the Company will be able to realize its assets and settle its liabilities in the normal course as they come due for the foreseeable future. As at September 30, 2017, the Company had no source of operating cash flows and reported comprehensive loss for the nine months ended September 30, 2017 of \$561,016 (2016 - \$271,871), working capital deficit of \$2,930,225 (December 31, 2016 - \$1,963,211), has an accumulated deficit of \$11,071,251 (December 31, 2016 - \$10,510,235). These factors as well as payments required to complete the various COB Transactions (Note 7) indicate a material uncertainty that may cast substantial doubt about the Company’s ability to continue as a going concern. Management has determined that the Company will require additional financing to meet its obligations for the next fiscal year. Continued operations are dependent on the Company’s ability to complete equity financings and secure project debt financing. It is not possible to predict whether financing efforts will be successful.

These consolidated financial statements do not include adjustments or disclosures that may result should the Company not be able to continue as a going concern.

2. Basis of preparation

a) Statement of compliance

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by International Accounting Standards Board (“IASB”), applicable to the preparation of consolidated financial statements. These condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Prime Meridian Resources Inc. and TryLine AG (Pty) Ltd. and should be read in conjunction with our annual audited financial statements for the year ended December 31, 2016 which have been prepared in accordance with IFRS and as issued by the IASB. The Board of Directors approved these consolidated financial statements on November 29, 2017.

b) Functional and presentation currency

These condensed consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. The functional currency of the subsidiary in US is the United States dollar and the functional currency of South African subsidiary is in South African Rand (“ZAR”).

c) New accounting standards, amendments and interpretations issued but not yet effective:

The IASB issued the following standards, which are not yet effective and have not been applied in the preparation of these consolidated financial statements. The Company is in the process of determining the extent of the impact on its consolidated financial statements.

- IFRS 9 Financial Instruments, this new standard is a partial replacement of International Accounting Standard (“IAS”) 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the

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contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The proposed effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018.

- The IASB issued IFRS 15, Revenue from Contracts with Customers, which provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. This standard is effective for reporting periods beginning on or after January 1, 2018.
- IFRS 16 was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

The Company has not early adopted these revised standards and are currently assessing the impact that these standards will have on the consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3. Capital management

The Company's objectives when managing capital are to:

- ensure there are adequate capital resources to manage the Company's ability to continue as a going concern;
- maintain adequate levels of funding to sustain the required current investments and any new capital investments;
- maintain investor, creditor and market confidence to sustain future development of the business; and
- provide returns to shareholders and benefits for other stakeholders.

The Company classifies its share capital and contributed surplus as capital, which at September 30, 2017 totalled \$9,259,833 (December 31, 2016 - \$9,259,833). The Board of Directors currently does not establish qualitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company will continue to assess new investments and seek to acquire an interest in investments if it feels there is sufficient economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

4. Marketable securities

In September 2014, the Company received 500,000 units of Bitterroot Resources Ltd., ("Bitterroot") with a fair value of \$10,000 as partial proceeds on the sale of certain mineral property interests in Baraga Basin, Michigan. Each unit consists of one Bitterroot common share and one warrant, exercisable for two years at \$0.10 per share. During the year ended December 31, 2015, the shares of Bitterroot were consolidated to 10:1, thus the number of shares the Company owns were adjusted to 50,000. Warrants expired unexercised on September 17, 2016. As at September 30, 2017, the fair value of the shares were \$10,750 (December 31, 2016 - \$1,750).

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5. Advances receivable

At September 30, 2017, the Company had made the following initial advances:

Advanced to:		In foreign currency
Avinier (Pty) Ltd.	\$ 165,277	ZAR1,675,000
African Guar Gum Corp.	88,222	ZAR897,000
APV Joint Venture	105,267	ZAR1,068,000
Growbuddy, Inc	372,723	US\$275,000
	<u>\$ 731,489</u>	

On September 26, 2016, the Company announced a change of business ("COB") focusing on the acquisition and financing of companies in the agriculture and agriculture technology sectors ("COB Transaction"). COB Transaction consists of the agreements entered into with four non-related party companies listed below. The closing of COB Transaction is subject to TSX-V approval.

Avinier Investment

Avinier (Pty) Limited ("Avinier") owns and operates a blueberry farm in South Africa. Pursuant to the investment agreement (the "**Avinier Agreement**") executed on November 15, 2016, the Company have an option to provide financing of South African Rand ("ZAR") 73,630,000 (equivalent to CAN\$7,214,267 as at December 31, 2016) to Avinier (the "**Avinier Investment**"), which is subject to TSX-V approval ("Closing"). Immediately following completion of the Avinier Investment, the Company will own 70% of the outstanding capital stock of Avinier on a fully diluted basis. The Company will have first right in the event that additional funding will be raised by the sale of capital stock in Avinier, to offer better terms or at minimum maintain its respective ownership in Avinier on the terms of the additional funding for capital stock of Avinier. The funding for the Avinier Investment will be used to:

- Finance the expansion of the blueberry plantation from 15 hectare to 105 hectare
- Finance the purchase of a cold storage a berry grading facility for the upgrade of the packing facility

At the execution of the Avinier Agreement, the Company provided a ZAR700,000 (equivalent to CAN\$68,586) of refundable loan to Avinier (the "**Avinier Loan Payment**") which, upon Closing, will offset against final payment due upon Closing and if Closing does not take place within a reasonable period of time, the loan will be refunded to the Company on notice subject to annual interest rate set at LIBOR. The Avinier Loan Payment along with the Aldwych Engagement Agreement (Note 8) will trigger a 120-day exclusive period for the Company to complete the Avinier Investment. This 120-day exclusive period will be extended for a further 30-day period if the regulatory approvals process requires more time to complete. During the nine months ended September 30, 2017, the Company advanced an additional ZAR975,000 (equivalent to CAN\$96,886). As at September 30, 2017, the Company has advanced to Avinier ZAR1,675,000 (equivalent to CAN\$165,277).

Pursuant to the Avinier Agreement, Avinier's board of directors will consist of four directors, with the Company nominating half of the directors annually. Quarterly, the Board will approve a business plan and quarterly budget. Exceptions to the quarterly budget will require written approval of the Board.

African Guar Gum Acquisition

The Company entered into the acquisition agreement (the "**AGGC Agreement**") on October 31, 2016 with African Guar Gum Corporation (Pty) Ltd., a company that focuses on the contract farming and processing of guar beans to acquire 100% of the issued capital of AGGC from its shareholders (the "**Vendors**"). The Company will invest ZAR4,300,000 (equivalent to CAN\$421,314) in AGGC via an equity placement into AGGC. The Company will also issue to the Vendors, 2.4 million common

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shares of the Company at a deemed price of US\$0.10 per share for all of the issued and outstanding shares of AGGC.

The Company provided a ZAR817,000 (equivalent to CAN\$80,212) refundable advance to AGGC which, on closing, will convert to capital stock in AGGC. The advance will be refundable if Closing does not take place within a reasonable period, repayable to the Company and subject to an annual interest rate of 5%. This advance along with the Aldwych Engagement Agreement (Note 8) will trigger a 120-day exclusive period for PMR to complete the investment in and acquisition of AGGC. This 120-day exclusive period will be extended for a further 30-day period if the regulatory approvals process requires more time to complete. Following Closing, the board of directors of AGGC will consist of new directors appointed by the Company.

APV Acquisition

The Company entered into the acquisition agreement (the "APV Agreement") on November 14, 2016 to acquire APV, a company that focuses on the contract farming and processing of guar beans, from its shareholders, Dynamic Intertrade PYT Ltd. and Lamberti Specialty Chemicals PTY Ltd. ("Vendors") through the provision of three loan facilities. The first loan of ZAR560,000 (paid, equivalent to CAN\$54,869) will be refundable and utilized to eliminate current payables and liabilities of APV. The second refundable loan will consist of monthly advances of ZAR150,000 (first monthly advance was paid, equivalent to CAN\$14,697) per month to be used for working capital requirements of APV. The final loan facility, subject to TSX-V's approval, will be the advance of ZAR6,343,297 (equivalent to CAN\$621,516) to APV for the repayment of the APV shareholder loans of the Vendors. Upon the completion of the three loan facilities by the Company, the Vendors will transfer their respective ownership in APV to the Company for the payment of ZAR10. During the nine months ended September 30, 2017, the Company advanced an additional ZAR358,000 (equivalent to CAN\$35,701). As at September 30, 2017, the Company has advanced under the APV Agreement ZAR1,068,000 (equivalent to CAN\$105,267).

ELI Investment

ELI Agri (PTY) Ltd ("ELI") supplies agricultural business solutions to a range of clients in Africa and the rest of the developing world.

Pursuant to the investment agreement (the "ELI Investment Option") executed on November 11, 2016 between the Company and ELI, the Company will have an option to acquire 25% of the outstanding capital stock of ELI on a fully diluted basis upon: i) completing a ZAR700,000 refundable loan ("Down Payment") to ELI which on closing of the COB Transaction will convert to capital stock in ELI and be utilized by ELI for working capital purposes; ii) make an investment of ZAR2,875,000 (equivalent to CAN\$281,693) into ELI via an equity placement for common shares in ELI; and iii) advance a loan facility of ZAR5,750,000 (equivalent to CAN\$563,385) to ELI (the "ELI Loan").

Immediately following completion of the ELI Loan, the Company will have security over the assets of ELI.

The advance will be refundable if closing of the agreement does not take place within a reasonable period, repayable to the Company and subject to an annual interest rate of 5%. Refundable Down Payment along with the Aldwych Engagement Agreement (Note 8) will trigger a 120-day exclusive period for PMR to complete the investment in and acquisition of AGGC. This 120-day exclusive period will be extended for a further 30-day period if the regulatory approvals process requires more time to complete. Following Closing, the board of directors of AGGC will consist of new directors appointed by the Company.

On January 31, 2017, the Company and ELI terminated the ELI Investment Option. Both parties have agreed to mutually release each other.

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For the Nine Months Ended September 30, 2017 and 2016

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GrowBuddy Investment

Growbuddy Inc. ("GrowBuddy") provides technology services and social community services to cannabis cultivators.

Pursuant to the share purchase and share put agreement (the "**GrowBuddy Agreement**") dated August 22, 2016, among the shareholders of GrowBuddy, GrowBuddy and the Company (pursuant to an assignment of a letter of intent from Nexvu Capital Corp., a related party), the Company has agreed to acquire an initial 25% of the fully-diluted issued capital of GrowBuddy for US\$1,165,000 in consideration by making the following installments (where installments 2 through 9 accrue subject to the closing of the COB Transaction):

Installment & Ownership	Due	Amount (US\$)
1. For an initial 1% ownership	Within 1 month of Execution of Agreement	\$50,000
2. For an additional 2% ownership	Within 1 month of the TSXV approval	\$100,000
3. For an additional 4% ownership	Within 2 months of the TSXV approval	\$200,000
4. For an additional 3% ownership	Within 5 months of the TSXV approval	\$150,000
5. For an additional 3% ownership	Within 6 months of the TSXV approval	\$150,000
6. For an additional 3% ownership	Within 7 months of the TSXV approval	\$150,000
7. For an additional 2% ownership	Within 10 months of TSXV approval	\$100,000
8. For an additional 2% ownership	Within 11 months of the TSXV approval	\$100,000
9. For an additional 5% ownership	Within 18 months of the TSXV approval	\$165,000
Total		\$1,165,000

The terms of the assignment are equivalent to the one for Nexvu Capital Corp.

The first installment of US\$50,000 (equivalent to CAN\$64,135) has been advanced as a refundable loan and the fund will be applied as the first installment upon closing. The Company will forfeit 1.5% of its cumulative ownership in GrowBuddy if the Company fails to make an installment payment on or before the due date other than those Installments delayed due to a required regulatory approval and the Company will be granted a 30-day period from the due date of any installment to cure a breach of the GrowBuddy Agreement due to the failure to make an installment payment on or before the due date.

The obligation of the Company to purchase the GrowBuddy Shares in the amount and for the price outlined in the GrowBuddy Agreement shall be conditional on certain milestones being achieved by GrowBuddy and in the event any milestone is not achieved the Company percentage ownership in GrowBuddy will be increased by an additional 1.5% upon making the respective installment payment.

Upon the Company having acquired 25% of the issued and outstanding shares of GrowBuddy, the shareholders of GrowBuddy will have the right at their option to require the Company to acquire an additional 15% of the them issued and outstanding shares of GrowBuddy. The value of the GrowBuddy shares subject to additional acquisition will be set at a 10% discount to the value determined by a third party valuator appointed by the shareholders and the Company. The value of the Company's shares will be determined by the preceding 10-day volume weighted average closing price.

During the nine months ended September 30, 2017, the Company advanced to GrowBuddy an additional US\$225,000 (equivalent to CAN\$298,403). As at September 30, 2017, the Company has advanced GrowBuddy US\$275,000 (equivalent to CAN\$372,723).

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6. Change of Business Financing

In conjunction with the COB announced on September 26, 2016, the Company and Aldwych Capital Partners LLC (“Aldwych”), a New York-based investment banking firm as an adviser and placement agent for the purposes of structuring and raising capital for the Company’s COB transaction, to undertake debt financing (“COB Financing”). Minimum principal amount and terms of debt facilities including interest rate have not been determined. Closing of the financing is subject to the closing of the COB transactions.

The Company requires to pay work fees in total of US\$70,000. For the year ended December 31, 2016, the Company paid US\$15,000 (\$19,976) of work fee to Aldwych and it was recorded as professional fees in the consolidated comprehensive loss.

During the nine months ended September 30, 2017, the Company paid Aldwych US\$20,000 (\$26,810) in professional fees.

In addition, the Company is required to pay from 2.5% to 6.5% of fee in cash depending on the total fund raised through different type of debt facilities.

7. Loans

As at September 30, 2017, the Company has received \$654,693 (US\$525,000) (December 31, 2016 - \$425,434 (US\$300,000)) in loans from non-related parties. These loans accrue interest at a rate 3% every 30 days, repayable at 6 months after receipt or at closing of the COB financing (Note 8). Total interest accrued at September 30, 2017 is \$123,134 (US\$99,500) (2016 – nil).

8. Related party transactions

The Company entered into transactions, including compensation of key management, with the following related parties:

Name	Relationship	Nature of Transaction	Fees incurred period ended September 30, 2017	Fees incurred period ended September 30, 2016	Balance payable at September 30, 2017	Balance payable at December 31, 2016
Nexvu Services Inc.	Owned by Nexvu Capital, of which Brian Leeners is a shareholder	Rent and corporate services	\$ 90,000	\$ 90,000	\$ 320,875 ⁽³⁾	\$ 184,875
Brian Leeners	Chief executive officer and director	Management services	90,000	90,000	320,300	226,400
ISG Professional Services Inc.	Annie Storey, former chief financial officer, who is a shareholder	Accounting services	-	10,000	84,788	84,788
Global Link Capital	Greg Pearson, director of the Company, is a shareholder	Management services	90,000	67,500	289,625	195,725
Gordorn J. Fretwell, Law Corporation	Gordon Fretwell is a shareholder of Nexvu Capital Corporation		15,193	-	87,692	68,585

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Avanti Management & Consulting Ltd.	Michael Dehn is a shareholder	Rent and management services	-	8,500	31,540	31,540
Primrose Drilling Ventures Ltd. (Primrose)	Alice D. Gardner, former director, is a 25% shareholder of 1280417 Alberta Ltd., which is 100% shareholder of Primrose		-	-	637,578⁽¹⁾	685,958 ⁽²⁾
AE Financial Management Ltd.	Edward Low, chief financial officer, is a shareholder	Accounting services	31,500	24,500	67,025	35,000
			\$	316,693	\$	290,500
			\$	1,839,423	\$	1,512,871

(1) Amount payable transferred to a third party.

(2) The payable to Primrose is US\$510,880.

(3) Includes loans from Nexvu Services Inc.

Balances owing are due on demand, unsecured, non-interest bearing and have no specified terms of repayment except for the amount due to Primrose.

In October 2013, the Company entered into an agreement with Nexvu Capital Corp. ("Nexvu"), a company which was a non-related party on signing of the agreement but now shares a common director and officer. The terms of the agreement, as subsequently amended on April 30, 2014, are as follows:

- Primrose, previously a 70.9% shareholder in the Company, will transfer 10,000,000 pre-consolidated (2,500,000 post-consolidated) common shares of the Company to Nexvu (completed);
- Nexvu will endeavour to sell these common shares, with proceeds to be used for working capital;
- The share capital of the Company will be consolidated on a four-for-one basis (completed);
- Primrose will assign to Nexvu \$500,000 of the amount payable to Primrose and will write off the remaining \$83,084 (completed);
- The Company will pay Primrose the \$555,978 of residual debt, with a minimum annual payment of US\$50,000 commencing October 31, 2014, with the payments accelerated to US\$100,000 per annum if the Company has sufficient surplus funds;
- Nexvu will have an option to purchase 12,686,296 pre-consolidated (3,171,574 post-consolidated) common shares held by Primrose at an exercise price of \$0.025 per pre-consolidated share (\$0.10 per share post consolidated), and 6,343,148 shares at an exercise price of \$0.0375 per pre-consolidated share (\$0.15 per share post consolidated) for a period of 36 months (expired); and
- Alice Gardner will submit her resignation from the board of directors (completed in 2014).

As at September 30, 2017, the Company owes to Phoenix Metals Corporation, a company with officers and directors in common, \$25,000 (December 31, 2016 - \$25,000), bearing no interest and payable on demand.

As at September 30, 2017, the Company owed to Nexvu Capital Corp. \$268,341 (December 31, 2016 - \$57,176) for advances which bear no interest and is payable on demand.

9. Share capital

Authorized: unlimited common voting shares, without par value.

No common shares were issued during the nine month period ended September 30, 2017.

During the year ended December 31, 2016, the Company issued 885,000 units pursuant to a non-brokered private placement for gross proceeds of \$88,500, of which \$70,000 was received in the year ended December 31, 2015. Each unit consists of one common share and one common share purchase warrant with each unit warrant entitling the holder to acquire one additional common share at a price of \$0.25 cents per share for six months from closing, and then for a price of \$0.50 cents per share from six months to twelve months from closing. No fair value was allocated to the warrants.

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10. Options and warrants

a) Stock options

The Company has adopted an incentive stock option plan (the "SOP"), as amended, under the rules of the TSX-V pursuant to which it is authorized to grant options to executive officers, directors, employees and consultants, enabling them to acquire up to 20% of the issued and outstanding common shares of the Company. Under the SOP, the option exercise price of any option granted shall be equal to the greater of either the amount designated by the administrator at the time of grant, or the discounted market price of the Company's common shares for the 10 trading days immediately preceding the day on which the TSX-V received notice that options have been granted under this SOP. For the purpose of the SOP, the discounted market price is calculated in accordance with the policies of the TSX-V at the time of grant of the options. The administrator may also determine that the option exercise price per common share may escalate at a specified rate or rates. The options can be granted for a maximum term of 5 years and vest immediately. No individual may hold options to purchase common shares of the Company exceeding 5% of the total number of common shares outstanding from time to time. Pursuant to the policies of the TSX Venture Exchange, shares issued upon the exercise of options are restricted from trading during the 4 month period subsequent to the exercise of the options. For stock options granted to employees, officers, directors and consultants, the Company recognizes stock based compensation expense based on the estimated fair value of the stock options granted as calculated using the Black-Scholes option-pricing model on the date of the grant.

No stock options were issued by the Company during the nine month period ended September 30, 2017 (2016 – nil), and no stock options are outstanding as at September 30, 2017 (2016 – nil).

b) Warrants

No warrants were issued during the nine month period ended September 30, 2017.

During the year ended December 31, 2016, the Company issued 885,000 warrants in a private placement. The warrants are exercisable at a price for \$0.25 per warrant until January 6, 2017 when the exercise price increases to \$0.50 per warrant. The warrants expire on July 5, 2017.

A summary of changes in warrants outstanding during the period is as follows:

	Number of warrants		Weighted average exercise price
Balance, December 31, 2014	5,115,000	\$	0.50
Expired	(5,115,000)		0.50
Balance, December 31, 2015	-		-
Issued	885,000		0.50
Expired	(885,000)		0.50
Balance, December 31, 2016 and September 30, 2017	-	\$	-

11. Segmented information

The Company has one reportable operating segment. All assets and liabilities are located in Canada except payable to related party of \$637,578 (2016 - \$685,958).

PRIME MERIDIAN RESOURCES CORP.

Notes to the Consolidated Financial Statements For the Nine Months Ended September 30, 2017 and 2016 Expressed in Canadian Dollars

12. Financial instruments

Financial assets and financial liabilities as at September 30, 2017 and December 31, 2016 were as follows:

As at September 30, 2017	Assets/liabilities at fair value through profit and loss	Other liabilities	Total
Cash	\$ 4,461	\$ -	\$ 4,461
Marketable securities	10,750	-	10,750
Accounts payable and accrued liabilities	-	1,534,695	1,534,695
Loans	-	777,827	777,827
Payable to related party	-	637,578	637,578

As at December 31, 2016	Assets/liabilities at fair value Through profit and loss	Other liabilities	Total
Cash	\$ 69,647	\$ -	\$ 69,647
Marketable securities	1,750	-	1,750
Accounts payable and accrued liabilities	-	976,552	976,552
Loans	-	425,434	425,434
Payable to related party	-	685,958	685,958

13. Subsequent Events

- On October 12, 2017, the Company received a \$5,000 non-interest demand loan from Nexvu Capital Corp.
- On October 12, 2017, the Company advanced GrowBuddy Inc. US\$4,000 (CAN \$5,024).
- On October 19, 2017, the Company received a \$5,500 non-interest demand loan from Nexvu Capital Corp.
- On October 19, 2017, the Company advanced GrowBuddy Inc. US\$4,350 (CAN \$5,470).