

**MINCOM CAPITAL INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON OCTOBER 5, 2017**

**NOTICE IS HEREBY GIVEN** that the annual and special meeting (the "**Meeting**") of the shareholders of MINCOM CAPITAL INC. (the "**Corporation**") will be held at the Ottawa Hunt and Golf Club, 1 Hunt Club Road, Ottawa, Ontario at 10:00 am Eastern Standard Time, on October 5, 2017 for the following purposes:

1. to receive the financial statements of the Corporation for the fiscal year ended September 30, 2016 together with the report of the auditors thereon;
2. to elect directors for the ensuing year;
3. to appoint auditors for the ensuing year and to authorize the directors to fix their remuneration;
4. to consider and, if thought advisable, pass a resolution in the form attached to the Circular as **Exhibit 2** to approve the proposed transaction described in the Circular;
5. to consider and, if thought advisable, pass a special resolution in the form attached to the Circular as **Exhibit 3** to approve articles of amendment to change the name of the Corporation to Braille Energy Systems Inc.;
6. to approve the rolling stock option plan; and
7. to transact such other business as may properly be brought before the Meeting.

Registered Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out therein and in the Circular accompanying this Notice of Meeting. A proxy will not be valid unless it is received by Computershare Trust Company of Canada, 1500 Robert-Bourassa Boulevard, 7<sup>th</sup> Floor, Montreal, QC H3A 3S8, not less than 48 hours, excluding Saturdays and holidays, preceding the Meeting or adjournment of the Meeting.

**DATED** this 12th day of September, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(s) Gary Economo*

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Gary Economo, CEO



**MINCOM CAPITAL INC.**

**INFORMATION CIRCULAR  
FOR  
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON OCTOBER 5, 2017**

***IN RESPECT OF THE REVERSE TAKEOVER TRANSACTION***

***WITH***

**GRAFOID INC.  
AND  
BRAILLE HOLDINGS, INC.  
AND  
BRAILLE BATTERY, INC.**

**August 28, 2017**

***Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover transaction described in this Information Circular.***

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***EXHIBIT 1 - CHANGE TO AUDITOR REPORTING PACKAGE***

***EXHIBIT 2 - PROPOSED TRANSACTION RESOLUTION***

***EXHIBIT 3 - SPECIAL RESOLUTION REGARDING NAME CHANGE***

***EXHIBIT 4 – STOCK OPTION RESOLUTION***

***APPENDIX “A” - FINANCIAL STATEMENTS OF MINCOM***

***APPENDIX “B” - MANAGEMENT’S DISCUSSION AND ANALYSIS OF MINCOM***

***APPENDIX “C” – FINANCIAL STATEMENTS OF BRAILLE BATTERY***

***APPENDIX “D” - MANAGEMENT’S DISCUSSION AND ANALYSIS OF BRAILLE BATTERY***

***APPENDIX “E” - PRO FORMA CONSOLIDATED BALANCE SHEET OF THE RESULTING ISSUER***

## GLOSSARY OF TERMS

Unless otherwise indicated, whenever used in this Information Circular, the following words and terms have the indicated meanings or, if not defined herein, have the meanings set out in Exchange Policy 1.1 – *Interpretations*. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

**“Affiliate”** means a Company that is affiliated with another Company as described below.

A Company is an “Affiliate” of another Company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A Company is “controlled” by a Person if:

- (a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

**“AGM”** means absorbent glass mat.

**“Arm’s Length Transaction”** means a transaction which is not a Related Party Transaction.

**“Associate”** when used to indicate a relationship with a Person, means

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the Person,
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity,
- (d) in the case of a Person, who is an individual:
  - (i) that Person’s spouse or child, or
  - (ii) any relative of the Person or of his spouse who has the same residence as that Person;

but

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.

**“Board”** means Board of Directors.

**“Braille”** means collectively Braille Holdings and Braille Battery.

**“Braille Battery”** means Braille Battery, Inc.

**“Braille Holdings”** means Braille Holdings, Inc.

**“CBCA”** means the *Canada Business Corporations Act*, RSC 1985, c C-44.

**“Change of Business” or “COB”** means a transaction or series of transactions which will redirect an Issuer’s resources and which changes the nature of its business, for example, through the acquisition of an interest in another business which represents a material amount of the issuer’s market value, assets or operations, or which becomes the principal enterprise of the issuer.

**“Change of Control”** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

- (a) any one Person holds a sufficient number of the Voting Shares of the Issuer or Resulting Issuer to affect materially the control of the Issuer or Resulting Issuer, or
- (b) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding hold in total a sufficient number of the Voting Shares of the Issuer or Resulting Issuer to affect materially the control of the Issuer or Resulting Issuer;

where such Person or combination of Persons did not previously hold a sufficient number of Voting Shares to affect materially the control of the Issuer or Resulting Issuer. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold more than 20% of the Voting Shares of the Issuer or Resulting Issuer is deemed to materially affect the control of the Issuer or Resulting Issuer.

**“Closing”** means the closing of the Proposed Transaction.

**“Common Shares”** means the common shares of Mincom.

**“Company”** unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

**“Completion Date”** means the date of the Final Exchange Bulletin.

**“Control Person”** means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

**“Exchange”** means the TSX Venture Exchange Inc.

**“Final Exchange Bulletin”** means the bulletin issued by the Exchange following closing of the COB or RTO and the submission of all Post-Approval Documents which evidences the final Exchange acceptance of the COB or RTO.

**“Financing”** means the concurrent financing of a minimum of US\$1,900,000 and a maximum of US\$3,000,000 into Mincom.

**“Grafoid”** means Grafoid Inc.

**“Independent Committee”** means the committee of independent directors of the Board formed to evaluate and, if satisfied, recommend to the entire Board to approve the Proposed Transaction.

**“Insider”** if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of the Company that is an insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Issuer; or
- (d) the Issuer itself if it holds any of its own securities.

**“Mincom”** means Mincom Capital Inc.

**“Non Arm’s Length Party”** means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person.

**“Person”** means a Company or individual.

**“Post-Approval Documents”** mean the documents prescribed as such in Policy 5.2 – *Changes of Business and Reverse Takeovers*.

**“QT Final Exchange Bulletin”** means the bulletin issued by the Exchange on May 8, 2014 with respect to Mincom’s Qualifying Transaction.

**“Related Party Transaction”** has the meaning ascribed to that term Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non Arms Length Parties, or other circumstances exist which may compromise the independence of the issuer with respect to the transaction.

**“Resulting Issuer”** means the issuer existing on the Completion Date.

**“Resulting Issuer Shares”** means the Common Shares of the Resulting Issuer

**“Reverse Takeover or RTO”** means a transaction or series of transactions, involving an acquisition by the issuer or of the issuer, and a securities issuance by an issuer that results in:

- (a) new shareholders holding more than 50% of the outstanding voting securities of the issuer, and
- (b) a Change of Control of the issuer. The Exchange may deem a transaction to have resulted in a Change of Control by aggregating the shares of a vendor group and/or incoming management group,

but does not include any transaction or series of transactions whereby the newly issued securities are to be issued to shareholders of an issuer listed on TSX or another senior exchange under a formal takeover bid made pursuant to Securities Laws.

A transaction or series of transactions may include an acquisition of a business or assets, an amalgamation, arrangement or other reorganization.

Any securities issued pursuant to a Private Placement effected concurrently, contingent upon, or otherwise linked to a transaction or series of transactions, may be used in order to determine whether a transaction or series of transactions satisfies (a) and/or (b), above.

“**Sponsor**” has the meaning specified in Exchange *Policy 2.2 – Sponsorship and Sponsorship Requirements*.

“**Target Assets**” means the assets, business, property or interest therein, being purchased, optioned or otherwise acquired in connection with the COB or RTO.

“**Target Company**” means a Company to be acquired in connection with the COB or RTO, or the Vendors of the Target Assets.

“**Vendors**” means the beneficial owner(s) of the Target Assets.

### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Information Circular may contain forward-looking information within the meaning of applicable securities laws (“**forward-looking statements**”). Such forward-looking statements (if and when they are made) involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Mincom, Braille or the Resulting Issuer, or developments in their respective business or industry, to differ materially from the expected results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking information includes all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances and are effective only as of the date they are made. Often, but not always, forward-looking statements can be identified by the use of words or phrases such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, “believes”, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved.

Readers are cautioned not to place undue reliance on forward-looking information if and when forward looking statements are made. Forward-looking statements relate to, among other things, realizing the value of Braille’s assets, capitalizing on increasing market demand for Braille Battery’s products and executing Braille Battery’s strategic plan. The risks and uncertainties that may affect forward-looking statements include, among others, risks involved in fluctuating interest rates and general economic conditions, legislative and regulatory developments, the nature of Braille Battery’s and the Resulting Issuer’s customers, competition and other risks detailed from time to time in the Resulting Issuer’s filings with Canadian securities regulators. Forward-looking statements are based on management’s current plans, estimates, projections, beliefs and opinions, and, except as required pursuant to the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*, Mincom and the Resulting Issuer do not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

The section entitled “Risk Factors” discusses these and other risks, uncertainties and factors that Mincom and Braille management believes could cause actual results or events to differ materially from the forward-looking statements. These factors and the other cautionary statements made in this Information Circular and the documents incorporated by reference should be read as being applicable to all related forward looking statements and statements of “belief” wherever they appear in this Information Circular. Although Mincom and Braille have attempted to identify the forward-looking statements, the underlying assumptions, and the risks, uncertainties and other factors that could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements, there may be other factors that cause actual results or events to differ from those expressed or implied in the forward-looking statements.

## SUMMARY OF INFORMATION CIRCULAR

*The following is a summary of information relating to Mincom, the Target Company and the Resulting Issuer (assuming Completion of the Proposed Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Information Circular.*

### GENERAL OVERVIEW

#### Shareholders Meeting

An annual and special meeting of the shareholders of Mincom will be held at 1 Hunt Club Road, Ottawa, Ontario K1V 1B9 on October 5, 2017 at 10:00am (Ottawa time), or at any adjournment thereof (“**the Meeting**”). The purpose of the Meeting is as set out in the accompanying Notice of Meeting (the “**Notice of Meeting**”).

Shareholders of record as of the close of business on September 5, 2017 (the “**Record Date**”) will be entitled to vote at the Meeting and at any adjournment or adjournments thereof. See section “*General Proxy & Annual and Special Meeting Information*” for further information.

#### The Proposed Transaction

Mincom, Braille Holdings, Braille Battery, and Grafoid entered into a share purchase agreement dated March 8, 2017 (the “**Share Purchase Agreement**”) whereby Grafoid agreed to sell, and Mincom agreed to purchase, such issued and outstanding shares of Braille Holdings held by Grafoid (the “**Braille Securities**”). The Purchase Price for the Braille Securities is US\$2,000,000 of which US\$500,000 will be paid in cash, US\$500,000 will be paid by way of interest free promissory note (the “**Note**”), and US\$1,000,000 will be paid by the issuance of 10,000,000 Common Shares to Grafoid from the treasury of Mincom at the Closing (the “**Proposed Transaction**”). The deemed issue price per Common Share is US\$0.10.

The Note will be interest-free and payable by January 1, 2019 (the “**Maturity Date**”). Mincom will have the right to repay the Note at any time on or prior to the Maturity Date without penalty.

Concurrent with the Closing of the Proposed Transaction, Mincom intends to incorporate a wholly owned subsidiary (“**Mincom Holdco**”) and transfer its Romer Property asset on a tax free basis to the Mincom Holdco. Closing is subject to approval of the Proposed Transaction by the Exchange and by the shareholders of Mincom. See “*The Proposed Transaction*”. Management intends to sell the Romer Property in the near term.

#### The Companies

Mincom was incorporated on May 24, 2011 pursuant to the CBCA as a Capital Pool Company. On May 8, 2014 it completed its Qualifying Transaction with Focus Graphite Inc. (“**Focus Graphite**”) to acquire rights, title, and interest in a series of one hundred forty-nine (149) contiguous and two (2) isolated map-designated mining claims located in the Labrador Trough Territory of Quebec (the “**Romer Property**”). See “*Information Concerning Mincom*”.

Braille Holdings is a corporation organized under the laws of the State of Florida on May 5, 2010. Its principal place of business is located at 6935 15<sup>th</sup> Street East, Building 115, Sarasota, FL 34243. See “*Information Concerning Braille*”.

Braille Battery is a Florida company incorporated on March 9, 2010. Braille Battery assembles cells to produce Lithium-Ion batteries and distributes and sells carbon-fiber race batteries. See “*Information Concerning Braille*”.

#### Financing

In conjunction with the Proposed Transaction, Mincom intends to raise capital through the Financing for aggregate total proceeds of a minimum of US\$1,900,000 (the “**Minimum Financing**”) maximum of US\$3,000,000 (the “**Maximum Financing**”). Closing of the Financing is a condition of closing of the Proposed Transaction pursuant to Exchange Policy 5.2 – *Change of Business and Reverse Takeover*.

The Financing will consist of issuing a minimum of 19,000,000 Mincom Units and maximum of 30,000,000 Mincom Units at a price of US\$0.10. Each Mincom Unit will consist of one (1) Common Share and one (1) Mincom Warrant. Each Mincom Warrant shall be exercisable into one (1) Common Share for an exercise price of \$0.18. See “*The Proposed Transaction*”.

### **The Resulting Issuer**

The Resulting Issuer will be Braille Energy Systems Inc. The Resulting Issuer will carry on the business of a green energy storage company. See *“Information Concerning Braille Battery – General Development of the Business”*.

Upon Completion of the Proposed Transaction the board of directors of the Resulting Issuer will consist of Gary Economo, Jeffrey York, Chester Burt, and Lindsay Weatherdon. See *“Information Concerning the Resulting Issuer – Directors, Officers and Promoters”*.

After completion of the Proposed Transaction and prior to the closing of the Financing, there will be 28,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 Common Shares (64.30%) and Grafoid will own 10,000,000 Common Shares (35.70%). Accordingly, the Proposed Transaction will constitute a reverse takeover of Mincom pursuant to Exchange Policy 5.2 – *Changes of Business and Reverse Takeovers*. See *“Information Concerning Resulting Issuer – Pro Forma Consolidated Capitalization.”*

Together with the expected closing of the Minimum Financing concurrently with the Proposed Transaction, the outstanding share capital of Mincom is expected to consist of an aggregate of 47,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (38.31%), Grafoid will own 10,000,000 (21.27%) and shareholders pursuant to the Minimum Financing will hold 19,000,000 Common Shares (40.42%).

Together with the expected closing of the Maximum Financing concurrently with the Proposed Transaction, the outstanding share capital of Mincom is expected to consist of an aggregate of 58,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (31.05%), Grafoid will own 10,000,000 (17.24%) and shareholders pursuant to the Maximum Financing will hold 30,000,000 Common Shares (51.71%). See *“Information Concerning Resulting Issuer – Pro Forma Consolidated Capitalization”*.

### **Officers and Directors**

In connection with the closing of the Proposed Transaction, the officers and directors of Mincom are expected to change such that, upon completion of the Proposed Transaction, the directors and officers of the Resulting Issuer will be as follows:

Gary Economo	-	President, CEO and a Director
Judith Mazvihwa-MacLean	-	CFO
Jeffrey York	-	Director
Lindsay Weatherdon	-	Director
Chester Burt	-	Independent Director
James J. Greenberger	-	Independent Director

### **Approval of Directors**

A Committee of Independent Directors, consisting of Chester Burt and Marc-André Bernier, has reviewed and approved the terms and conditions of the Proposed Transaction and the Financing and has concluded that they are fair and reasonable and are in the best interests of Mincom.

### **Interests of Insiders, Promoters or Control Persons**

Focus Graphite currently holds 13.88% of the issued and outstanding shares of Mincom. Focus Graphite also owns 18.17% of the issued and outstanding shares of Grafoid. Focus Graphite is a listed issuer on the Exchange and a Related Party, having common management with Mincom. See *“Information Concerning the Resulting Issuer - Principal Security Holders”*.

NAME OF SHAREHOLDER, MUNICIPALITY OF RESIDENCE	NUMBER OF COMMON SHARES HELD	PERCENTAGE OF COMMON SHARES HELD BEFORE THE PROPOSED TRANSACTION	PERCENTAGE OF COMMON SHARES HELD AFTER PROPOSED TRANSACTION (INCLUDING THE MINIMUM FINANCING)	PERCENTAGE OF COMMON SHARES HELD AFTER PROPOSED TRANSACTION (INCLUDING THE MAXIMUM FINANCING)	TRANSACTION PROCEEDS RECEIVED
Focus Graphite Inc. <i>Kingston, ON</i>	2,500,000	13.88%	5.32%	4.31% <sup>(1)</sup>	-
Gary Economo <i>Ottawa, ON</i>	2,083,333	11.57%	4.43%	3.59% <sup>(2)</sup>	-
Jeffrey York <i>Ottawa, ON</i>	1,900,000	10.55%	4.04%	3.28% <sup>(3)</sup>	-
Judith Mazvihwa-MacLean <i>Ottawa, ON</i>	100,000	0.56%	0.21%	0.17%	-
Chester Burt <i>Ottawa, ON</i>	100,000	0.56%	0.21%	0.17%	-
Lindsay Weatherdon <i>Ottawa, ON</i>	400,000	2.22%	0.85%	0.69% <sup>(4)</sup>	-
Marc-André Bernier <i>Chibougamau, QC</i>	100,000	0.56%	0.21%	0.17%	-
<b>Total</b>	<b>7,183,333</b>	<b>39.88%</b>	<b>15.28%</b>	<b>12.38%</b>	<b>-</b>

Notes:

- (1) Focus Graphite owns 7,797,849 of the issued and outstanding shares of Grafoid representing 18.17%.
- (2) Mr. Economo owns 2,400,000 of the issued and outstanding shares of Grafoid representing 5.58%.
- (3) Mr. York owns 2,937,000 of the issued and outstanding shares of Grafoid representing 6.83%.
- (4) Mr. Weatherdon owns 50,000 of the issued and outstanding shares of Grafoid representing 0.12%.

#### Non-Arms' Length Transaction

**The Proposed Transaction is not an Arm's Length Transaction. Mincom and Grafoid share common management. Focus Graphite owns 7,797,849 of the issued and outstanding shares of Grafoid representing 18.17%. Focus Graphite will own 2,500,000 Resulting Issuer Shares. Grafoid will own 10,000,000 Resulting Issuer Shares.**

**Focus Graphite's directors are: Marc-André Bernier, Gary Economo, Jeffrey York, and Chester Burt. Grafoid's directors are: Gary Economo, Jeffrey York, Lindsay Weatherdon, and J. Craighill Redwine.**

**Gary Economo, Jeffrey York, Chester Burt, and Marc-André Bernier are currently directors of Mincom. Messrs. Economo, York, and Burt will be directors of the Resulting Issuer.**

**Mr. Economo is the CEO, COO and President of Focus Graphite, CEO of Grafoid, and CEO and President of Mincom and the Resulting Issuer. Judith Mazvihwa-MacLean is CFO of Mincom, Grafoid, and Focus Graphite. She will be the CFO of the Resulting Issuer.**

#### Available Funds and Principal Uses of Funds

The Resulting Issuer anticipates that the Resulting Issuer will have working capital of approximately \$1,483,919 upon the Completion of the Proposed Transaction and Minimum Financing.

The Resulting Issuer intends to use its working capital to support its growth strategy, fund the expansion of Braille Energy Systems Inc.'s business on a global basis and to meet future cash needs related to the on-going operating expenses of the Resulting Issuer.

The following table sets out information respecting the Resulting Issuer's sources of cash and intended uses of such cash over the next 12 months. The amounts shown in the table are estimates only and are based on the best information available to Mincom, Braille Holdings and Braille Battery as at the date of this Information Circular.

The intended uses of such cash may vary based on a number of factors. See “*Information Concerning Resulting Issuer - Available Funds and Principal Purposes*”.

<i>Source of Funds</i>	<i>Minimum Financing</i>	<i>Maximum Financing</i>
Estimated consolidated working capital deficiency	(\$40,869)	(\$40,869)
Proceeds from the Financing	\$2,528,900	\$3,993,000
Estimated revenues <sup>(1)</sup>	\$2,400,000	\$2,400,000
<b>Total Available Funds</b>	<b>\$4,888,031</b>	<b>\$6,352,131</b>
<i>Uses of Funds</i>		
Transaction Expenses <sup>(2)</sup>	\$665,000	\$665,000
Finder’s fee	\$202,312	\$319,440
Cost of goods sold	\$1,680,000	\$1,680,000
Professional Fees	\$75,500	\$75,500
Report to Shareholders	\$6,038	\$6,038
Transfer Agent & Filing Fees	\$22,163	\$22,163
Advertising and Marketing Expense	\$30,212	\$30,212
Automobile Expense	\$8,260	\$8,260
Consulting Fees	\$254,163	\$254,163
Insurance Expense	\$90,000	\$90,000
Payroll	\$297,837	\$297,837
Telephone, Utilities, and Rent	\$65,500	\$65,500
Travel Expense	\$35,250	\$35,250
Miscellaneous Expenses <sup>(3)</sup>	\$185,000	\$185,000
Romer Property Exploration Budget	\$30,000	\$30,000
Unallocated Working Capital	\$1,240,796	\$2,587,768
<b>Total Uses of Funds</b>	<b>\$4,888,031</b>	<b>\$6,352,131</b>

Notes:

- (1) Other funds consist of estimated revenues for the next 12 months based on historical financial information.
- (2) Includes US\$500,000 cash portion of the Purchase Price due on closing of the Proposed Transaction to Grafoid Inc., a related party – see “*The Proposed Transaction*” and “*Information Concerning Braille – Material Contracts*”.
- (3) Miscellaneous expenses include patent costs (approximately \$16,625), research and development (approximately \$16,625), shipping and receiving costs (approximately \$13,300), meals and entertainment (approximately \$10,640), and maintenance and repairs (approximately \$6,650).

#### Selected Pro Forma Consolidated Financial Information

The following table sets out selected pro forma financial information of the Resulting Issuer and should be read in conjunction with the unaudited Pro Forma Consolidated Balance Sheet and related notes attached hereto as Appendix “E”.

	Unaudited			
	Mincom (at March 31, 2017)	Braille (at March 31, 2017)	Proforma Adjustments	Resulting Issuer (at March 31, 2017)
Current Assets	105,950	638,079	859,288	1,603,317
Other Assets	1,206,012	233,709	5,466,515	6,906,236
<b>Total Assets</b>	<b>1,311,962</b>	<b>871,788</b>	<b>6,325,803</b>	<b>8,509,553</b>
Current Liabilities	114,413	773,693	-	888,106
Long Term Liabilities	-	3,837,448	-	3,837,448
<b>Total Shareholders’ Equity</b>	<b>1,197,549</b>	<b>(3,739,353)</b>	<b>7,260,641</b>	<b>3,783,999</b>

#### Listing and Share Price on the Exchange

The Common Shares are listed for trading on the Exchange under symbol “**MOI**”. The closing trading price of the Common Shares on the Exchange on October 17, 2016 (the last day of trading preceding the announcement of the Proposed Transaction) was \$0.04. Trading of the Common Shares was halted on October 18, 2016 at Mincom’s request.

#### Conflicts of Interest

There may be potential conflicts of interest to which the proposed directors, officers, Insiders and promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Each of the directors and

officers of the Resulting Issuer may be or already are associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with the CBCA, directors who have a material interest or any Person who is a party to a material contract or a proposed material contract with the Resulting Issuer, are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Resulting Issuer. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of the Resulting Issuer. See *“Risk Factors”*.

#### **Interests of Experts**

MNP LLP Chartered Professional Accountants, Licensed Public Accountants, is the external auditor of Mincom, Braille Holdings and Braille Battery. Such firm is independent of Mincom, Braille Holdings and Braille Battery within the meaning of the Chartered Professional Accountants of Ontario Code of Professional Conduct. See *“Information Concerning the Resulting Issuer - General Matters - Interest of Experts”*.

#### **Sponsorship**

Mincom and Braille Battery have engaged Leede Jones Gable Inc., 2000 Peel – Suite 710 Montreal, QC H3A 2W5, (the “Sponsor”) to act as Sponsor. The Sponsor is an arms’ length party to Mincom, Braille, and Grafoid. See *“Information Concerning the Resulting Issuer – General Matters”*.

#### **Risk Factors**

The business of the Resulting Issuer will incorporate and expand upon the business of Braille Battery upon Completion of the Proposed Transaction. Accordingly, risk factors relating to Braille Battery’s current business will be risk factors relating to the Resulting Issuer’s business.

Risk factors include, but are not limited to: the Resulting Issuer’s reliance on patent licenses, costs of production, production capacity and supply chain risks, regulatory burdens and compliance with law regulating the manufacture or transportation of batteries, dependence on a single assembly facility for the near-term, risks related to international sales, warranty claims and product liability, adverse business or financial conditions affecting the automobile and energy storage industries, unprofitable operating history, regulatory investigations and reliance on key personnel. For a more detailed description of these risks, and others, see *“Risk Factors”*.

#### **Conditional Listing Approval**

The Exchange has conditionally accepted the Proposed Transaction subject to Mincom fulfilling all of the requirements of the Exchange on or before November 24, 2017.

### **PROXY RELATED INFORMATION**

#### **General Proxy Information**

##### *Solicitation of Proxies*

**The solicitation of proxies by this Information Circular is being made by Management of the Corporation. It is expected that the solicitation will be made primarily by mail. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this information circular (the “Information Circular”) that it is sending to all the security holders entitled to receive a Notice of Meeting.**

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy following the instructions therein.

##### *Quorum for the Transaction of Business*

The Corporation’s By-Laws provide that the quorum at a meeting of the shareholders of the Corporation shall be constituted by the attendance of two individuals, present in person or represented by proxy, holding at least 5% of the votes attached to outstanding voting shares.

***Right of Revocation of Proxies and Appointment of Proxyholder***

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time prior to its use by sending an instrument in writing executed by him, or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of proxy was sent and within the delays mentioned therein or two business days preceding the date the Meeting resumes if it is adjourned, or remit to the chairman of such Meeting on the day of the Meeting or any adjournment thereof if applicable.

***Exercise of Discretion by Proxies***

The management undertakes to respect the holder's instructions.

**The Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment thereof, in accordance with the instructions of the shareholder thereon. In the absence of instructions the proxyholder will exercise the right to vote IN FAVOUR of each item on the form of proxy, in the Notice of Meeting or in the Information Circular.**

**Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.**

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting or any adjournment thereof. If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

***Advice to Non Registered Shareholders***

**The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their shares in their own name, non-registered shareholders, (the "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting.** If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, *not* be registered in the shareholder's name. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

National Instrument 54-101 - *Communication with Beneficial Owners of Reporting Issuers* ("NI 54-101") of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (*i.e.*, the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

In Canada, the vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. ("BFSI"). BFSI typically prepares a machine-readable voting instruction form,

mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary of assistance.

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBO’s**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBO’s**”). Subject to the provision of NI 54-101 issuers may request and obtain a list of their NOBO’s from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation’s OBO’s can expect to be contacted by BFSI or their brokers or their broker’s agents as set out above.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or his or her broker’s agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares as proxyholder for the registered shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker’s agent) and return it to that broker (or that broker’s agent) in accordance with the broker’s instructions (or the agent’s instructions).

**All references to shareholders in this Information Circular, the enclosed form of proxy, and the Notice of Meeting are to the registered shareholders unless specifically stated otherwise.**

***Interest of Certain Persons in Matters to be Acted Upon***

Except as disclosed elsewhere in this Information Circular, Mincom is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

***Authorized Capital Stock, Voting Securities, and Principal Holders thereof***

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share entitles its holder to one vote. On the date hereof, there were 18,012,257 common shares of the Corporation issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying 10% or more of the voting rights attached to all outstanding shares of the Corporation as of the date hereof other than:

<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Issued and Outstanding</b>
Gary Economo	2,083,333	11.57%
Jeffrey York	1,900,000	10.55%
Focus Graphite Inc.	2,500,000	13.88%

**Election of directors**

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed.

The mandates of Messrs. Gary Economo, Jeffrey York, Chester Burt, Marc-André Bernier, and Lindsay Weatherdon will expire at the Meeting. Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his or her discretion unless the shareholder has indicated in the form of proxy his or her wish to abstain from exercising the voting rights attached to his or her shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

<b>Name</b>	<b>Director Since</b>	<b>Office Held</b>	<b>Number of Shares Controlled</b>	<b>Present Occupation</b>	<b>Position with Grafoid Inc.</b>
Gary Economo <i>Ontario, Canada</i>	November 8, 2011	President & Chief Executive Officer, and Director	2,083,333	CEO and director of Focus Graphite Inc. CEO and director of Stria Lithium Inc.	Founder, CEO, Director
Lindsay Weatherdon <i>Ontario, Canada</i>	November 8, 2011	Director	400,000	President of Concord National Inc.	Director
Jeffrey York <i>Ontario, Canada</i>	November 8, 2011	Director, Chairman of the Board	1,900,000	Chairman of Focus Graphite Inc. CEO of Farm Boy Inc. Chairman of Stria Lithium Inc.	Founder, Chairman of the Board
Chester Burt <i>Ontario, Canada</i>	November 8, 2011	Director	100,000	President of Chester Burt & Associates Ltd. Director of Stria Lithium Inc.	N/A
James J. Greenberger	N/A	N/A	0	Executive Director of the National Alliance for Advanced Technology Batteries Principal at Private Equity Law Advisors	N/A

***Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

See “*Information Concerning the Resulting Issuer – Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions*”.

***Executive Compensation***

See “*Information Concerning the Resulting Issuer – Executive Compensation*”.

***Securities Authorized for Issuance Under Equity Compensation Plans***

See “*Information Concerning the Resulting Issuer – Executive Compensation*”.

***Indebtedness of Directors and Executive Officers***

See “*Information Concerning the Resulting Issuer – Indebtedness of Directors and Officer*”.

***Interest of Informed Persons in Material Transaction***

See “*Information Concerning the Resulting Issuer - Principal Security Holders*”.

**Appointment of Auditors and Authorization Given to the Board to Fix the Remuneration of the Auditors**

On August 10, 2016, the Corporation accepted the resignation of KPMG LLP (“**KPMG**”) as the auditors of the Corporation and the Corporation appointed MNP LLP (“**MNP**”) as the new auditors of the Corporation. KPMG had been the auditors of the Corporation since November 4, 2014.

A reporting package in respect of the change of auditors was filed with the securities regulators on August 15, 2016. A copy of the report package is attached as **Exhibit 1**.

Management proposes that MNP be appointed as auditors of the Corporation for the financial year ending September 30, 2017 and that the Board be authorized to fix the remuneration of the auditors.

**The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of MNP as auditors of the Corporation and IN FAVOUR of the authorization given to the Board to fix their remuneration, unless the shareholder specifies in the form of proxy to withhold from voting in this regard.**

#### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

##### **Requisite Securityholder Approvals**

Each shareholder of record at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting.

As of the Record Date, Mincom had 18,012,257 Shares issued and outstanding and each Share is entitled to one vote.

##### **Approval of Proposed Transaction**

At the Meeting, the shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, the Proposed Transaction Resolution, the full text of which is set forth in **Exhibit 2** to this Information Circular. For a description of the Proposed Transaction, see *"The Proposed Transaction"*. The Board of Directors of Mincom have concluded that the Proposed Transaction is in the best interests of Mincom and the shareholders.

**The Proposed Transaction is a Related Party Transaction.** In order to be effective, the Proposed Transaction Resolution must be carried by:

- as required by the CBCA, the affirmative vote of at least two-thirds of the votes cast at the Meeting either in person or by proxy by the holders of the Common Shares,
- as required by section 5.6 of MI 61-101, a majority of votes cast by Minority Shareholders (which excludes those votes attaching to shares owned by any Non-Arm's Length Party to the Proposed Transaction).

To the knowledge of management, as at the date hereof, the shareholders whose votes are required to be excluded for purposes of "minority approval" are Focus Graphite, Gary Economo, Jeffrey York, Chester Burt and Marc-André Bernier who, collectively, beneficially own, control or direct, directly or indirectly an aggregate of 6,683,333 Common Shares representing, approximately, an aggregate of 37.1% of the outstanding Common Shares.

There have been no prior valuations that relate to the Proposed Transaction that have been made in the 24 months prior to the date of this Information Circular and there is no valuation, the existence of which is known, after reasonable inquiry, to Mincom or to any director or officer of Mincom.

There have been no *bona fide* prior offers for the shares of Braille owned by Grafoid during the 24 months prior to the Proposed Transaction was agreed to.

Mincom is relying on the exemption available under section 5.5(b) of MI 61-101 from the formal valuation requirement on the basis that no securities of Mincom are listed on a specific market set out in such section. The Exchange will not require a formal valuation under Exchange Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*.

The Board formed a special committee of independent directors to evaluate and, if satisfied, recommend to the entire Board to approve the Proposed Transaction (the "**Independent Committee**"). The Independent Committee consisted of Marc-André Bernier and Chester Burt who are independent directors within the meaning of NI 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). The Independent Committee was granted a mandate to assess, consider and review the terms of any agreement to be entered into by Mincom and to conduct and carry out such investigations and diligence in relation to any of the Proposed Transaction as the Independent Committee may deem necessary or advisable.

The Independent Committee reviewed the Share Purchase Agreement, financial statements of Braille, the FAA Order and Braille's responses to the FAA's investigation of its shipping and packaging procedures.

While the Independent Committee did not formally meet in person, nor did it engage any experts, it deliberated by email and telephone. The Independent Committee did not receive any remuneration or compensation for performing its due diligence with respect to the Proposed Transaction or for providing its recommendation.

In making the determination that the Proposed Transaction is fair, from a financial point of view, to the Shareholders of Mincom and is in the best interests of Mincom, and in making its recommendation to the Board, the Independent Committee considered a number of factors, including the following:

- Upon completion of the Proposed Transaction, Mincom will acquire the business of Braille and will position the Resulting Issuer immediately in the niche market of light weight car batteries production as well as provide a platform on which to grow the green energy storage business the Resulting Issuer intends to pursue
- The complementary nature of the assets of Mincom and Braille will allow for efficient optimization of the assets, synergies in research and development, general administrative expenses and capital expenditures
- The representations and warranties and closing conditions contained in the Share Purchase Agreement in the judgement of the Independent Committee are reasonable.
- Payment of the cash portion of the purchase price pursuant to the Share Purchase Agreement is favourable to Mincom – only half of the US\$1,000,000 cash portion of the purchase price is due on closing of the Proposed Transaction. The balance is payable by way of a Note which is repayable within 18 months of the closing.

The Independent Committee also considered a number of potential risks and negative factors relating to the Proposed Transaction, including: (i) the impact of the FAA Order on the business of Braille and (ii) timing of closing the Proposed Transaction. See “*Risk Factors*”.

On March 7, 2017, the Independent Committee recommended to the Board to approve the Proposed Transaction.

The foregoing discussion of the information and factors considered and given weight by the Independent Committee is not intended to be exhaustive. In reaching the determination to recommend the approval of the Proposed Transaction, the Independent Committee did not assign any relative or specific weights to the foregoing factors, and individual directors may have given different weights to different factors.

In order to be approved, the Proposed Transaction Resolution must be approved by a majority of votes cast by Minority Shareholders, either present in person or represented by proxy at the Meeting.

**The Board of Directors recommends that Minority Shareholders vote in favour of the Proposed Transaction Resolution. Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote IN FAVOUR of the Proposed Transaction Resolution.**

**Approval of Name change to “Braille Energy Systems Inc.”**

At the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass special resolutions, in the form attached to this Circular as **Exhibit 3** (the “**Special Resolution**”) to approve articles of amendment (the “**Articles of Amendment**”) to change the name of Mincom to “Braille Energy Systems Inc.” (the “**Name Change Amendment**”);

The Name Change Amendment will be filed with Corporations Canada and following the issuance of the Certificate of Amendment, the Name Change Amendment will become effective.

In order to be approved, the Special Resolution must be approved by at least two-thirds of the votes cast by Shareholders, either present in person or represented by proxy at the Meeting.

**The Board of Directors recommends that the shareholders vote IN FAVOUR of the Special Resolutions. Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote IN FAVOUR of the Special Resolution.**

**Approval of Stock Option Plan**

The material terms and conditions of the Stock Option Plan are set out under the headings “*Stock Option Plan*” in this Information Circular.

Under the Stock Option Plan, the Board may, from time to time and at its discretion, grant to directors, officers, employees or consultants of Mincom options to acquire common shares of the corporation, provided that the number of options granted does not exceed a maximum of 10% of the aggregate number of Common Shares of Mincom issued and outstanding at the time of grant.

Consequently, the number of common shares that are reserved under the Stock Option Plan is automatically increased or decreased as the number of issued and outstanding Common Shares increases or decreases. This is known as a “rolling” stock option plan.

Under the rules of the TSX-V, a “rolling” stock option plan must receive shareholder approval yearly, at the annual meeting of shareholders.

Accordingly, Mincom’s shareholders will be asked to adopt the resolution set out as Exhibit 4 (the “**Option Plan Resolution**”). In order for the Option Plan Resolution to be adopted, it must be approved by a majority of the votes cast by the shareholders, either in person or represented by proxy at the Meeting.

**The Board of Directors recommends that the shareholders vote IN FAVOUR of the Option Plan Resolutions Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote IN FAVOUR of the Option Plan Resolution.**

## RISK FACTORS

**AN INVESTMENT IN SECURITIES OF MINCOM, AND THEREFORE THE RESULTING ISSUER, IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.**

*Upon Completion of the Proposed Transaction, the Resulting Issuer will incorporate and expand on Braille Battery's current business. Accordingly, risk factors relating to Braille Battery's current business will be risk factors relating to the Resulting Issuer's business and references to Braille Battery in these risk factors should, where the context requires, be read to include the risks to the Resulting Issuer. An investment in the securities of the Resulting Issuer involves significant risks. Investors should carefully consider the risks described below which are qualified in their entirety by reference to and must be read in conjunction with the detailed information appearing elsewhere in this Information Circular and all other information contained in this Information Circular, including the financial statements and notes, before making an investment in the Resulting Issuer. The risks and uncertainties described below are those that management of the Resulting Issuer believe to be material, but they are not the only ones faced by the Resulting Issuer. Additional risks and uncertainties not presently known to Mincom and Braille or that Mincom and Braille currently consider immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Common Shares to decline. If any of the following or other risks and uncertainties that have not yet been identified or deemed to be material actually occur, the Resulting Issuer's business, prospects, financial condition, results of operations and cash flows and consequently the price of the Common Shares could decline and you could lose all or part of your investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks.*

### **Risks Related to Market Conditions and Other External Factors**

#### ***Completion of the Proposed Transaction, Financing and Exchange Approval***

The completion of the Proposed Transaction and Financing is subject to several conditions precedent, certain of which are outside the control of Mincom, Braille Holdings and Braille Battery. In addition, there is no guarantee that the Resulting Issuer will be able to satisfy the requirements of the Exchange such that it will issue the Final Exchange Bulletin. There can be no certainty, nor can Mincom provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. There can be no certainty that the Proposed Transaction will be completed on the terms set out in the Share Purchase Agreement, as negotiated, or at all. In the event that any of the conditions precedent are not satisfied or waived, the Proposed Transaction may not be completed.

#### ***Speculative Nature of Investment***

An investment in the Common Shares should be considered highly speculative due to the nature of the Resulting Issuer's business. Neither Mincom, Braille Holdings nor Braille Battery has paid dividends nor is it expected that dividends will be paid in the immediate or foreseeable future. Braille Holdings and Braille Battery have modest cash available and other assets and is relatively small.

#### ***Volatile Market Price for the Resulting Issuer Shares***

The Common Shares of the Resulting Issuer will be listed on the Exchange. The price of Common Shares is likely to be significantly affected by short term changes in its financial condition or results of operations as reflected in its quarterly earnings reports. The market price for the Resulting Issuer Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Resulting Issuer's control, including the following:

- actual or anticipated fluctuations in the Resulting Issuer's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Resulting Issuer operates;
- addition or departure of the Resulting Issuer's executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding Resulting Issuer Shares;

- sales or perceived sales of additional Resulting Issuer Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Resulting Issuer or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Resulting Issuer; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Resulting Issuer's industry or target markets.

Financial markets tend to experience significant price and volume fluctuations that tend to affect the market prices of equity securities of companies and that can be unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Resulting Issuer Shares may decline even if the Resulting Issuer's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Resulting Issuer's operations could be adversely impacted and the trading price of the Resulting Issuer Shares may be materially adversely affected.

As a result of any of these factors, the market price of the Resulting Issuer at any given point in time may not accurately reflect the Resulting Issuer's long term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Resulting Issuer may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

***No Prior Public Market for Resulting Issuer Shares***

Prior to the Completion of the Proposed Transaction, there will not have been a public market for Braille Securities or the shares of the Resulting Issuer on the Exchange. An active and liquid market for such shares may not develop following the Completion of the Proposed Transaction, or, if developed, may not be maintained. If an active public market does not develop or is not maintained, shareholders of the Resulting Issuer may have difficulty selling their shares in the Resulting Issuer.

***Dilution to Common Shares***

During the life of the Resulting Issuer's outstanding warrants, as well as options and other rights granted or assumed by the Resulting Issuer, if any, the holders are given an opportunity to profit from a rise in the market price of the Common Shares. The Resulting Issuer's ability to obtain additional financing during the period such warrants or rights are outstanding may be adversely affected and the existence of the warrants or rights may have an adverse effect on the price of the Common Shares. The holders of warrants, options and other rights of the Resulting Issuer may exercise such securities at a time when the Resulting Issuer would, in all likelihood, be able to obtain any needed capital by a new offering of securities on terms more favourable than those provided by the outstanding warrants or rights.

The increase in the number of Common Shares in the market and the possibility of sales of such shares may have a depressive effect on the price of the Common Shares. In addition, as a result of such additional Common Shares, the voting power of the Resulting Issuer's existing shareholders will be diluted.

***Future Sales of Common Shares by Existing Shareholders***

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Resulting Issuer's ability to raise capital through future sales of Common Shares.

***Additional Regulatory Burden***

Prior to the Completion of the Proposed Transaction, Braille has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the Exchange. Braille is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to Braille's financial management control systems to manage its obligations as a public company. These areas

include corporate governance, corporate controls, internal audit, disclosure controls and procedures and financial reporting and accounting systems. Braille has made, and will continue to make, changes in these and other areas, including Braille's internal controls over financial reporting. However, there is no assurance that these and other measures that it may take will be sufficient to allow the Resulting Issuer to satisfy its obligations as a public company on a timely basis. In addition, compliance with reporting and other requirements applicable to public companies will create additional costs for the Resulting Issuer and will require the time and attention of management. Mincom and Braille cannot predict the amount of additional costs that the Resulting Issuer may incur, the timing of such costs or the impact that management's attention to these matters will have on the Resulting Issuer's business.

## **Risks Related to the Business**

### ***Reliance on Patent License***

The products made by Braille Battery rely on licensed technology. The terms of the license may change or be subject to expiry or termination challenged by a third party at any time. The ownership of intellectual property licensed under a license agreement may be challenged or disputed by a third party at any time. Grafoid, a related party to Mincom by common management and the Vendor to this Proposed Transaction, holds the patents on which Braille Battery relies.

### ***Commodities Markets and Production Cost***

Resulting Issuer may face rising prices of raw materials necessary to produce the products it sells. The result could include higher cost of production, inability to produce its products in sufficient quantity and quality, inability to sell its technology and products, inability to produce in large enough quantities, and the possibility of technology obsolescence such that licensing interests disappear. The Resulting Issuer will depend on certain raw materials for the manufacture of anodes, cathode and separators. Such raw materials, especially lithium salts may be in short supply. As Lithium-ion battery demands escalates there could be significant raw material shortage and the Resulting Issuer may be unable to produce or deliver products to its customers or meet its cost targets due to escalation of prices of its raw materials.

### ***Production Capacity***

The Resulting Issuer may not be able to meet its targets which includes the inability to convert pipeline to purchase orders or if such purchase orders are received, the inability to deliver on those purchase orders or the inability to collect on those purchase orders, even if the product is delivered. The Resulting Issuer may not be able to establish anticipated levels of high-volume production on a timely, cost-effective basis or at all. It has never assembled batteries in substantially large quantities and it may not be able to maintain future commercial production at planned levels.

### ***Laws regulating the manufacture or transportation of batteries may be enacted which could result in a delay in the production of batteries or the imposition of additional costs that could harm the Resulting Issuer's ability to be profitable***

Laws and regulations exist today, and additional laws and regulations may be enacted in the future, which impose environmental, health and safety controls on the storage, use and disposal of certain chemicals and metals used in the manufacturing and assembly of lithium-ion batteries. Complying with any laws or regulations could require significant time and resources from its technical staff and possible redesign of one or more of Braille Battery's products, which may result in substantial expenditures and delays in the production of one or more of its products, all of which could harm the Resulting Issuer's business and reduce its future profitability. The transportation of lithium and lithium-ion batteries is regulated both domestically and internationally. Compliance with these regulations, when applicable, increases the cost of producing and delivering products.

### ***Federal Express Canada ("FedEx") may bring an action for damages against Braille Battery***

On January 4, 2017, Braille Battery received a letter from Kernaghan Adjusters, who identified themselves as the insurance adjusters for FedEx. The letter's intent is to put Braille Battery on notice that FedEx considers Braille Battery to be responsible for the losses suffered on June 3, 2016 in Brampton, Ontario, resulting from a fire in a FedEx vehicle carrying, among other items, Braille Battery's lithium ion batteries. The National Transportation Safety Board ("NTSB") is investigating the cause of the fire. As of the date of the Information Circular, NTSB has not concluded that Braille Battery's batteries were the cause of the fire.

As of the date of the Information Circular, Braille Battery has not been served with any claim or demand for payment of any loss suffered by FedEx. None of FedEx's allegations have been proven in court and Braille Battery denies any fault.

***The Federal Aviation Administration has placed restrictions on Braille Battery's ability to transport its products by air***

As of the date of this Information Circular, Braille Battery is under an emergency restriction/prohibition order by the Federal Aviation Administration ("FAA") restricting certain shipments of Braille Battery products (the "FAA Order"). Braille is prohibited from transporting certain battery types by air, however Braille continues to be permitted to ship by ground and boat.

On June 3, 2016 a FedEx delivery truck caught fire. The truck was transporting, among other items, Braille Battery lithium ion batteries. As a result of the fire, the FAA and NTSB opened an investigation into the shipping and handling procedures of Braille Battery.

The FAA Order was issued on September 22, 2016. According to the FAA Order, the FAA Administrator found that Braille Battery was in violation of "the Federal Hazmat law (49 U.S.C. §§5101) or the Hazardous Materials Regulations (HMR) (49 CFR Parts 171 to 180)"<sup>1</sup> and that unsafe conditions and practices constituted an "imminent hazard to the safe transportation of hazardous materials". The batteries offered for transport did not meet the safety testing criteria nor were the batteries properly classified and packaged in accordance with applicable safety standards.

According to the FAA, Braille Battery did not have proof that the batteries offered for transport on the FedEx truck that caught fire, met the requisite safety and testing criteria, set out in part III, sub-section 38.3 of the UN Manual of Test and Criteria. Further, the FAA found that the evidence offered by Braille Battery, namely a three-page summary report allegedly issued by Intertek, the company certified to determine compliance with part III, sub-section 38.3 of the UN Manual of Test and Criteria, was incomplete.<sup>2</sup> The three-page summary report was prepared by the former owners and management of Braille Battery in 2011. Braille Battery could not produce the complete report. Intertek denied ever testing the batteries or producing the counterfeit report the former owners and management of Braille Battery had prepared as evidence of compliance.<sup>3</sup>

On June 15, 2016, the FAA notified Braille Battery that it was not permitted to transport lithium ion batteries lacking proof of compliance with part III, sub-section 38.3 of the UN Manual of Test and Criteria.

The FAA Order states that between July 14, 2016 and August 19, 2016, Braille Battery offered 20 lithium ion batteries shipments for air transport by DHL Express (the "DHL Shipments"). Such air transports contained an aggregate of approximately 103 lithium-ion batteries. The FAA Order states that "At least 3 of the lithium ion batteries were not of a type proven to meet the criteria in part III, sub-section 38.3 of the UN Manual of Test and Criteria".<sup>4</sup> Further, 61 other batteries contained in the DHL Shipments are being investigated to determine compliance with part III, sub-section 38.3 of the UN Manual of Test and Criteria. To date no conclusion has been reached by the FAA with respect to those 61 batteries.

Braille Battery or any person failing to comply with the FAA Order is subject to civil penalties up to US\$179,933 for each violation for each day they are found in violation. In addition, a person found to be in violation of the FAA Order may also be subject to criminal prosecution, which may result in fines under title 18, imprisonment of up to ten years, or both.

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<sup>1</sup> US, United States Department of Transportation Federal Aviation Administration, Emergency Restriction/Prohibition Order (Order No. FAA-2016-9156) at 1.

<sup>2</sup> US, United States Department of Transportation Federal Aviation Administration, Emergency Restriction/Prohibition Order (Order No. FAA-2016-9156) at 3.

<sup>3</sup> US, United States Department of Transportation Federal Aviation Administration, Emergency Restriction/Prohibition Order (Order No. FAA-2016-9156) at 3.

<sup>4</sup> US, United States Department of Transportation Federal Aviation Administration, Emergency Restriction/Prohibition Order (Order No. FAA-2016-9156) at 6.

Since the FAA Order was issued on September 22, 2016, Braille Battery has complied with the FAA Order and has completely updated its shipping procedures and materials. Braille Battery has participated in further testing as required to update these procedures and comply with the FAA Order.

While Braille Battery believes that the FAA Order and restrictions will be lifted, there is no guarantee that the FAA will lift the restrictions or rescind the FAA Order. Management is confident that no fines will be imposed and if a fine is imposed it will be minimal. As a consequence, no liability has been recognized in Braille Battery's financial statements. The FAA may nevertheless fine or otherwise penalize Braille Battery for non-compliance with the FAA Order.

***In the near term, the Resulting Issuer will be dependent upon the operation of a single assembly facility***

In the near term, the Resulting Issuer will be dependent upon the operation of a single assembly facility and accidents or other operational problems at this facility, or at neighbouring facilities operated by other businesses, could affect its ability to deliver product to its customers and therefore its ability to generate revenues. In addition, it may be subject to environmental liabilities at its facilities, which could result in material expense and adversely affect its ability to sell or finance its facilities. In the medium term, management intends on operating a second assembly facility in Kingston, Ontario, Canada.

***The Resulting Issuer will be exposed to supply chain risks***

If the supply chain cannot deliver the amount of products required or fails to deliver the products with sufficient quality, the Resulting Issuer will not be able to assemble and deliver its products.

***The Resulting Issuer will be exposed to certain risks as a result of being in an industry that produces devices or products containing energy***

Lithium-ion polymer batteries can become hazardous under some circumstances. In the event of a short circuit or other physical, electrical or thermal damage to these batteries, chemical reactions may occur that release excess heat or gases, which could create dangerous situations, including fire, explosions and releases of toxic fumes. The Resulting Issuer's batteries may emit smoke, catch fire or emit gas, any of which may expose the Resulting Issuer to product liability litigation. In addition, these batteries incorporate potentially hazardous materials, which may require special handling, and safety problems may develop in the future. Product failure or improper use of lithium-ion polymer battery products, such as the improper management of the charging/discharging system, may also result in dangerous situations. The raising of any health or safety concerns could affect the Resulting Issuer's reputation and sales. Moreover, changes in environmental or other regulations affecting the assembly, transportation or sale of the Resulting Issuer's products could adversely affect its ability to assemble or sell its products or result in increased costs or liability.

***The Resulting Issuer may be required to devote significant financial and management resources to processing and remedying warranty claims***

If product liability issues arise, the Company could incur significant expenses and suffer damage to its reputation and the market acceptance of its products.

***The Resulting Issuer's international operations and sales subject us to a number of risks, including unfavorable political, regulatory, labor and tax conditions***

Risks inherent to international operations and sales, include, but are not limited to, the following:

- difficulty in enforcing agreements, judgments and arbitration awards in foreign legal systems;
- fluctuations in exchange rates may affect product demand and may adversely affect our profitability in U.S. dollars to the extent the cost of raw materials and labor is denominated in a foreign currency;
- impediments to the flow of foreign exchange capital payments and receipts due to exchange controls instituted by certain foreign governments and the fact that the local currencies of these countries are not freely convertible;
- inability to obtain, maintain or enforce intellectual property rights;
- changes in general economic and political conditions;

- changes in foreign government regulations and technical standards, including additional regulation of rechargeable batteries, power technology, or the transport of lithium or phosphate, which may reduce or eliminate our ability to sell or license in certain markets;
- requirements or preferences of foreign nations for domestic products could reduce demand for our products;
- trade barriers such as export requirements, tariffs, taxes and other restrictions and expenses, which could increase the prices of our products and make us less competitive; and
- longer payment cycles typically associated with international sales and potential difficulties in collecting accounts receivable, which may reduce the future profitability of foreign sales. The Resulting Issuer's business in foreign jurisdictions requires us to respond to rapid changes in market conditions in these countries. Its overall success as a global business depends on its ability to succeed in different legal, regulatory, economic, social and political situations and conditions. The Resulting Issuer may not be able to develop and implement effective policies and strategies in each foreign jurisdiction where it does business

***Adverse business or financial conditions affecting the automobile and energy storage industries may have a material adverse effect on the Resulting Issuer's development and marketing partners and its battery business***

Much of the Resulting Issuer's business depends on and is directly affected by the general economic state of Canada and the United States and the global energy storage industry. The Resulting Issuer's financial results may vary significantly from period-to-period due to the long and unpredictable sales cycles for some of its products and changes in the mix of products it sells during a period, which may lead to volatility in the Resulting Issuer's operating results and share price.

***Limited Operating History***

The Resulting Issuer will be a newly consolidated entity, having just completed the RTO transaction and without a long consolidated operating history. The success of the Resulting Issuer will be dependent on the managers of those operations to be successful in their attempts to gain new business. There can be no assurance that the Resulting Issuer will be successful in addressing these risks.

***Profitability***

There is no assurance that the Resulting Issuer will earn profits in the future, or that profitability will be sustained. There is no assurance that future revenues will be sufficient to generate the funds required to continue the Resulting Issuer's business development and marketing activities. If the Resulting Issuer does not have sufficient capital to fund its operations, it may be required to reduce its sales and marketing efforts or forego certain business opportunities.

***Inadequate Protection of Intellectual Property Rights***

The Resulting Issuer will rely on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual provisions, patents and patent licenses to establish and protect its proprietary rights. The Resulting Issuer may enter into confidentiality and non-disclosure agreements with its employees, consultants, customers, potential customers and others to attempt to limit access to and distribution of its proprietary and confidential information, however it is possible that: (a) some or all of its confidentiality agreements will not be honoured; (b) third parties will independently develop equivalent technology; (c) disputes will arise with our strategic partners, customers or others concerning the ownership of intellectual property; (d) unauthorized disclosure of its know-how or trade secrets will occur; or (e) misappropriation of its property and confidential information, including technology, will nevertheless occur.

The Resulting Issuer cannot assure an investor that it will be successful in protecting or enforcing its rights protecting its confidential information, know-how, and other intellectual property rights, whether registrable or not, or that all such information and know-how is protectable. The Resulting Issuer will have no registered patents or other proprietary or statutory protection for its current and proposed technology in any territory.

To protect its intellectual property, the Resulting Issuer may become involved in litigation, which could result in substantial expenses, divert the attention of management, cause significant delays, materially disrupt the conduct of our business or adversely affect its revenue, financial condition and results of operations.

***Key Personnel***

The Resulting Issuer is in a specialized industry where qualified, key personnel may be difficult to retain or replace on a cost-effective basis. The Resulting Issuer's success depends largely upon the continued services of its key employees, their working relationships with the Resulting Issuer's key customers, existing shareholders and personnel. From time to time, there may be changes in the executive management team resulting from the hiring or departure of executives, which could disrupt the business. If the Resulting Issuer is unable to attract and retain top talent, its ability to compete may be harmed.

***Managing Acquisitions***

In the future, the Resulting Issuer may pursue acquisitions of assets, products or businesses that it believes are complementary to the existing business and/or to enhance the market position or expand its product portfolio. There is a risk that the Resulting Issuer will not be able to identify suitable acquisition candidates available for sale at reasonable prices, complete any acquisition, or successfully integrate any acquired product or business into its operations. The Resulting Issuer is likely to face competition for acquisition candidates from other parties including those that have substantially greater available resources. Acquisitions may involve a number of other risks, including: (a) diversion of management's attention; (b) disruption to ongoing business; (c) failure to retain key acquired personnel; (d) difficulties in integrating acquired operations, technologies, products or personnel; (e) unanticipated expenses, events or circumstances; (f) assumption of disclosed and undisclosed liabilities; and (g) inappropriate valuation of the acquired in-process research and development, or the entire acquired business. If the Resulting Issuer does not successfully address these risks or any other problems encountered in connection with an acquisition, the acquisition could have a material adverse effect on the business, results of operations and financial condition. Problems with an acquired business could have a material adverse effect on the Resulting Issuer's performance or business as a whole. In addition, if the Resulting Issuer proceeds with an acquisition, its available cash may be used to complete the transaction, diminishing its liquidity and capital resources, or shares may be issued which could cause significant dilution to existing shareholders.

***Additional Capital Requirements***

The Resulting Issuer may require additional funds to respond to business challenges, including the need to expand sales and marketing activities and acquire complementary businesses and technologies. The Resulting Issuer may need to engage in equity or debt financings to secure additional funds. If additional funds are raised through issuances of equity or convertible debt securities, the existing shareholders could suffer significant dilution, and any new equity securities the Resulting Issuer issues could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which might make it more difficult for it to obtain additional capital and to pursue business opportunities. No assurances can be provided that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, the Resulting Issuer's ability to continue to support the growth of the business and to respond to business challenges could be significantly limited.

***Taxes***

The Resulting Issuer will be subject to taxes in Canada, the United States, and numerous foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. The Resulting Issuer future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. It is also subject to the examination of its tax returns and other tax matters by applicable tax authorities and governmental bodies. The Resulting Issuer intends to regularly assess the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of its provision for taxes. There can be no assurance as to the outcome of these examinations. If its effective tax rates were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, the Resulting Issuer operating results, cash flows, and financial condition could be adversely affected.

***Accounting Estimates***

The Resulting Issuer will be required to make accounting estimates and judgments in the ordinary course of business. Such accounting estimates and judgments will affect the reported amounts of its assets and liabilities at the date of its financial statements and reports and the reported amounts of its operating results during the periods

presented. Additionally, the Resulting Issuer will be required to interpret the accounting rules in existence as of the date of the financial statements and reports when the accounting rules are not specific to a particular event or transaction. If the underlying estimates are ultimately proven to be incorrect, or if auditors or regulators subsequently interpret its application of accounting rules differently, subsequent adjustments could have a material adverse effect on its operating results for the period or periods in which the change is identified. Additionally, subsequent adjustments could require the Resulting Issuer to restate its financial statements or reports. A restatement of its financial statements or reports could result in a material change in the price of the Resulting Issuer Shares.

#### ***Litigation***

The Resulting Issuer's business is subject to the risk of litigation by employees, customers, consumers, suppliers, competitors, shareholders, government agencies, or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation, particularly class action lawsuits, regulatory actions and intellectual property claims, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to these lawsuits may remain unknown for substantial periods of time. In addition, certain of these lawsuits, if decided adversely against the Resulting Issuer or settled by the Resulting Issuer, may result in liability material to its financial statements as a whole or may negatively affect its operating results if changes to its business operations are required. The cost to defend future litigation may be significant. There also may be adverse publicity associated with litigation that could negatively affect customer perception of its business, regardless of whether the allegations are valid or whether the Resulting Issuer is ultimately found liable. As a result, litigation may adversely affect its business and financial condition.

#### ***Fluctuation of Revenue and Operating Results***

The Resulting Issuer's revenue is difficult to forecast and is likely to fluctuate significantly from quarter to quarter. In addition, its operating results may not follow any past trends. The factors affecting its revenue and results, many of which are outside of its control, include: (a) competitive conditions in the industry, including strategic initiatives by the Resulting Issuer or its competitors, new products or services, product or service announcements and changes in pricing policy by the Resulting Issuer or its competitors; (b) market acceptance of its products and services; (c) its ability to maintain existing relationships and to create new relationships with customers; (d) the length and variability of the sales cycles for its products; (e) strategic decisions by the Resulting Issuer or its competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy; and/or (f) general weakening of the economy resulting in a decrease in the overall demand for high performance lithium ion batteries.

#### **Risks Related to the Financing**

##### ***Unpredictability and Volatility of the Common Share Price***

There can be no assurance that a significant public market for the Resulting Issuer Shares will develop or be sustained after the Completion of the RTO. The deemed price of the Braille Securities to be exchanged in connection with the RTO and the Common Shares to be issued and sold in connection with the Financing have been determined by Mincom and may not be indicative of the market price of its Common Shares after the Completion of the RTO. If an active public market for its Common Shares does not develop, the liquidity of an investment in such Common Shares may be limited, the market price could be subject to significant fluctuations and the price per share may decline below the deemed price of the Braille Battery Securities to be exchanged for Common Shares in connection with the RTO. The market price of its Common Shares could also fluctuate significantly as a result of many factors, including but not limited to the following: (a) economic and stock market conditions generally, and specifically as they may impact participants in the clean energy storage industry; (b) its earnings and results of operations and other developments affecting its businesses; (c) sales of its Common Shares into the market by the Vendor; (d) changes in financial estimates and recommendations by securities analysts following its Common Shares; (e) earnings and other announcements by, and changes in market evaluations of, the green energy storage industry; (f) changes in business or regulatory conditions affecting participants in the clean energy storage industry; and (g) trading volume in the Common Shares; (h) additions or departures of key personnel. In addition, the financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance of such companies. Accordingly, the market price of the Common Shares may decline even if its operating results or prospects have not changed.

***Dividends***

If the Resulting Issuer generate earnings in the foreseeable future, it is expected that such earnings will be retained to finance growth, both organically and by acquisitions, if any, and, when appropriate, repay debt. The Board will determine if and when dividends should be declared and paid in the future based on our financial position at the relevant time. Each of the Common Shares will entitle its holder to an equal share in any dividend declared and paid by the Resulting Issuer. The Resulting Issuer does not expect to pay any dividends in the foreseeable future. Investors seeking cash dividends should not purchase the Common Shares.

***Concentration of Voting Power***

Following the completion of the RTO, many of the Common Shares will be concentrated in the hands of Grafoid. Assuming the completion of the RTO, including the Minimum Financing approximately 25% of the issued and outstanding Common Shares will be held by the Principal Shareholders and Insiders of the Resulting Issuer. As a result, these Shareholders will have a significant influence over the management and affairs of the Resulting Issuer and over all matters requiring shareholder approval, including the election of directors and significant corporate transactions, such as a business combination or other sale of the Resulting Issuer or its assets, for the foreseeable future.

In addition, this concentrated control may provide these shareholders with the ability to prevent and deter takeover proposals from third parties. The concentration of voting power limits your ability to influence corporate matters and, as a result, the Resulting Issuer may take actions that Shareholders do not view as beneficial, including rejecting takeover proposals at a premium to the then-prevailing market price of the Common Shares. As a result, the market price of these Common Shares could be adversely affected.

***Dilution and Future Sales of Common Shares***

The Resulting Issuer may issue additional Common Shares in the future, which may dilute a Shareholder's holding in the Resulting Issuer. The articles of the Resulting Issuer will permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuances. The directors of the Resulting Issuer have the discretion to determine if an issuance of Common Shares is warranted, the price at which such issuance is effected and the other terms of issue of Common Shares. Also, the Resulting Issuer may issue additional Common Shares upon the exercise of options to acquire Common Shares under the Stock Option Plan, which will result in further dilution to the shareholders.

***Discretion in the Use of Proceeds***

The Resulting Issuer currently intends to allocate the net proceeds received from the Financing as described under "Use of Proceeds", however, its management will have discretion in the actual application of the net proceeds, and may elect to allocate the net proceeds differently from that described under "Use of Proceeds" if it believes it would be in the Resulting Issuer's best interests to do so. Shareholders may not agree with the manner in which management chooses to allocate and spend the net proceeds of the Financing. The failure by management to apply these funds effectively could have a material adverse effect on the business. Additionally, the Resulting Issuer may not be successful in implementing its business strategies, and its actual capital expenditures and capital expenditure requirements may be materially different from forecasted expenditures described in this Information Circular.

***Future Sales of Common Shares by Directors, officers or Principal Shareholders***

Subject to compliance with applicable securities laws, officers, directors, Principal Shareholders and their affiliates may sell some or all of their Common Shares in the future. No prediction can be made as to the effect, if any, such future sales of Common Shares will have on the market price of the Common Shares prevailing from time to time. However, the future sale of a substantial number of Common Shares by officers, directors, Principal Shareholders and their affiliates, or the perception that such sales could occur, could adversely affect prevailing market prices for the Common Shares.

***Shareholders may be released from restrictions in their respective Lock-Up Agreements***

Shareholders, including Principal Shareholders, and directors and officers who entered into Escrow Agreements in connection with the RTO may be released from restrictions in their respective Escrow Agreements, and may sell some or all of their Common Shares. No prediction can be made as to the effect, if any, that such future sales of Common Shares will have on the market price of the Common Shares prevailing from time to time. However, the

future sale of a substantial number of Common Shares by shareholders and their affiliates, or the perception that such sales could occur, could adversely affect prevailing market prices for the Common Shares.

## INFORMATION CONCERNING MINCOM

### CORPORATE STRUCTURE

Mincom Capital Inc. (“**Mincom**” or the “**Corporation**”) was incorporated on May 24, 2011 under the CBCA. The head office of the Corporation is located at 945 Princess St. Kingston, Ontario.

### GENERAL DEVELOPMENT OF THE BUSINESS OF MINCOM

#### History

Mincom was a Capital Pool Company (“**CPC**”), as defined in Policy 2.4 of the TSX-V Corporate Finance Manual (“**Policy 2.4**”) from incorporation to May 9, 2014, following the issuance of the Exchange’s QT Final Bulletin approving the Mincom’s acquisition of the Romer property, in Québec, as its Qualifying Transaction (“**QT**”). Subsequent to the completion of the QT in accordance with Policy 2.4, Mincom commenced operations as a Tier 2 mining issuer.

The principal business of Mincom is the acquisition and development of mineral properties in North America with the aim of discovering commercially exploitable precious and base metal deposits which can either be placed into production by Mincom or disposed of for a profit to companies that wish to place such deposits into commercial production.

In May and August 2011, Mincom’s directors and officers subscribed for an aggregate of 4,700,000 Common Shares at \$0.05 per share for gross proceeds of \$235,000. The Common Shares were deposited in escrow pursuant to the terms of an escrow agreement (the “**Mincom Escrow Agreement**”) and were released from escrow in stages over a period of up to three years after the Final Exchange Bulletin issued by the TSXV on May 9, 2014.

On February 6, 2012, Mincom closed its initial public offering (“**IPO**”) raising gross proceeds of \$793,300. The IPO was comprised of 7,933,000 Common Shares at a price of \$0.10 per share. In connection with the financing, Mincom paid cash finders’ fees totaling \$79,330 and issued, as additional consideration, 793,300 non-transferable warrants which entitled the holder to acquire the same number of Common Shares at a price of \$0.10, until February 6, 2014. A syndicate of agents led by Jones Gable & Company Limited acted as agents for Mincom. Mincom filed the final prospectus for the IPO on November 8, 2011. The purpose of the offering was to provide the Company with funds with which to identify and evaluate businesses or assets with a view to completing a QT.

On February 10, 2012, the common shares of Mincom began trading on the Exchange under the ticker symbol “**MOI.P**”.

On June 11, 2012, Mincom announced that it had completed a non-brokered private placement for gross proceeds of \$234,745. The private placement was comprised of 1,564,967 common shares issued at a price of \$0.15 per share. Mincom paid a cash commission of \$13,180 in relation to this financing. All securities issued in the private placement were subject to a four (4) month hold period which expired on October 9, 2012.

On April 10, 2013, Mincom announced that it signed a letter of intent with NanoXplore Inc. (“**NanoXplore**”) pursuant to which Mincom was to acquire all of the issued and outstanding shares of NanoXplore. Mincom intended for the proposed acquisition of NanoXplore to constitute the Company’s QT in accordance with Policy 2.4.

Mincom and NanoXplore were dealing at arm’s length and accordingly, the proposed QT was not a “Non-Arm’s Length Qualifying Transaction” within the meaning of Policy 2.4. Upon completion of the Qualifying Transaction, it was expected that Mincom would be listed on the Exchange as a Tier 2 issuer.

On August 13, 2013, Mincom announced the termination of the letter of intent signed with NanoXplore. The termination of the letter of intent followed confirmation from the Exchange on August 1, 2013, that the resulting issuer, pursuant to the proposed QT, did not have sufficient “history of operations and validity of business” required to satisfy the Exchange’s minimum initial listing requirements.

On September 27, 2013, Mincom announced that it had signed into a letter agreement (the “**Agreement**”) with Focus Graphite, pursuant to which Mincom was to acquire from Focus Graphite all of its rights, title and interest in the Romer Property. Following the announcement, trading of the Common Shares was halted by the Exchange and

remained halted in accordance with Exchange policies until all required documentation with respect to the QT had been received and the Exchange was satisfied that the halt should be lifted and trading resumed on May 9, 2014.

It was intended that the acquisition of the Romer Property would constitute Mincom's QT in accordance with Policy 2.4. Mincom and Focus Graphite were not dealing at arm's length given that Gary Economo, Jeffrey York, Marc-André Bernier and Chester Burt (the "**Non-Arm's Length Parties**") are also directors of Focus Graphite. Accordingly, the QT was a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. The Non-Arm's Length Parties did not participate in the deliberations of the board of directors of Mincom in connection with the proposed transaction. The Agreement was unanimously approved by the independent directors Mincom and the letter of intent was signed on September 27, 2013.

The completion of the QT required a majority of the minority shareholder approval which was obtained on April 24, 2014, at a special meeting of shareholders of Mincom called for this purpose. Upon completion of the QT, it was expected that Mincom would be listed on the Exchange as a Tier 2 mining issuer. Mr. Réjean Girard, P. Geo (Québec), President of IOS Services Geoscientifiques ("**IOS**") of Saguenay, Québec, a qualified person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("**NI 43-101**"), was mandated to prepare a NI 43-101 compliant technical report on the Property.

The transaction was subject to Exchange and shareholder approval, and to other standard closing conditions, including satisfactory due diligence review of the Property by Mincom, and the completion of a financing (the "**Offering**") on terms satisfactory to Mincom, in its sole discretion, as necessary in order to meet the minimum listing requirements of the Exchange. The purchase price agreed to by Mincom and Focus Graphite for the purchase of the Project was \$1,000,000 as determined following an independent valuation prepared at the request of Mincom. The consideration was paid as follows: (i) CAN\$250,000 paid in cash and; (ii) 2,500,000 Common Shares, representing a deemed value of \$0.30 per share.

On May 8, 2014, the Company completed its QT with Focus Graphite and the private placement Offering raising gross proceeds of \$184,699.50. The Offering consisted of the sale and issuance of 615,665 Common Shares at a price of \$0.30 per Common Share. The Offering closed concurrently with and was conditional on the completion of the QT. The QT was also conditional on the closing of the Offering. The Offering was not conducted through an intermediary. Mincom paid a cash commission of \$11,970 in relation to the private placement and issued 39,900 non-transferable share purchase warrants exercisable at a price of \$0.30 per share until May 8, 2015. Mr. Gary Economo, the President and CEO of Mincom, and family members of a Director participated in the Offering by purchasing 293,333 Common Shares, which constitutes a related party transaction pursuant to Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Mincom relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction with Mr. Economo did not exceed 25% of Mincom's market capitalization. All securities issued in connection with the closing of the QT and the Offering were subject to a regulatory four (4) month hold period which expired on September 9, 2014. Following Exchange requirements, a total of 2,793,333 Common Shares issued pursuant to the QT and the private placement were escrowed.

On May 9, 2014, following Mincom announcing the closing of its QT with Focus Graphite and its Offering raising gross proceeds of \$184,699.50, the TSX-V issued its final bulletin announcing it accepted for filing the Mincom's QT described in its Management Information Circular dated February 25, 2014. Further to the TSX-V Bulletin, the securities of the Resulting Issuer resumed trading on the TSX-V on May 12, 2014 under the trade symbol "MOI".

### **Financing**

Mincom intends to raise capital through the Financing for aggregate total proceeds of a minimum of US\$1,900,000 and a maximum of US\$3,000,000. See "*The Proposed Transaction*".

## **SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS**

### *Selected Information*

The following information is taken from and should be read in conjunction with the financial statements of Mincom and related notes thereto attached hereto as Appendix "A" and Management's Discussion and Analysis attached hereto as Appendix "B".

Mincom incurred professional fees, filing fees, and stock-based compensation expenses during the year ending September 30, 2016 totaling \$44,835. Mincom incurred professional fees, filing fees, and travel expenses during the three and six months ended March 31, 2017 totaling \$45,932 and \$101,095 respectively. Costs were incurred in meeting the disclosure obligations required for a reporting issuer listed for trading on the Exchange. No amounts have been deferred in connection with the Proposed Transaction.

#### *Management's Discussion and Analysis*

See Schedule A for Mincom's Management's Discussion and Analysis with respect to the financial year ended September 30, 2016, and unaudited interim financial statements for the three and six months ended March 31, 2017 which should be read in conjunction with Mincom's financial statements and notes thereto for the same respective periods also incorporated by reference and attached to this Information Circular as Appendix "A".

#### **Description of the Securities**

Mincom is authorized to issue an unlimited number of Common Shares. As of the date hereof, there are 18,012,257 Common Shares issued. There are 1,138,999 Common Shares held in escrow pursuant to the Mincom Escrow Agreement dated November 7, 2011.

There are stock options outstanding in Mincom as follows:

Expiry date	Options	Exercise price
February 6, 2022	1,028,451	\$0.10

There are no warrants outstanding.

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of Mincom on the liquidation, dissolution or winding-up of Mincom and the entitlement to dividends. The holders of the Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote such shares at the meetings. Each Common Share carries with it the right to one vote. The Common Shares do not have pre-emptive rights and are not subject to redemption. Holders of the Common Shares are entitled to receive such dividends as may be declared by the Mincom Board out of funds legally available therefore. In the event of dissolution or winding up of the affairs of Mincom, holders of the Common Shares are entitled to share rateably in all assets of Mincom remaining after payment of all amounts due to creditors.

#### **Stock Option Plan**

Mincom has in place a Stock Option Plan (the "**Plan**") for the benefit of its directors, officers, employees, and consultants. The Plan is a "rolling" stock option plan, whereby the aggregate number of Common Shares reserved for issuance under the Plan, together with any other Common Shares reserved for issuance under any other plan or agreement of Mincom, shall not exceed ten (10%) percent of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an option is granted. The purpose of the Plan is to provide Mincom with a share related mechanism to attract, retain and motivate qualified directors, officers, consultants and employees, and to reward those directors, officers, consultants and employees for their contributions towards the long-term goals of Mincom.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which has been filed under Mincom's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

1. The maximum number of Common Shares which may be issued for all purposes under the Plan shall be equal to 10% of the issued and outstanding shares of the corporation at the time of the grant of the options;
2. The maximum number of Common Shares which may be reserved for issuance in favour of any individual director or officer, in any twelve (12) month period, is limited to 5% of the shares issued and outstanding;
3. The maximum number of Common Shares which may be reserved for issuance in favour of a technical consultant, in any twelve (12) month period, is limited to 2% of the shares issued and outstanding;
4. The total number of Common Shares which may be reserved for issuance to people employed to provide investor relations activities may not exceed, in any twelve (12) month period, 2% of the shares issued and outstanding and options granted to such people must vest in stages over 12 months with no more than 25% of the options vesting in any three (3) month period;

5. The exercise price per Common Share shall in all cases be not less than the discounted market price subject to a minimum exercise price of \$0.05;
6. Options are exercisable for a maximum period of ten (10) years;
7. If an optionee ceases to be an eligible person for any other reason whatsoever other than death, each option held by the optionee will cease to be exercisable on the expiry date or 12 months from the termination date, whichever comes first. If an optionee who is engaged in investor relations activities ceases to be employed for such activities, each option held by the optionee will cease to be exercisable on the expiry date or 30 days after the termination date, whichever comes first. If an optionee dies, each option held by the optionee at the time of his death will cease to be exercisable by the optionee's heirs or administrators on the expiry date or 12 months after the termination date, whichever comes first; and.
8. The options are non-assignable and not-transferable.

#### **Prior Sales**

Mincom has not sold any securities within the last 12 months.

#### **Stock Exchange Price**

Effective October 18, 2016 Mincom was halted from trading at Mincom's request and has remained halted.

The following table sets forth the high, low and closing prices and volumes of the Common Shares traded on the Exchange for the periods indicated:

<b>Period</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Volume</b>
July 1-August 28, 2017	-	-	-	-
April 1-June 30, 2017	-	-	-	-
January 1-March 30, 2017	-	-	-	-
October 19-December 31, 2016	-	-	-	-
October 1-October 18, 2016	\$0.11	\$0.04	\$0.04	108,000
July 1-September 30, 2016	\$0.06	\$0.04	\$0.05	275,500
April 1-June 30, 2016	\$0.07	\$0.03	\$0.06	208,140
January 1-March 31, 2016	\$0.04	\$0.02	\$0.03	238,500
October 1-December 31, 2015	\$0.06	\$0.02	\$0.04	550,500
July 1-September 30, 2015	\$0.08	\$0.03	\$0.05	268,000
April 1-June 30, 2015	\$0.14	\$0.08	\$0.08	260,840
January 1-March 31, 2015	\$0.14	\$0.07	\$0.08	321,400

#### **Executive Compensation**

##### ***Compensation Discussion and Analysis***

##### *Compensation Discussion and Analysis and Compensation Governance*

The objectives of Mincom's executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain Mincom's continued success;
- to align the interests of the Mincom's executives with the interests of Mincom's shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. Mincom is currently a mining company involved in exploration and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by Mincom to be appropriate in the evaluation of the performance of the NEOs.

***Purpose of the Compensation Program***

Mincom's executive compensation program has been designed to reward executives for reinforcing Mincom's business objectives and values.

***Elements of Compensation Program***

The executive compensation program consists of a combination of base salary, performance bonus and stock option incentives.

***Purpose of Each Element of the Executive Compensation Program***

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary, each NEO is eligible to receive a bonus meant to motivate the NEO and is determined on a case by case basis. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year.

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in Mincom's performance and in the value of the shareholders' investments.

***Determination of the Amount of Each Element of the Executive Compensation Program******Intervention of the Board of Directors***

Compensation of the NEOs of Mincom is reviewed annually by the Board.

***Base Salary***

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base salary amounts.

***Performance Bonuses***

The bonus for each individual NEO is determined on a case by case basis. The factors considered in assessing the bonus amounts include, but are not limited to, the position of the NEO and expense control.

***Stock Options***

Mincom has established the Plan under which stock options are granted to directors, officers, employees, and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price and expiry date. For further information regarding the Plan refer to section "Securities Authorized for Issuance Under Equity Compensation Plans".

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the Exchange.

***Compensation Risk Management***

The Board has not proceeded to an evaluation of the implications of the risks associated with Mincom's compensation policies and practices. Mincom has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of Mincom's securities granted as compensation or held, directly or indirectly, by directors or officers. Mincom is not, however, aware of any directors or officers having entered into this type of transaction.

***External Compensation Consultants***

During the fiscal years ended September 30, 2016 and 2015, Mincom did not retain the services of executive compensation consultants to assist the Board in determining compensation for any of Mincom's NEOs or directors.

### ***Link to Overall Compensation Objectives***

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program. The fixed base salary of each NEO, combined with the performance bonuses and granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

### ***Summary Compensation***

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by Mincom and its subsidiaries for services in all capacities to Mincom during the three (3) most recently completed financial years:

Name and principal position	Year	Salary (\$)	Share-based awards	Option-based awards	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Gary Economo President & CEO	2016	36,000	-	-	-	-	-	-	36,000
	2015	63,000	-	-	-	-	-	-	63,000
	2014	0	-	-	-	-	-	-	0
Judith Mazvihwa-MacLean CFO	2016	0	-	-	-	-	-	-	0
	2015	0	-	-	-	-	-	-	0
	2014	0	-	-	-	-	-	-	-

### ***Incentive Plan Awards***

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned paid, or payable under an incentive plan.

#### ***Outstanding Share-Based Awards and Option-Based Awards***

There were no outstanding share-based awards or option-based awards outstanding as of September 30, 2016 except the stock options see “*Information Concerning Mincom – Stock Option Plan*”.

#### ***Incentive Plan Awards – Value Vested or Earned During the Year***

No incentive plan awards were vested or earned during the most recently completed financial year by the NEOs.

For a summary of the material provisions of the Plan, please see “*Information Concerning Mincom – Stock Option Plan*”. There was no re-pricing of stock options under the Plan or otherwise during Mincom’s most recently completed financial year ended September 30, 2016.

### ***Pension Plan Benefits***

Mincom has had no pension, defined benefit, defined contribution or deferred compensation plans in place.

### ***Termination and Change of Control Benefits***

Mincom has no contract, agreement, plan or arrangement that provides for payments to any NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of Mincom or a change in responsibilities of the NEO.

### ***Director Compensation***

No director of Mincom who is not a NEO received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or expert.

*Outstanding Share-Based Awards and Option-Based Awards*

There were no outstanding share-based awards or option-based awards outstanding as of September 30, 2016 except the stock options. See “*Information Concerning Mincom – Stock Option Plan*”.

*Incentive Plan Awards – Value Vested or Earned During the Year*

No incentive plan awards were vested or earned during the most recently completed financial year by the independent directors. For a summary of the material provisions of Mincom’s current Stock Option Plan, please see “*Information Concerning Mincom – Stock Option Plan*”. There was no re-pricing of stock options under the plan or otherwise during Mincom’s most recently completed financial year ended September 30, 2016.

**Management Contracts**

There are currently no management contracts in place.

**Non-Arm’s Length Party Transactions/Arm’s Length Transactions**

*JAG Sky Inc.*

During the 2015 and 2016 fiscal years, Mincom prepaid amounts totaling \$25,000 to JAG Sky Inc., a private air charter services company wholly-owned by an Officer and Director of Mincom, for air travel to be used at a later date. As at September 30, 2016, the entire amount is included in prepaid expenses (\$10,000 as at September 30, 2015).

*Focus Graphite Inc.*

During the year ended September 30, 2016, Mincom was charged \$5,000 by Focus Graphite, which shares common management, for accounting and administrative services and other administrative expenses (2015 - \$10,000). As at September 30, 2016, \$5,000 is included in accounts payable and accrued liabilities (2015 - \$10,000).

*Grafoid Inc.*

As at September 30, 2016, included in accounts payable and accrued liabilities was an amount of \$1,575 (2015 - \$2,486) due to Grafoid, which shares common management, related to other general shared costs.

***The Proposed Transaction***

**The Proposed Transaction is not an Arm’s Length Transaction. Mincom and Grafoid share common management. Focus Graphite owns 7,797,849 of the issued and outstanding shares of Grafoid representing 18.17%. Focus Graphite will own 2,500,000 Resulting Issuer Shares. Grafoid will own 10,000,000 Resulting Issuer Shares.**

**Focus Graphite’s directors are: Marc-André Bernier, Gary Economo, Jeffrey York, and Chester Burt. Grafoid’s directors are: Gary Economo, Jeffrey York, Lindsay Weatherdon, and J. Craighill Redwine.**

**Gary Economo, Jeffrey York, Chester Burt, and Marc-André Bernier are currently directors of Mincom. Messrs. Economo, York, and Burt will be directors of the Resulting Issuer.**

**Mr. Economo is the CEO, COO and President of Focus Graphite, CEO of Grafoid, and CEO and President of Mincom and the Resulting Issuer. Judith Mazvihwa-MacLean is CFO of Mincom, Grafoid, and Focus Graphite. She will be the CFO of the Resulting Issuer.**

***Requisite Securityholder Approvals for the Proposed Transaction***

In order to be effective, the Proposed Transaction Resolution must be carried by:

- as required by the CBCA, the affirmative vote of at least two-thirds of the votes cast at the Meeting either in person or by proxy by the holders of the Common Shares,
- as required by section 5.6 of MI 61-101, a majority of votes cast by Minority Shareholders (which excludes those votes attaching to shares owned by any Non-Arm's Length Party to the Proposed Transaction).

To the knowledge of management, as at the date hereof, the shareholders whose votes are required to be excluded for purposes of "minority approval" are the Focus Graphite, Gary Economo, Jeffrey York, Chester Burtt and Marc-André Bernier who, collectively, beneficially own, control or direct, directly or indirectly an aggregate of 6,683,333 Common Shares representing, approximately, an aggregate of 37.1% of the outstanding Common Shares.

#### **Legal Proceedings**

There are no actual or pending material legal proceedings to which Mincom is, or is likely to be, a party or of which any of its assets is, or is likely to be, subject. Management of Mincom is not aware of any legal proceedings contemplated against Mincom.

#### **Auditor, Transfer Agents and Registrars**

The auditors of Mincom are MNP LLP, 1600 Carling Ave #800, Ottawa, ON K1Z 1G3.

The transfer agent and registrar of Mincom is Computershare Investor Services Inc., 1500 Robert-Bourassa Boulevard, 7<sup>th</sup> Floor, Montreal, QC H3A 3S8.

#### **Material Contracts**

Following is a list of each material contract entered into by Mincom, other than contracts entered into in the ordinary course of business:

1. Letter of Intent dated as of October 18, 2016 between Grafoid Inc. and Mincom Capital Inc.;
2. Share purchase agreement date as of March 8, 2017 between Grafoid Inc. and Mincom Capital Inc.

Copies of these agreements will be available for inspection without charge at the offices of Mincom during normal business hours until the closing of the Proposed Transactions and for a period of 30 days thereafter.

### **INFORMATION CONCERNING BRAILLE CORPORATE STRUCTURE**

#### **Name and Incorporation**

Braille Holdings, Inc., a corporation organized under the laws of the State of Florida on May 5, 2010. Its principal place of business is located at 6935 15<sup>th</sup> Street East, Building 115, Sarasota, FL 34243.

Braille Battery, Inc., a corporation organized under the laws of the State of Florida filed on March 18, 2010, effective January 1, 2009. Its principal place of business is located at 6935 15<sup>th</sup> Street East, Building 115, Sarasota, FL 34243.

#### **Intercorporate Relationships**

Braille Battery is a wholly owned subsidiary of Braille Holdings. Braille Battery has no subsidiaries. Braille Holdings is a holding company and does not carry on business other than to hold all the issued and outstanding shares of Braille Battery. Braille Battery is an operating company and carries on the business of a battery assembler and retailer. See "*Information Concerning Braille – Narrative Description of the Business – Braille Battery Operations*".

### **GENERAL DEVELOPMENT OF BUSINESS**

#### ***Braille Holdings and Braille Battery Background and History***

Braille Holdings is the sole shareholder of Braille Battery. It is a holding company and carries on no business other than to hold all the issued and outstanding shares of Braille Battery.

Since 2007, Braille Battery has assembled and sold lightweight lithium-ion high performance batteries and also distributes and sells AGM carbon fiber race batteries. Prior to 2007, Braille produced lightweight components for race vehicles.

In 2008, Braille Battery released its Endurance line of lightweight batteries for large displacement and large power demand applications. Braille also released the B129 and B2618 battery to suit the needs of racing team, original equipment manufacturers and customers. Braille began developing battery technology for alternative energy and advanced vehicle design concepts. Costs associated with these developments are estimated to be between US\$60,000 and US\$100,000. In 2009, Braille Battery released a new line of batteries to original manufacturers and racing teams to replace older line of Braille products. The B20145 and B4032 were higher performance batteries. Costs associated with these developments are estimated to be between US\$60,000 and US\$100,000. Braille Battery also released a lightweight 16 volt battery in AGM chemistry. In 2011, Braille Battery released its lithium technology line of batteries. The Green-Lite and Intensity product line were introduced to the market at a price point lower than other Braille Battery products.

In 2014, Grafoid acquired its 75% interest in the issued and outstanding shares of Braille Holdings. The aggregate consideration for the shares comprised of US\$1,000,000 cash and 1,000,000 warrants to purchase shares of Grafoid at price of US\$0.10 for 10 years.

Following the Completion, the business of Braille will be focused on green energy storage. It will leverage Braille's brand-recognition to focus on the creation of next generation energy applications for the burgeoning sectors of transportation electrification and energy storage. See "*Information Concerning the Resulting Issuer – Narrative Description of the Business*".

#### ***Significant Acquisitions and Dispositions***

Neither Braille Holdings nor Braille Battery has made any significant acquisitions or dispositions during the most recently completed financial year or the current financial year.

### **NARRATIVE DESCRIPTION OF THE BUSINESS**

#### **GENERAL**

##### **PRINCIPAL PRODUCTS OR SERVICES**

Braille Battery assembles its own lithium-ion battery line and distributes a full multi-level line of batteries and accessories pre-assembled by a network of suppliers in North America and Europe. Braille Battery's products are sold through distributors and on-line, to individuals and companies for the automotive racing industry. For the last two completed financial years, sales of Braille Battery's principal products to customers have generated aggregate sales of \$4,413,268.

##### **OPERATIONS**

Braille Battery assembles its products at its facility in Sarasota, Florida by combining prefabricated components delivered by third party suppliers and in-house fabricated components. Braille Battery offers custom designed battery application solutions. Customers can input their specific requirements for a custom battery and Braille Battery will assemble the product to the customers' specifications.

Braille Battery's assembly operations are located in Sarasota, Florida. Machinery and equipment required to operate the business are owned and leased by Braille Battery.

Raw materials and component parts are widely available. Battery cells and parts are purchased from a network of approximately twenty-two (22) different suppliers.

Braille Battery is the exclusive battery provider for a number of professional auto racing series, including Indycar's Indy Lights driver development series<sup>5</sup> and, from November 2014 to 2016, the Virgin Australia Supercars Championship.<sup>6</sup>

Braille Battery has eight employees in administrative, marketing, sales, and manufacturing departments all located in Sarasota, Florida. Mincom's management has identified no specific risk with the foreign operations of Braille Battery. Braille Battery is not dependent on foreign operations. See "*Risk Factors and Information Concerning the Resulting Issuer*".

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<sup>5</sup> See <http://www.indylights.com/about/partners> (August 16, 2017).

<sup>6</sup> See <http://www.supercars.com/news/championship/braille-battery-power-for-v8-supercars-until-2016/> (August 16, 2017)

Braille has a significant amount of in house knowledge and experience with respect to in-house battery assembly expertise, developed over nearly 15-years in building the Braille brand. Braille benefits from shared expertise as a member of the 2GL Platform group of companies in critical materials development and material science development, battery-grade graphite expertise from Focus Graphite, graphene development expertise from Grafoid, lithium development expertise from Stria Lithium Inc. and material science expertise from ALCERECO Inc. It is anticipated that, through the License and Royalty Agreement with Grafoid, Braille will continue to benefit from this shared expertise. See – *“Information Concerning Braille – Non-Arm’s Length Party Transactions”*.

## **MARKET**

The main market segment to which Braille Battery sells its principal products is the automotive racing industry. This includes professional racing series, individual professional racing teams, and amateurs and hobbyists.

## **BRAILLE BATTERY MARKETING PLANS AND STRATEGIES**

Braille Battery products are marketed through direct sales, participation in industry events and trade shows. For the financial year ended September 30, 2016, Braille Battery had marketing and promotion expenses of US\$99,829.25 of which, US\$65,318.91 was allocated as advertising and promotional discounts and US\$24,581.84 was allocated to expenses related to attendance at industry events and trade shows.

Braille Battery has adopted a tiered pricing policy. Market prices are offered to retail customers, and discounts are provided on volume orders by wholesalers, distributors, and dealers.

Braille Battery batteries are designed, intended, promoted, sold and warranted in street and race vehicles, whereas many companies void warranty when used in racing applications.

## **COMPETITIVE CONDITIONS**

Braille Battery’s direct competitors are other light weight lithium-ion battery producers: Smart Battery, Optima (Johnson Controls), Odyssey (Energys), XS Power, Super B, Lithium Pros. Braille Battery also competes, indirectly with lead acid battery companies such as East Penn and Crown.

Political conditions which embrace non-traditional energy storage devices, such as lithium-ion batteries will encourage new competitors into the marketplace specifically in Europe and China.

## **BRAILLE BATTERY FUTURE DEVELOPMENTS**

Currently, management has determined that no further develop or improvements Braille Battery’s products are required other than as it relates to the regulatory requirements necessary to comply with the terms of the FAA Order.

The FAA Order was issued on September 22, 2016 and outlined deficiencies with respect to Braille Battery shipping and handling of batteries and UL testing standards. The FAA Order restricts Braille Battery from shipping its products by air. Braille Battery is updating its packaging requirements, updating its website, and updating employees’ certification for UL Testing standards in order to comply with the FAA Order. Braille Battery expects the FAA Order to be lifted in the near term, but there is no guarantee that this will occur – see *“Risk Factors”*

## **PROPRIETARY PROTECTION**

Braille Battery’s logo is a registered trademark. Braille Battery has also filed a trademark application to trademark the Fleet Lite-line of battery products in the United States, Canada and Mexico.

## **LENDING**

Braille Holdings and Braille Battery have no lending operations.

## **SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS**

### **Summary of Financial Information**

The following table sets out consolidated financial information of Braille and should be read in conjunction with the financial statements attached hereto as Appendix “C”. The Braille financial statements are calculated and presented in Canadian currency. The fiscal year ended September 30, 2016.

	Audited		Unaudited			
	Fiscal year ending September 30,		Three month interim period ending March 31, 2017		Six month interim period ending March 31, 2017	
	2016	2015	2017	2016	2017	2016
Total Revenue	\$2,320,636	\$2,092,632	\$702,314	\$580,159	\$1,107,198	1,160,318
Net Income/Loss	(\$768,403)	(\$2,156,964)	66,989	(\$192,100)	(148,578)	(384,200)
As At	<b>September 30, 2016</b>	<b>September 30, 2015</b>			<b>March 31, 2017</b>	<b>March 31, 2016</b>
Total Assets	708,425	\$694,650			871,788	607,790
Total Liabilities	\$4,248,075	\$3,532,411			4,611,141	3,723,069

### Management's Discussion and Analysis for the Year Ended September 30, 2016

The Braille MD&A is attached hereto as Appendix "D" and should be read in conjunction with the financial statements attached hereto as Appendix "C".

#### TRENDS

Other than such trends as are discussed elsewhere in this Information Circular (see "*Information Concerning Braille Battery – General Development of the Business and Narrative Description of the Business*"), management of Braille Battery is not aware of any trend, commitment, event or uncertainty that is reasonably expected to have a material effect on the business, financial condition or results of operations of Braille Battery.

#### SECURITIES

##### ***Braille Holdings, Inc.***

Braille Holdings is authorized to issue 100,000,000 common shares.

##### *Common Shares of Braille Holdings*

Voting rights:	Holders of common shares have unlimited voting rights.
Rights upon dissolution or winding up:	Holders of common shares are entitled to receive the net assets of the corporation upon dissolution

##### ***Braille Battery, Inc.***

Braille Battery is authorized to issue 10,000 common shares.

##### *Common Shares of Braille Battery*

Voting rights:	Holders of common shares have unlimited voting rights.
Rights upon dissolution or winding up:	Holders of common shares are entitled to receive the net assets of the corporation upon dissolution
Pre-emptive rights	Each holder of common shares has the first right (subject to adjustments to avoid the issuance of fractional shares) to purchase shares of any other securities that Braille Battery may issue from time to time, whether or not such shares are presently authorized, including shares from the treasury of Braille Battery, in the ratio that the number of common shares are held by such shareholder at the time of the issue then bears to the total number of common shares then outstanding. This right is waived by any holder of the common shares who does not exercise it and

pay for the securities available for purchase pursuant to such preemptive rights, within 15 days of his receipt of a written notice from Braille Battery inviting him to exercises such right.

## CONSOLIDATED CAPITALIZATION

### *Braille Holdings, Inc.*

Designation of security	Amount authorized or to be authorized	Amount outstanding as of September 30, 2016	Amount outstanding as of August 28, 2017
Common Shares	100,000,000	20,000,000	20,000,000

### *Braille Battery, Inc.*

Designation of security	Amount authorized or to be authorized	Amount outstanding as of September 30, 2016	Amount outstanding as of August 28, 2017
Common Shares	10,000	10,000	10,000

### Prior Sales

There were no issuances of shares in the capital of Braille Holdings or Braille Battery from treasury in the twelve (12) month period immediately preceding the date of this Information Circular.

### Stock Exchange Price

Braille Holdings and Braille Battery are private corporations and are not listed on any stock exchange or other trading system.

## EXECUTIVE COMPENSATION

### Compensation of Directors

The following table sets out the compensation paid to the Directors of Braille Holdings:

Person	Year Ended September 30,	Salary	Share Based Awards	Option Based Awards	Non-Equity Incentive Plan Compensation (\$)		Pension Value	All Other Compensation	Total Compensation
					Annual Incentive Plans	Long Term Incentive Plans			
Gary Economo	2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Jeffrey York	2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lindsay Weatherdon	2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

To date, none of the directors of Braille Holdings earned or were paid any compensation (cash or otherwise) for their services as directors of Braille Holdings or in any other capacity except as otherwise disclosed herein.

### Compensation of Executive Officers

The following table sets out the compensation paid to the Executive Officers of Braille Battery:

**Summary Compensation Table**

Person	Year Ended September 30,	Salary (\$)	Share Based Awards (\$)	Option Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation(\$)
					Annual Incentive Plans	Long Term Incentive Plans			
Gary Economo	2016	36,000	0	0	0	0	0	0	36,000
Judith Mazvihwa-MacLean	2016	0	0	0	0	0	0	0	0

**Termination of Employment, Change in Responsibilities and Employment Contracts**

Braille does not have any plan, contract or arrangement, compensatory or otherwise; (i) regarding the employment of an executive officer, or (ii) whereby an executive officer is entitled to receive more than \$100,000 (including periodic payments or instalments) in the event of such officer's resignation, retirement or employment, a change of control of Braille Battery, or a change in the officer's responsibilities following a change in control of Braille Battery.

**NON-ARM'S LENGTH PARTY TRANSACTIONS**Grafoid Inc.

Braille Battery products rely on technology developed by Grafoid. On August 28, 2017, Braille Battery and Grafoid entered into a license and royalty agreement (the "**License and Royalty Agreement**") whereby Grafoid agreed to license certain intellectual property rights, including Grafoid's graphene based products for the enhancement of battery technology. Under the terms of the License and Royalty Agreement, Braille Battery agrees to pay Grafoid a royalty of 10% of the total annual sales of products sold by Braille Battery, excluding freight and delivery costs. The initial term of the License and Royalty Agreement is 10 years and may be extended or renewed on written agreement of the parties.

Braille Battery has received funding from Grafoid, Braille's parent company, which has a 75% ownership interest in Braille Holdings. As at March 31, 2017, \$3,717,658 is due to Grafoid from Braille. The amount includes a non-interest bearing amount of \$1,193,270, an interest-bearing amount of \$2,200,826 and accrued interest of \$323,562. The interest bearing amount bears interest at 10% annually. All amounts are secured by Braille's trade receivables.

On July 12, 2017, Braille and Grafoid executed a Forbearance Agreement whereby Grafoid agreed not to enforce repayment of the loan until September 30, 2019. Braille retained the right to repay any or all of the loan prior to September 30, 2019, if Braille determines it is prudent to do so.

JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.)

Braille leases equipment on a monthly basis from JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.) ("**JAG Equipment**"), a privately-held business owned by two directors of Grafoid. During the year ended September 30, 2016, Braille was charged a total of \$55,658 (2015 - \$25,813) by JAG Equipment for equipment rental. As at September 30, 2016, included in amounts due to related parties was an amount of \$82,637 (2015 - \$28,128) due to JAG Equipment. During the six months ended March 31, 2017, Braille was charged a total of \$27,853 (2016 - \$27,830) by JAG Equipment for equipment rental. As at March 31, 2017, included in amounts due to related parties was an amount of \$111,804 (\$82,637 as at September 30, 2016) due to JAG Equipment.

Director and Officers

As at March 31, 2017, included in amounts due to related parties was \$119,790 (US\$90,000) due to a director and two officers of Braille, each of whom loaned Braille \$39,930 (US\$30,000) for working capital purposes. The loans bear interest at 10% annually and are repayable over twelve months, beginning in October 2018. Additionally, Braille received a short-term loan from one of its officers in the amount of \$21,296 (US\$16,000), which is included in amounts due to related parties. The amount is non-interest bearing and payable on demand.

## LEGAL PROCEEDINGS

There are no actual or pending material legal proceedings to which Braille Holdings is, or is likely to be, a party or of which any of its assets is, or is likely to be, subject. Management of Braille Holdings is not aware of any legal proceedings contemplated against Braille Holdings.

There are no actual or pending material legal proceedings to which Braille Battery is, or is likely to be, a party or of which any of its assets is, or is likely to be, subject. Management of Braille Battery is not aware of any legal proceedings contemplated against Braille Battery save and except for as follows:

1. On January 4, 2017, Braille Battery received a letter from Kernaghan Adjusters, who identified themselves as the insurance adjusters for FedEx. The letter's intent is to put Braille Battery on notice that FedEx considers Braille Battery to be responsible for the losses suffered on June 3, 2016 in Brampton, Ontario, resulting from a fire in a FedEx vehicle carrying, among other items, Braille Battery's lithium ion batteries. The NTSB is investigating the cause of the fire. As of the date of the Information Circular, NTSB has not concluded that Braille Battery's batteries were the cause of the fire.

As of the date of the Information Circular, Braille Battery has not been served with any claim or demand for payment of any loss suffered by FedEx. None of FedEx's allegations have been proven in court and Braille Battery denies any fault.

2. On August 28, 2017, Braille Battery received a statement of claim dated August 17, 2017 from plaintiff, H. Clay Kellogg (the "**Plaintiff**"), a Braille Battery customer (the "**Kellogg Claim**"). The Kellogg Claim alleges breach of warranty breach of implied warranty of merchantability, negligence (product liability), and violation of the *Song-Beverly Consumer Warranty Act* (California). The Kellogg Claim was filed in the Superior Court of California, County of Orange. Plaintiff claims that on or about September 8, 2016, he suffered a total loss of US\$145,000 to his custom off-road buggy and garage caused by a fire originating from a Braille Battery battery and charger. The Kellogg Claim states that the Plaintiff promptly made a claim with Braille Battery and fully cooperated with their insurer. Plaintiff alleges that Braille Battery failed to honour the product warrant in any manner and blamed Plaintiff for the fire.

Management intends to defend itself against this action and will file such statements of defence as are required in the requisite time periods. None of the claims have been proven in a court of law.

## AUDITOR

The auditors of Braille Holdings and Braille Battery are MNP LLP.

## MATERIAL CONTRACTS

Braille Holdings and Braille Battery have not entered into any contracts material to holders of Common Shares other than in the normal course of business operations, other than:

1. the Share Purchase Agreement dated March 8, 2017, among Mincom, Grafoid, and Braille Holdings in relation to the Proposed Transaction (see "*The Proposed Transaction – Material Aspects of the Share Purchase Agreement*");
2. the License and Royalty Agreement dated August 28, 2017, between Braille Battery and Grafoid (see "*Non-Arm's Length Party Transactions*");
3. the Forbearance Agreement dated July 12, 2017 among Braille Holdings and Grafoid (see "*Non-Arm's Length Party Transactions*");
4. the Escrow Agreement dated as of the Closing between Grafoid, Mincom and the Escrow Agent.

Each of the material contracts is available for inspection at no cost at the registered office of Braille Holdings during normal business hours until the date of the closing of the Proposed Transaction and for a period of thirty (30) days thereafter.

## THE PROPOSED TRANSACTION

Mincom intends to purchase all of the issued and outstanding shares of Braille Holdings owned by Grafoid for a purchase price of US\$2,000,000 payable as to cash in the amount of US\$500,000 and US\$500,000 by way of the Note, and as to the issuance of 10,000,000 Common Shares to Grafoid representing a deemed value of

US\$1,000,000. The Proposed Transaction is subject to compliance with all necessary regulatory approvals and certain other terms and conditions.

The Proposed Transaction is a Related Party Transaction. In order to be effective, the Proposed Transaction Resolution must be carried by:

- as required by the CBCA, the affirmative vote of at least two-thirds of the votes cast at the Meeting either in person or by proxy by the holders of the Common Shares,
- as required by section 5.6 of MI 61-101, a majority of votes cast by Minority Shareholders (which excludes those votes attaching to shares owned by any Non-Arm's Length Party to the Proposed Transaction).

To the knowledge of management, as at the date hereof, the shareholders whose votes are required to be excluded for purposes of "minority approval" are Focus Graphite, Gary Economo, Jeffrey York, Chester Burt and Marc-André Bernier who, collectively, beneficially own, control or direct, directly or indirectly: (i) an aggregate of 6,683,333 Common Shares, representing, approximately, an aggregate of 37.1% of the outstanding Common Shares.

Mincom is relying on the exemption available under section 5.5(b) of MI 61-101 from the formal valuation requirement on the basis that no securities of Mincom are listed on a specific market set out in such section. The Exchange will not require a formal valuation under Exchange Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*.

The Proposed Transaction was approved by Marc-André Bernier and Chester Burt who are independent directors within the meaning of NI 58-101 (see "*Proxy Related Information*").

Pursuant to the Share Purchase Agreement, Mincom will acquire all of the issued and outstanding securities of Braille Holdings held by the Grafoid.

After completion of the Proposed Transaction and prior to the closing of the Financing, there will be 28,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 Common Shares (64.30%) and Grafoid will own 10,000,000 Common Shares (35.70%). Accordingly, the Proposed Transaction will constitute a reverse takeover of Mincom pursuant to Exchange Policy 5.2 – *Changes of Business and Reverse Takeovers*. See "*Information Concerning Resulting Issuer – Pro Forma Consolidated Capitalization*."

Together with the expected closing of the Minimum Financing concurrently with the Proposed Transaction, the outstanding share capital of Mincom is expected to consist of an aggregate of 47,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (38.31%), Grafoid will own 10,000,000 (21.27%) and shareholders pursuant to the Minimum Financing will hold 19,000,000 Common Shares (40.42%).

Together with the expected closing of the Maximum Financing concurrently with the Proposed Transaction, the outstanding share capital of Mincom is expected to consist of an aggregate of 58,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (31.05%), Grafoid will own 10,000,000 (17.24%) and shareholders pursuant to the Maximum Financing will hold 30,000,000 Common Shares (51.71%). See "*Information Concerning Resulting Issuer – Pro Forma Consolidated Capitalization*."

#### **Material Aspects of the Share Purchase Agreement**

The Share Purchase Agreement provides that the consideration shall be the Purchase Price paid to Grafoid as to cash in the amount of US\$500,000 and US\$500,000 by way of the Note and as to the balance by way of the issuance of 10,000,000 Common Shares representing a deemed value of US\$1,000,000.

In the Share Purchase Agreement, each of Mincom, Grafoid, Braille Holdings and Braille Battery make customary representations and warranties to the other regarding, among other things, (i) its due incorporation and organization and its capacity to carry on business; (ii) its capitalization, including rights, warrants and options to acquire securities; (iii) its corporate power and authority to enter into, and its due authorization of the execution and delivery of, the Share Purchase Agreement; (iv) its financial statements; (v) the absence of any material adverse change in its business or condition; (vi) title to its assets; (vii) the absence of undisclosed liabilities; (viii) the absence of claims and suits; (ix) compliance with all applicable laws and regulations; (x) the performance of its obligations under the Share Purchase Agreement and the consummation of the agreement not violating its articles and by-laws, applicable law or material agreements; (xi) the absence of loans to certain non-arm's length parties; and (xii) the filing of all of its tax returns and the payment of all of its taxes on a timely basis.

Mincom, Grafoid, Braille Holdings and Braille Battery have agreed to cooperate with each other and to generally take all such actions as may be necessary for the Completion of the Proposed Transaction.

The Share Purchase Agreement is subject to the normal conditions customary for this type of transaction, and certain other conditions, the material terms of which are summarized below. If each of the conditions has not been satisfied or waived prior to the Completion of the Proposed Transaction, either party may terminate the Share Purchase Agreement.

Pursuant to the Share Purchase Agreement, the obligations of each of Mincom, Grafoid, Braille Holdings and Braille Battery to complete the Proposed Transaction are subject, *inter alia*, to the following conditions:

- Braille shall have obtained the consents and waivers contemplated in the Share Purchase Agreement.
- There shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Share Purchase Agreement and the Proposed Transaction.
- None of the consents, orders, regulations or approvals contemplated in the Share Purchase Agreement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by the parties to the Share Purchase Agreement.

#### **Finder's Fee**

There is a finder's fee payable upon the Completion of the Proposed Transaction in the amount of up to \$319,440 cash and up to 2,400,000 non-transferable warrants entitling the holder thereof to purchase the same number of Resulting Issuer Shares at a price of \$0.18 per Resulting Issuer Share for a period of four (4) years from the Closing.

#### **Financing**

In conjunction with the Proposed Transaction, Mincom intends to raise capital through the Financing for aggregate total proceeds of a minimum of US\$1,900,000 (the "**Minimum Financing**") maximum of US\$3,000,000 (the "**Maximum Financing**"). Closing of the Financing is a condition of closing of the Proposed Transaction pursuant to Exchange Policy 5.2 – *Change of Business and Reverse Takeover*.

The Financing will consist of issuing a minimum of 19,000,000 Mincom Units and a maximum of 30,000,000 Mincom Units at a price of US\$0.10. Each Mincom Unit will consist of one (1) Common Share and one (1) Mincom Warrant. Each Mincom Warrant entitles the holder to purchase a Common Share (a "**Warrant Share**") at an exercise price of \$0.18 per Warrant Share for a period of 48 months following the Closing of the Financing. Notwithstanding the foregoing, if at any time after four (4) months and one (1) day following the Closing, the trading price of the Common Shares on the Exchange is equal to or exceeds \$0.30 for 10 consecutive trading days, as evidenced by the price at the close of market, Mincom shall be entitled to notify the holders of Warrants of its intention to force the exercise of the Warrants. Upon receipt of such notice, the holders of Warrants shall have 30 days to exercise the Warrants, failing which the Warrants will automatically expire.

#### **INFORMATION CONCERNING THE RESULTING ISSUER**

*The following information is presented on a post-Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. As the Resulting Issuer will be the same corporate entity as Mincom, this section only includes information respecting Mincom and its investment in Braille Battery as after the Transaction that are materially different from information provided earlier in this Information Circular. Please see "Information Concerning Mincom" and "Information Concerning Braille Battery" for additional information regarding Mincom and Braille Battery. See also the Pro Forma Balance Sheet of the Resulting Issuer attached hereto as Appendix "E".*

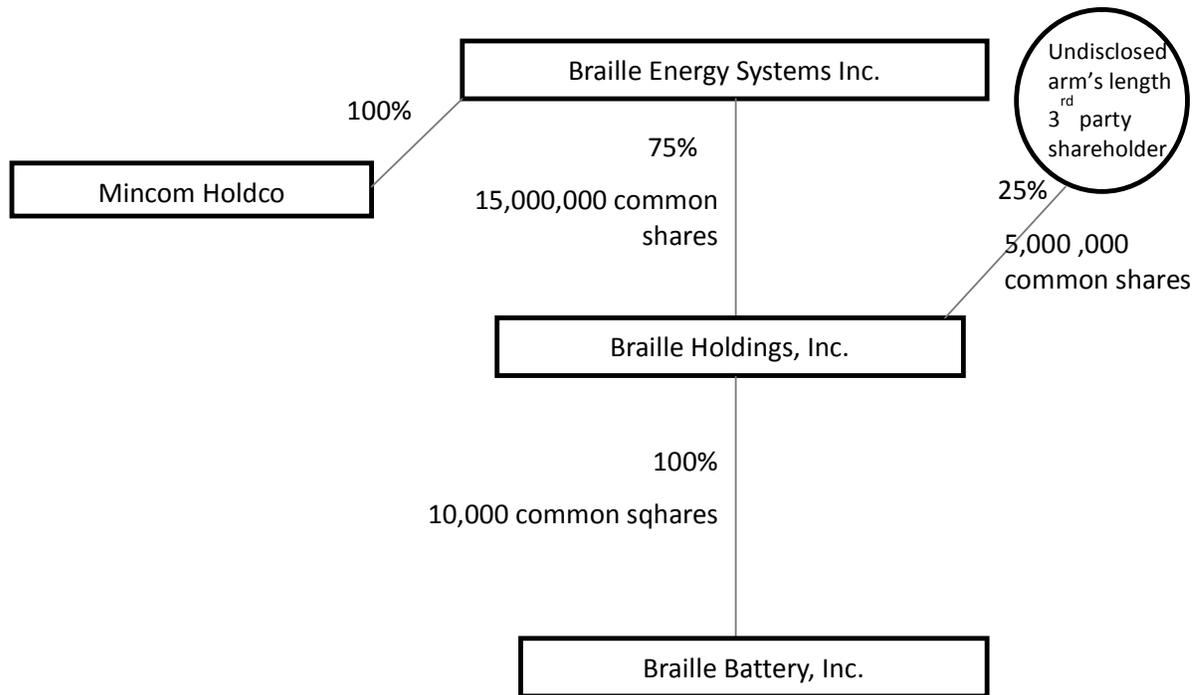
#### **CORPORATE STRUCTURE**

##### **Name and Incorporation**

The name of the Resulting Issuer will be Braille Energy Systems Inc. ("**Braille Energy**") or such other name as may be accepted by the relevant regulatory authorities and approved by the shareholders of the Resulting Issuer. See "*Proxy Related Information*". Braille Energy will continue under the CBCA. Braille Energy has reserved with the Exchange the stock symbol "BES" for the Resulting Issuer. It is anticipated that the Resulting Issuer's registered and head office will be located at 945 Princess St., Kingston, Ontario K7L 0E9.

**Intercorporate Relationships**

Following Completion of the Proposed Transaction, the Resulting Issuer will own 75% of the issued and outstanding securities of Braille Holdings and 100% of the issued and outstanding securities of Mincom Holdco. The remaining shares of Braille Holdings will continue to be held by an arm's length individual shareholder. Braille Battery will continue to be a wholly owned subsidiary of Braille Holdings. See "*Information Concerning Braille Holdings – Intercorporate Relationships*".

**Resulting Issuer Organizational Chart****NARRATIVE DESCRIPTION OF THE BUSINESS****Stated Business Objectives**

Following the Completion, the business of the Resulting Issuer will be focused on green energy storage. It will focus on the creation of energy applications for the burgeoning sectors of transportation electrification and energy storage. The Resulting Issuer will specialize as a Canadian developer of fast charging, long life battery materials and products from materials derived from graphite and graphene. Braille Energy will transition and grow to a battery development company from a battery sales company. It will leverage its position as a member of the 2GL Platform, an innovative collaborative alliance of leading critical material companies that integrates graphene, graphite and lithium to produce, jointly market and sell light, high capacity battery solutions.

Braille Energy intends to expand Braille Battery's assembly operations to Canada and to establish its innovation research and development and logistics facilities in Kingston, Ontario. Braille Energy proposes to hire qualified outside scientific and commercial managers, as well as secure private, public and institutional financing and investment to achieve its growth objectives.

**Milestones**

A summary timeline of major events to be completed by the Resulting Issuer is as follows:

Event	Forecasted Date	Costs
Hiring qualified outside scientific and commercial managers	January 2019	\$195,000.0
Establishing feasibility testing results of new battery materials	January 2019	\$195,000.0
Implementing marketing plans for international markets	January 2019	\$195,000.0
Expand US operations to Kingston, ON headquarters	December 2019	\$915,000.0
<b>TOTAL</b>		<b>\$1,500,000.0</b>

**DESCRIPTION OF THE SECURITIES**

The current authorized capital of Mincom will be the authorized capital of the Resulting Issuer, which is comprised of an unlimited number of Common Shares.

Together with the expected closing of the Minimum Financing concurrently with the Proposed Transaction, the outstanding share capital of Mincom is expected to consist of an aggregate of 47,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (38.31%), Grafoid will own 10,000,000 (21.27%) and shareholders pursuant to the Minimum Financing will hold 19,000,000 Common Shares (40.42%).

Together with the expected closing of the Maximum Financing concurrently with the Proposed Transaction, the outstanding share capital of the Resulting Issuer will consist of an aggregate of 58,012,257 Common Shares issued and outstanding, of which current shareholders of Mincom will own 18,012,257 (31.05%), Grafoid will own 10,000,000 (17.24%) and shareholders pursuant to the Maximum Financing will hold 30,000,000 Common Shares (51.71%). See *“Information Concerning Resulting Issuer – Pro Forma Consolidated Capitalization.”*

## PRO FORMA CONSOLIDATED CAPITALIZATION

### Pro Forma Consolidated Capitalization

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the Proposed Transaction, as more particularly described in the Pro Forma Consolidated Balance Sheet as at March 31, 2017 attached hereto as Appendix “E”.

<b>Pro Forma Consolidated Capitalization of the Resulting Issuer</b>				
Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Proposed Transaction <sup>(1)</sup>	Amount Outstanding After Giving Effect to the Minimum Financing <sup>(2)</sup>	Amount Outstanding After Giving Effect to the Maximum Financing <sup>(3)</sup>
Common Shares <sup>(4)</sup>	Unlimited	28,012,257	47,012,257	58,012,257

Notes:

- (1) There are 1,028,451 stock options outstanding pursuant to the Plan (please see *“Information Concerning Mincom – Stock Option Plan”*). A total of 17,317,333 Common Shares will be subject to escrow or hold periods in excess of four months pursuant to Exchange policies (please see *“Information concerning the Resulting Issuer – Escrowed Securities”*).
- (2) Assumes the Minimum Financing funds are raised. See *“The Proposed Transaction”*.
- (3) Assumes the Maximum Financing funds are raised. See *“The Proposed Transaction”*.
- (4) Shareholders’ deficit on a consolidated basis, based on the March 31, 2017 pro forma balance sheet is \$1,218,272.

### Fully Diluted Share Capital

In addition to the information set out in the capitalization table above, the following table sets out the diluted share capital of the Resulting Issuer: (i) after giving effect to the Proposed Transaction; and (ii) after giving effect to the Proposed Transaction and the Financing.

	Number of Securities		Percentage of Total after Giving Effect to the Proposed Transaction and the Minimum Financing	Percentage of Total after Giving Effect to the Proposed Transaction and the Maximum Financing	Percentage of Total after Giving Effect to the Proposed Transaction and to the exercise of Options and Warrants	
	Minimum Financing	Maximum Financing			Minimum Financing	Maximum Financing
Shares issued and outstanding as at the date of the Information Circular	18,012,257	18,012,257	38.31%	31.05%	26.08%	19.59%
Reserved for issuance pursuant to Share Purchase Agreement	10,000,000	10,000,000	21.27%	17.24%	14.48%	10.88%
Reserved for issuance pursuant to Financing	19,000,000	30,000,000	40.41%	51.79%	27.51%	32.63%

	Number of Securities		Percentage of Total after Giving Effect to the Proposed Transaction and	Percentage of Total after Giving Effect to the Proposed Transaction and	Percentage of Total after Giving Effect to the Proposed Transaction and to the exercise of Options and Warrants	
	Minimum	Maximum				
Reserved for issuance pursuant to options	1,028,451	1,028,451	-	-	1.49%	1.12%
Reserved for issuance pursuant to Warrants	19,000,000	30,000,000	-	-	27.51%	32.63%
Reserved for issuance pursuant to Finders Warrants	1,520,000	2,400,000	-	-	2.20%	2.61%
Reserved for issuance pursuant to the Sponsor Warrants	500,000	500,000	-	-	0.72%	0.54%
<b>Total Number of Diluted Securities</b>	<b>69,060,708</b>	<b>91,940,708</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

#### Available Funds and Principal Purpose

The following table sets out information respecting the Resulting Issuer's sources of funds and intended uses of such funds upon completion of the Proposed Transaction. The amounts shown in the table are estimates only and are based upon the information available to Mincom and Braille Battery as of the date hereof. The intended uses of such funds and/or the Resulting Issuer's development capital needs may vary based upon a number of factors.

<i>Source of Funds</i>	<i>Minimum Financing</i>	<i>Maximum Financing</i>
Estimated consolidated working capital deficiency	(\$40,869)	(\$40,869)
Proceeds from the Financing	\$2,528,900	\$3,993,000
Estimated revenues <sup>(1)</sup>	\$2,400,000	\$2,400,000
<b>Total Available Funds</b>	<b>\$4,888,031</b>	<b>\$6,352,131</b>
<i>Uses of Funds</i>		
Transaction Expenses <sup>(2)</sup>	\$665,000	\$665,000
Finder's fee	\$202,312	\$319,440
Cost of goods sold	\$1,680,000	\$1,680,000
Professional Fees	\$75,500	\$75,500
Report to Shareholders	\$6,038	\$6,038
Transfer Agent & Filing Fees	\$22,163	\$22,163
Advertising and Marketing Expense	\$30,212	\$30,212
Automobile Expense	\$8,260	\$8,260
Consulting Fees	\$254,163	\$254,163
Insurance Expense	\$90,000	\$90,000
Payroll	\$297,837	\$297,837
Telephone, Utilities, and Rent	\$65,500	\$65,500
Travel Expense	\$35,250	\$35,250
Miscellaneous Expenses <sup>(3)</sup>	\$185,000	\$185,000
Romer Property Exploration Budget	\$30,000	\$30,000
Unallocated Working Capital	\$1,240,796	\$2,587,768
<b>Total Uses of Funds</b>	<b>\$4,888,031</b>	<b>\$6,352,131</b>

Notes:

- (1) Other funds consist of estimated revenues for the next 12 months based on historical financial information.

- (2) Includes US\$500,000 cash portion of the Purchase Price due on closing of the Proposed Transaction to Grafoid Inc., a related party – see “*The Proposed Transaction*” and “*Information Concerning Braille – Material Contracts*”.
- (3) Miscellaneous expenses include patent costs (approximately \$16,625), research and development (approximately \$16,625), shipping and receiving costs (approximately \$13,300), meals and entertainment (approximately \$10,640), and maintenance and repairs (approximately \$6,650).

The above table sets out the principal purposes, using approximate amounts, for which the Resulting Issuer currently intends to use its available funds on completion of the Proposed Transaction. See “*Information Concerning Braille Battery*” for more information on the Resulting Issuer’s business objectives.

### Dividends

It is not contemplated that any dividends will be paid in the immediate or foreseeable future following completion of the Proposed Transaction.

### PRINCIPAL SECURITY HOLDERS

The following table sets out the principal security holders of the Resulting Issuer, the number of Common Shares held by each and the percentage of Common Shares held after the Proposed Transaction (including the Minimum and Maximum Financing).

NAME OF SHAREHOLDER, MUNICIPALITY OF RESIDENCE	NUMBER OF COMMON SHARES HELD	PERCENTAGE OF COMMON SHARES HELD AFTER PROPOSED TRANSACTION (INCLUDING THE MINIMUM FINANCING)	PERCENTAGE OF COMMON SHARES HELD AFTER PROPOSED TRANSACTION (INCLUDING THE MAXIMUM FINANCING)
Grafoid Inc. Kingston, ON	10,000,000	21.27%	17.24%
<b>Total</b>	<b>10,000,000</b>	<b>21.27%</b>	<b>17.24%</b>

### DIRECTORS, OFFICERS AND PROMOTERS

#### Name, Address, Occupation and Security Holdings

The following table sets forth the name and municipality of residence of the Persons who are expected to be appointed as directors and officers of the Resulting Issuer upon Completion of the Proposed Transaction, their principal occupations during the last five years and their respective expected holdings of Common Shares and percentage holdings of the Resulting Issuer after Completion of the Proposed Transaction and Financing:

Name and Municipality of Residence	Position with the Resulting Issuer	Principal Occupation <sup>(1)</sup>	Period Served as Director/Officer		Common Shares Beneficially Owned or Controlled <sup>(2)</sup>	Percentage of common shares held after proposed transaction	
			Mincom Capital Inc.	Braille Holdings Inc.		Minimum Financing	Maximum Financing
Gary Economo Ottawa, ON	President, CEO, Director	President and CEO of Focus Graphite Inc.	November 9, 2011	July 31, 2014	2,083,333	4.43%	3.59%
Chester Burt <sup>(3)</sup> Ottawa, Ontario	Director	President, Chester Burt & Associates Ltd.	November 9, 2011	N/A	100,000	0.21%	0.17%
Lindsay Weatherdon <sup>(3)</sup> Burlington, ON	Director	President, Thombeth Holdings Inc.	May 24, 2011	N/A	400,000	0.85%	0.69%
Judith Mazihwa-MacLean Ottawa, ON	Chief Financial Officer	CFO, Focus Graphite Inc.	November 9, 2011	July 31, 2014	100,000	0.21%	0.17%
Jeffrey York <sup>(3)</sup> Ottawa, ON	Director	CEO, Farm Boy Inc.	November 9, 2011	N/A	1,900,000	4.04%	3.28%
James J. Greenbeger	Director	Executive Director, National Alliance for Advanced Technology Batteries	N/A	N/A	0	0.00%	0.00%
<b>Total:</b>					<b>4,583,333</b>	<b>9.75%</b>	<b>7.90%</b>

Notes:

- (1) Please see “*Principal Occupations and Experience of Proposed Directors and Officers*” below for a description of the principal occupations within the five years preceding the date of this Information Circular.
- (2) Common shares and other securities held by the directors and officers will be escrowed pursuant to Exchange requirements – See “*Information Concerning the Resulting Issuer – Escrowed Securities*”
- (3) Members of the Audit Committee

On Completion of the Transaction and the Minimum Financing, as a group, the directors of the Resulting Issuer will beneficially own, directly or indirectly, or exercise control or direction over a total of 4,583,333 Common Shares of the Resulting Issuer, representing approximately 9.75% of the issued and outstanding Common Shares and are entitled to a total of 793,602 options to purchase Common Shares.

Pursuant to Exchange Policy 3.1 and National Instrument 52-110 – *Audit Committees*, the Resulting Issuer is required to have an audit committee. The audit committee of the Resulting Issuer will consist of Chester Burt, Lindsay Weatherdon, and Jeffrey York.

The directors and officers of the Resulting Issuer will devote the time required to achieve the goals of the Resulting Issuer. Time actually spent may vary according to the needs of the Resulting Issuer. No remuneration will be paid to directors at this time; however, directors’ reasonable expenses in respect of meetings of the Board or Board committees may be reimbursed by the Resulting Issuer. The directors and officers have not entered into non-competition agreements or non-disclosure agreements with Braille.

***Principal Occupations and Experience of Proposed Directors and Officers***

The experience of management of the Resulting Issuer will be instrumental to the Resulting Issuer in providing it with a reasonable opportunity to achieve its business objectives following the Transaction. The following are brief biographies of the directors, executive officers and senior management of the Resulting Issuer upon Completion of the Proposed Transaction, including particulars of their principal occupations for the past five years. The directors and officers

*Gary Economo – President and Chief Executive Officer, Director, Age 58*

Mr. Economo, has served as CEO of both public and private companies in the past. He is presently the President and CEO of Mincom, Focus Graphite, Stria Lithium Inc., and Grafoid Inc. In those roles he has gained experience in the marketing and sales of graphene based products for high-tech applications.

Employer Name	Position Held	From	To
Mincom Capital Inc.	President and CEO	November 2011	Present
Focus Graphite	President and CEO	August 2010	Present

*Chester Burt – Director, Age 66*

Mr. Burt is President of Chester Burt & Associates Ltd. (“CBAL”) a corporate and public affairs advisory firm that specializes in connecting private and public companies with domestic and international opportunities. CBAL also arranges for the provision and supply of financial services in mergers, acquisitions and joint ventures. Prior to this Mr. Burt graduated with a BA from Waterloo Lutheran University and MA from Wilfrid Laurier University in Political Science.

Employer Name	Position Held	From	To
Chester Burt & Associates Ltd	President	April 1989	Present

*Lindsay Weatherdon – Director and Chairman of the Board, Age 52*

Mr. Weatherdon is the President and owner of Premcorp Sales & Marketing Ltd. operating as “Concord National, Ontario Division”. Concord National is a Canadian based consumer and packaged goods sales and marketing agency. He has held this position since 2002. In addition, Mr. Weatherdon is a shareholder, through his personal holding company, Thombeth Holdings, of Luxell Technologies. In September 2011, Mr. Weatherdon became a director of Luxell Technologies.

Employer Name	Position Held	From	To
Premcorp Sales & Marketing Ltd.	President	2002	Present

*Judith Mazihwa-MacLean – Chief Financial Officer, Director, Age 43*

An Ottawa-based geologist and accountant, Ms. Mazvihwa-MacLean has more than 16 years of experience in mineral exploration, mining, management, and corporate finance. She is also the Chief Financial Officer at Focus Graphite. Prior to joining Focus Graphite, Ms. Mazvihwa-MacLean was the CFO for Golden Harp Resources Ltd., Logan Resources Ltd., and Acme Resources Ltd. (formerly, International KRL Resources Corp.) and also served as a member of the Board for both Logan Resources Ltd. and Acme Resources Ltd. Ms. Mazvihwa-MacLean holds a B.Sc. (Geology) from the University of Zimbabwe, a M.Sc. from Brunel University in England and earned her MBA at Simon Fraser University in British Columbia. Ms. Mazvihwa-MacLean was accredited a Certified Management Accountant by the Certified Management Accountants Society of British Columbia.

Employer Name	Position Held	From	To
Mincom Capital Inc.	Chief Financial Officer	September 2011	Present
Focus Graphite Inc. (formerly Focus Metals Inc.)	Chief Financial Officer	March 2011	Present
Stria Lithium Inc.	Chief Financial Officer	September 2011	Present

*Jeffrey York – Director, Age 54*

Mr. York is currently Chief Executive Officer of Farm Boy Inc. He worked three years for Ward Mallette Chartered Accountants and twenty years for Giant Tiger Stores of which he was President for 10 years. Mr. York has been a member of Young Presidents Organization since 2002. Mr. York graduated with an economics degree from Princeton University in 1986 and obtained his Chartered Accountant designation in 1989.

Employer Name	Position Held	From	To
Farm Boy Inc.	CEO	November 2009	Present

*James J. Greenberger – Director, Age 59*

Mr. Greenberger is the Executive Director of the National Alliance for Advanced Technology Batteries (NAATBatt), a not-for-profit trade association of companies involved in the manufacture of large format advanced batteries for automotive and grid-connected energy storage applications. Mr. Greenberger co-founded the predecessor of NAATBatt in 2008. Prior to leading NAATBatt, Mr. Greenberger practiced law for more than 25 years, most recently as a partner at Reed Smith LLP in Chicago, where he led its cleantech practice group. Mr. Greenberger's law practice focused on mergers and acquisitions, private equity and venture capital transactions. He has represented some of the leading private equity and venture capital firms in the country and published several articles on private equity transactions and structures. Mr. Greenberger is the principal of Private Equity Law Advisors, a private law practice in Chicago.

Mr. Greenberger served on the Board of Directors of the Association for Corporate Growth-Chicago; he is a past chair of the Commercial Finance & Transactions Committee of the Chicago Bar Association; and he sat on the governing board of the Kentucky-Argonne Battery Manufacturing Center.

Mr. Greenberger is a member of the American Bar Association. He is a graduate of Haverford College and the University of Michigan Law School.

Employer Name	Position Held	From	To
NAATBatt International	Executive Director	August 2008	Present
Private Equity Law Advisors	Principal	October 2009	Present

#### **Promoters**

Gary Economo is considered to be the Promoter of the Resulting Issuer, having taken the initiative in founding the business of Braille Energy. For information as to the percentage of Common Shares beneficially owned, directly or indirectly, or over which control is exercised, by Mr. Economo, please see "*Principal Security Holders*" and "*Escrowed Securities*".

#### **Corporate Cease Trade Orders or Bankruptcies**

Except as indicated immediately hereafter, none of the directors, officers or promoters of the Resulting Issuer, nor any security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has, within the past ten (10) years, been a director, officer or promoter of any Person or

company that, while the Person was acting in that capacity, (i) was the subject of a cease trade or similar order that denied the other issuer access to any exemptions under applicable securities law for a period of more than thirty (30) consecutive days; or (ii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Economo and Ms. Mazvihwa-Maclean are currently the Chief Executive Officer and the Chief Financial Officer respectively of Focus Graphite. The Ontario Securities Commission (the “OSC”), in accordance with its guidelines, issued a Management Cease Trade Order (“MCTO”) that prohibited, all trading of the securities of Focus Graphite by Mr. Economo and Ms. Mazvihwa-Maclean. The MCTO was issued following a review by the OSC of Focus Graphite’s disclosure on the Lac Knife Project. The OSC advised that it was of the view that Focus Graphite had disclosed, in numerous documents, the outcomes on a study that includes the economic analysis of the potential viability of mineral resources on the Lac Knife Project that was not supported by a technical report as required by NI 43-101. On September 10, 2012, Focus Graphite announced that it had clarified the disclosure on the Lac Knife Project. The MCTO remained in place until lifted by the OSC upon application by Focus Graphite following the filing of the NI 43-101 compliant technical report on the Project filed on SEDAR on October 31, 2012. The interim order and management cease trade order were in effect for a total of 40 days.

#### Penalties or Sanctions

None of the directors, officers or promoters of the Resulting Issuer, nor any security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has: (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Proposed Transaction.

#### Personal Bankruptcies

None of the directors, officers or promoters of the Resulting Issuer, nor any security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has, within the past ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, officer or promoter.

#### Conflicts of Interest

There may from time to time be potential conflicts of interest to which some of the directors, officers, insiders and promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies provided for under the CBCA.

#### Other Reporting Issuer Experience

The following table sets out the directors, officers and promoter(s) of the Resulting Issuer that are, or have been within the past 5 years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian or foreign jurisdiction.

Name	Name of Reporting Issuer	Name of Exchange or Market (as applicable)	Position	From	To
Gary Economo	Stria Lithium Inc.	TSX-V	Director	November 2011	Present
	Mincom Capital Inc.	TSX-V	Director	November 2011	Present
	Focus Graphite Inc.	TSX-V	Director	August 2010	Present
Chester Burr	Stria Lithium Inc.	TSX-V	Director	November 2011	Present
	Mincom Capital Inc.	TSX-V	Director	November 2011	Present
	Focus Graphite Inc.	TSX-V	Director	January 2012	Present
Lindsay Weatherdon	Stria Lithium Inc.	TSX-V	Director	November 2011	Present
	Mincom Capital Inc.	TSX-V	Director	November 2011	Present
Judith Mazihwa-MacLean	Stria Lithium Inc.	TSX-V	CFO	November 2011	Present
	Mincom Capital Inc.	TSX-V	CFO	November 2011	Present
	Focus Graphite Inc.	TSX-V	CFO	May 2011	Present
	Everton Resources Inc.	TSX-V	CFO	May 2011	August 2012

Name	Name of Reporting Issuer	Name of Exchange or Market (as applicable)	Position	From	To
Jeffrey York	Stria Lithium Inc.	TSX-V	Director	November 2011	Present
	Mincom Capital Inc.	TSX-V	Director	November 2011	Present
	Focus Graphite Inc.	TSX-V	Director	March 2009	Present

### EXECUTIVE COMPENSATION

The anticipated compensation, for each of the Resulting Issuer's CEO, CFO and the three most highly compensated executive officers for the 12-month period after giving effect to the Transactions prepared in accordance with the requirements of Form 51-102F6 "Statement of Executive Compensation" is required to be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of certain executive officers and directors of reporting issuers. The following addresses the items identified in Form 51-102F6 which are applicable to the Resulting Issuer.

The Resulting Issuer expects to pay compensation to NEOs and other officers, directors, employees and consultants of the Resulting Issuer for their services as such. The Resulting Issuer intends to enter into formal agreements with the CEO and with the CFO of the Resulting Issuer.

The compensation for each NEO of the Resulting Issuer for the 12-month period following completion of the Transaction shall be finalized subsequent to Closing.

#### Compensation Discussion and Analysis

The Resulting Issuer expects to provide a market-based blend of base salaries, bonuses and equity incentive components in the form of Stock Options to further align the interests of management with the interests of the Resulting Issuer's shareholders.

The Resulting Issuer expects to pay compensation to NEOs and other officers, directors, employees and consultants of the Resulting Issuer for their services as such. The Resulting Issuer proposes to enter into employment agreements with Gary Economo, the President and CEO of the Resulting Issuer, and Judith Mazvihwa-MacLean, the CFO of the Resulting Issuer.

#### Option-Based Awards

Following the Closing the Plan will become the stock option plan of the Resulting Issuer. The Board is responsible for granting options to the NEOs under the Stock Option Plan. The Board may grant stock options on an annual basis to directors, executive officers and senior managers.

The Plan is an important part of Mincom's long-term incentive strategy for its officers and directors, permitting them to participate in appreciation of the market value of the Common Shares over a stated period of time. The Stock Option Plan is intended to help attract and retain employees by providing them with an opportunity to participate in the future success of Mincom and to reinforce commitment to long-term growth in profitability and shareholder value. The Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and employees. The Board believes that the Plan aligns the interests of the executive officers and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Common Shares.

In determining the number of stock options to be granted to the executive officers and directors, the Board or the Compensation Committee, as the case may be, takes into account the number of stock options, if any, previously granted to each executive officer and director and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange.

The number of stock options granted to officers and directors is also dependent on each officer's and director's level of responsibility, authority and importance to Mincom and to the degree to which such officer's or director's long term contribution to Mincom will be key to its long term success.

In monitoring or adjusting the option allotments, the Board, takes into account its own observations on individual performance (where possible), its assessment of individual contribution to shareholder value and previous option grants. The scale of options is generally commensurate to the appropriate level of base compensation for each level

of responsibility. The Board will make these determinations subject to and in accordance with the provisions of the Plan.

The Resulting Issuer does not intend to grant any further stock options in connection with the Completion of the Proposed Transaction. See “*Information Concerning the Resulting Issuer – Options to Purchase Securities*”.

#### Compensation of Named Executive Officers - Summary compensation table

The following table sets out information concerning the proposed compensation to be paid by the Resulting Issuer to the Resulting Issuer NEOs for the first 12 months after the closing of the RTO.

Person	Salary	Share Based Awards	Option Based Awards	Non-Equity Incentive Plan Compensation (\$)		Pension Value	All Other Compensation	Total Compensation
				Annual Incentive Plans	Long Term Incentive Plans			
Gary Economo	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Judith Mazihwa-MacLean	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

#### Compensation of Directors

No remuneration will be paid to directors at this time; however, directors’ reasonable expenses in respect of meetings of the Board or Board committees may be reimbursed by the Resulting Issuer. The Resulting Issuer does not intend to grant any further stock options in connection with the Completion of the Proposed Transaction.

#### INDEBTEDNESS OF DIRECTORS AND OFFICERS

No proposed director or officer of the Resulting Issuer, or Associate or Affiliate of any such director or officer, will be indebted to the Resulting Issuer.

#### INVESTOR RELATIONS ARRANGEMENTS

There are no written or oral agreements or understandings to provide any promotional or investor relations services for the Resulting Issuer.

#### OPTIONS TO PURCHASE SECURITIES

##### Option Agreements

Mincom currently has the following stock options outstanding.

Expiry date	Options	Exercise price
February 6, 2022	1,028,451	\$0.10

As of the date of this Information Circular and assuming Completion of the Proposed Transaction, the following options to purchase Common Shares of the Resulting Issuer will be held.

Optionee/Group <sup>(1)</sup>	Number of Common Shares Reserved under Option After Giving Effect to the Proposed Transaction and maximum Financing	Exercise Price	Expiry Date
<b>All proposed officers of the Resulting Issuer as a group<sup>(3)</sup></b>	<b>206,480</b>	<b>\$0.10</b>	<b>February 6, 2022</b>
Gary Economo	117,424		
Judith Mazvihwa-MacLean	89,056		
<b>Other Directors (as a group)</b>	<b>587,122</b>	<b>\$0.10</b>	<b>February 6, 2022</b>
Jeffrey York	117,424		
Chester Burt	234,849		
Lindsay Weatherdon	234,849		
<b>TOTAL<sup>(2)(4)</sup></b>	<b>793,602</b>		

## Notes:

- (1) The officers and directors of Mincom are the officers and directors of the Resulting Issuer, other than Marc-André Bernier, who holds 234,849 options.
- (2) No employees or past employees of Mincom will hold options of the Resulting Issuer.
- (3) Mr. Economo and Ms. Mazvihwa-MacLean are directors and officers of Braille Holdings and Braille Battery. The options they will hold in the Resulting Issuer is described in the table above.
- (4) No employee or past employee of Braille Holdings or Braille Battery holds options of the Resulting Issuer.

**Stock Option Plan**

The Resulting Issuer will continue to use the Plan, pursuant to which it may grant incentive stock options. The objective of the Plan is to promote the profitability and growth of the Resulting Issuer by facilitating the efforts of the Resulting Issuer to obtain and retain key individuals. The Plan provides an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in the Resulting Issuer and benefit from increases in the value of the Common Shares and align their interest with those of the shareholders. The Plan reserves a maximum of ten percent (10%) of the issued and outstanding Common Shares which may be granted to the directors, officers, consultants and employees of the Resulting Issuer or of an Affiliate thereof pursuant to stock options agreements. The details of the Plan are set out hereafter.

Pursuant to the Plan, the maximum number of Common Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12-month period to consultants may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any 12-month period to all Persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. Options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any 3-month period. Incentive stock options may be exercised until the greater of 12 months after the Completion of the Proposed Transaction and 90 days following the date the optionee ceases to be a director, officer or employee of the Resulting Issuer or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

**ESCROWED SECURITIES**

The following paragraphs set out the number of securities of the Resulting Issuer which are or will be, upon Completion of the Proposed Transaction, held in escrow, assuming no Principals of the Resulting Issuer subscribe to the Financing. In addition to the Common Shares held in escrow prior to the completion of the Proposed Transaction, certain of the Common Shares will be held in escrow or be subject to hold periods as set forth hereafter.

All Common Shares acquired on exercise of stock options prior to the Completion of the Proposed Transaction, will be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. In addition, all Common Shares of the Resulting Issuer acquired in the secondary market prior to the Completion of the Proposed Transaction by any person or company who becomes a Control Person are required to be deposited in escrow.

If the Resulting Issuer meets the Exchange's Tier 1 minimum listing requirements either at the time the Final Exchange Bulletin is issued or subsequently, the release of the escrowed Common Shares may be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

**Escrowed Securities**

To the knowledge of the Corporation, Braille Holdings, and Braille Battery, as of the date of this Information Circular 1,138,999 Common Shares are held in escrow pursuant to the Mincom Escrow Agreement dated November 7, 2011.

17,317,333 Common Shares held by Principal Security Holders will be deposited with Computershare Investor Services Inc. under an escrow agreement dated as of the date of closing of the Proposed Transaction (the “**Escrow Agreement**”).

The name and municipality of residence of the securityholder, the number of securities of each class of securities of Mincom and Braille Holdings held in escrow and, in the case of the Resulting Issuer, anticipated to be held in

escrow after giving effect to the Transaction, and the percentage that number represents of the outstanding securities of that class is set out in the following table

Name and Municipality of Residence of Securityholder	Designation of class	Prior to Giving Effect to the Proposed Transaction		After Giving Effect to the Proposed Transaction and Minimum Financing <sup>(1)</sup>	
		Number of securities held in escrow	Percentage of class	Number of securities to be held in escrow	Percentage of class
<i>Shares held in Escrow Pursuant to the Mincom Escrow Agreement</i>					
Marc-André Bernier Chibougamà, QC	Common Shares	15,000	0.08%	15,000	0.03%
	Options	234,849	22.83%	234,849	22.83%
Andre Audet	Common Shares	15,000	0.08%	15,000	0.03%
Macquarie TR Robin Dow	Common Shares	15,000	0.08%	15,000	0.03%
<i>Shares held in Escrow Pursuant to the Escrow Agreement (Tier1 Value)</i>					
Jenna York <sup>(3)</sup> Ottawa, ON	Common Shares	10,500	0.06%	63,000	0.13%
Joanne York <sup>(3)</sup> Ottawa, ON	Common Shares	10,500	0.06%	63,000	0.13%
Jodi York <sup>(3)</sup> Ottawa, ON	Common Shares	10,500	0.06%	63,000	0.13%
Focus Graphite Inc. Kingston, ON	Common Shares	375,000	2.08%	2,500,000	5.32%
Gary Economo Ottawa, ON	Common Shares	312,499	1.73%	2,083,333	4.43%
	Options	117,424	11.42%	117,424	11.42%
Chester Burt Ottawa, Ontario	Common Shares	15,000	0.08%	100,000	0.21%
	Options	234,849	22.83%	234,849	22.83%
Lindsay Weatherdon Burlington, ON	Common Shares	60,000	0.33%	400,000	0.85%
	Options	234,849	22.83%	234,849	22.83%
Judith Mazihwa- MacLean Ottawa, ON	Common Shares	15,000	0.08%	100,000	0.21%
	Options	89,056	8.66%	89,056	8.66%
Jeffrey York <sup>(4)</sup> Ottawa, ON	Common Shares	285,000	1.58%	1,900,000	4.04%
	Options	117,424	11.42%	117,424	11.42%
<i>Shares held in Escrow Pursuant to the Escrow Agreement (Tier2 Value)</i>					
Grafoid Inc. Kingston, ON	Common Shares	-	-	10,000,000	21.27%
<b>Total</b>	<b>Common</b>	<b>1,138,999</b>	<b>6.30%</b>	<b>17,317,333</b>	<b>36.83%</b>
	<b>Options</b>	<b>1,028,451<sup>(2)</sup></b>	<b>100%</b>	<b>1,028,451</b>	<b>100%</b>

Notes:

- (1) Assumes none of the escrowed parties have participated in the Financing.
- (2) Options were granted February 7, 2012.
- (3) Jenna York, Joanne York, and Jodi York are related to Jeffrey York and reside at the same address.

*Shares held in Escrow Pursuant to the Mincom Escrow Agreement*

On May 9, 2014, the Exchange issued its Final Exchange Bulletin with respect to Mincom's Qualifying Transaction. Common Shares have been released from escrow under the Mincom Escrow Agreement pursuant to the following schedule: Five percent (5%) of the escrowed Common Shares listed in the lists above were released from escrow on the issuance of the Final Exchange Bulletin and an additional five percent (5%) were released 6-months following the date of the Final Exchange Bulletin; an additional ten percent (10%) were 12 and 18-months following the date of the Final Exchange Bulletin; an additional fifteen percent (15%) were released 24 and 30-months following the date of the Final Exchange Bulletin; and the balance of forty percent (40%) will be released 36-months following the date of the Final Exchange Bulletin.

If the Resulting Issuer meets the Exchange's Tier 1 minimum listing requirements, the release of the escrowed Common Shares may be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

*Shares held in Escrow Pursuant to the Escrow Agreement (Tier 1 Value)*

Pursuant to Section 1.3(c) of Exchange Policy 5.4 - *Escrow, Vendor Consideration and Resale Restrictions*, all Resulting Issuer Shares and securities convertible into Resulting Issuer Shares held by the principals of the Resulting Issuer (being the directors, officers, holders of 10% or more of the outstanding Resulting Issuer Shares and their spouses) following the completion of the Transaction will be held in escrow by the Escrow Agent pursuant to a “Tier 1 Value Escrow Agreement” in accordance with the Exchange Policies (the “**Tier 1 Value Securities**”). The Common Shares previously issued to the Principals of the Resulting Issuer were issued either more than one (1) year prior to the date of the Exchange’s conditional acceptance of the Proposed Transaction. The Tier 1 Value Securities will not be released until the Exchange issues the Final Exchange Bulletin with respect to the Transaction. Upon the issuance of the Final Exchange Bulletin, the Tier 1 Value Securities will be released pursuant to the following schedule: Twenty-five percent (25%) of the Value Securities will be released at the time of the Final Exchange Bulletin and six (6), twelve (12), and eighteen (18) months from the date of the Final Exchange Bulletin.

*Shares held in Escrow Pursuant to the Escrow Agreement (Tier 2 Value)*

Pursuant to Section 1.3(c) of Exchange Policy 5.4 - *Escrow, Vendor Consideration and Resale Restrictions*, all Resulting Issuer Shares and securities convertible into Resulting Issuer Shares held by Grafoid following the completion of the Transaction will be held in escrow by the Escrow Agent pursuant to a “Tier 2 Value Escrow Agreement” in accordance with the Exchange Policies (the “**Tier 2 Value Securities**”). The Common Shares issued to Grafoid were issued as part of the Proposed Transaction. The Tier 2 Value Securities will not be released until the Exchange issues the Final Exchange Bulletin with respect to the Transaction. Upon the issuance of the Final Exchange Bulletin, the Tier 2 Value Securities will be released pursuant to the following schedule: Ten percent (10%) of the Tier 2 Value Securities will be released at the time of the Final Exchange Bulletin and Fifteen percent (15%) of the Tier 2 Value Securities will be release six (6), twelve (12), eighteen (18), twenty-four (24), thirty (30), and thirty-six (36) months from the date of the Final Exchange Bulletin.

**General Information Concerning Escrowed Securities**

Holders of securities of the Resulting Issuer held in escrow may generally exercise voting rights attaching to such securities. However, no holder of securities held in escrow shall vote any securities (whether in escrow or not) in support of one or more arrangements that would result in the repayment of capital being made on the securities prior to a winding up of the Resulting Issuer. Generally, holders of securities in escrow do not see their right to receive a dividend or other distribution on the securities impaired.

The Exchange’s prior consent must be obtained before a transfer within escrow of escrowed Common Shares occurs. Generally, the Exchange will only permit a transfer within escrow to be made to incoming Principals in connection with a Proposed Transaction.

**AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditors of the Resulting Issuer will be MNP LLP, 1600 Carling Ave #800, Ottawa, ON K1Z 1G3.

Computershare Trust Company of Canada, 1500 Robert-Bourassa Boulevard, 7th Floor, Montreal, QC H3A 3S8, will be the transfer agent and registrar for the Resulting Issuer.

**GENERAL MATTERS****SPONSORSHIP**

Mincom and Braille Battery have engaged Leede Jones Gable Inc., 2000 Peel – Suite 710 Montreal, QC H3A 2W5, (the “**Sponsor**”) to act as Sponsor. The Sponsor is an arms’ length party to Mincom, Braille, and Grafoid. Under the terms of the engagement letter date May 5, 2017 (the “**Engagement Letter**”), the Sponsor will conduct an investigation into the principals, business, and affairs of the Resulting Issuer sufficient, in the Sponsor’s sole discretion, to enable it to determine if: (i) the directors and management of the Resulting Issuer, both on an individual and on a collective basis, comply with the TSXV requirements and are knowledgeable about their ongoing continuous disclosure responsibilities pursuant to applicable securities laws and TSXV requirements; (ii) the consideration and share structure, upon completion of the RTO Transaction, will not be unreasonable; (iii) the working capital of the Resulting Issuer is adequate to carry out stated purposes and it appears reasonable that the Resulting Issuer will have sufficient funds available for 12 months of operations; (iv) the Resulting Issuer meets the Minimum Listing Requirements under Policy 2.1 – Minimum Listing Requirements of the TSXV; and (v) the Resulting Issuer is suitable for listing on the TSXV. The Sponsor will, subject to Mincom and Braille complying

with the terms of the engagement and the completion to the Sponsor's satisfaction of its due diligence review of Mincom and Braille, file with the TSXV a sponsorship acknowledgement form and a sponsor report at the times and in the form contemplated in Policy 2.4.

Mincom will pay the Sponsor a sponsor/advisory fee of \$40,000 plus applicable taxes, of which \$25,000 (plus applicable taxes - \$28,250) was paid as a non-refundable deposit, upon the execution of the Engagement Letter. The balance, plus applicable taxes, will be payable at the time the Sponsor delivers its final sponsor report.

As partial consideration for the work performed by the Sponsor under the Engagement Letter, the Resulting Issuer will issue to the Sponsor common share purchase warrants entitling the Sponsor to purchase up to 500,000 common shares of the Resulting Issuer at a price of \$0.10 per share for a period of 30 months following the date of completion of the RTO (the "**Sponsor Warrants**").

The Sponsor is entitled to be reimbursed the following expenses: (a) the reasonable out of pocket costs of the Sponsor; (b) any and all travel related costs; (c) the reasonable costs and expenses of any external consultant(s) which may be required by the Sponsor and/or the TSXV or other regulatory bodies and (d) the reasonable fees of the Sponsor's legal counsel, up to a maximum of \$17,500 plus all disbursements and applicable taxes. Mincom will provide the Sponsor's counsel with a retainer in the amount of \$10,000 as an advance against such fees and disbursements. The balance, plus applicable taxes, will be payable at the time the Sponsor delivers its final sponsor report.

#### **INTERESTS OF EXPERTS**

MNP LLP, Chartered Professional Accountants, Licensed Public Accountants, is the external auditor of Mincom, Braille Holdings and Braille Battery. Such firm is independent of Mincom, Braille Holdings, and Braille Battery within the meaning of the Chartered Professional Accountants of Ontario Code of Professional Conduct.

#### **BOARD APPROVAL**

Each of the board of directors of Mincom, Braille Holdings, and Braille Battery has approved this Information Circular.

#### **OTHER MATERIAL FACTS**

There are no other material facts relating to Mincom or Braille Battery or to the Proposed Transaction or Financing that have not been disclosed elsewhere in this Information Circular and that are necessary in order for the Information Circular to contain full, true and plain disclosure of all material facts relating to Mincom and Braille Battery, assuming completion of the Proposed Transaction and the Financing.

#### **FINANCIAL STATEMENTS**

##### **Financial Statements of Mincom**

See Appendix "A" for the audited Statements of Financial Position as at September 30, 2016 and 2015 and Statements of Loss and Comprehensive Loss of Mincom for the years ended September 30, 2016 and 2015, and the unaudited Condensed Interim Statements of Financial Position as at March 31, 2017 and Condensed Interim Statements of Loss and Comprehensive Loss of Mincom for the three and six-month period ended March 31, 2017 and March 31, 2016.

##### **Management's Discussion & Analysis of Mincom**

See Appendix "B" for Management's Discussion & Analysis of Mincom for the years ended September 30, 2016 and 2015, and the three- and six-month period ended March 31, 2017.

##### **Financial Statements of Braille**

See Appendix "C" for the audited Consolidated Statements of Financial Position as at September 30, 2016 and 2015 and Consolidated Statements of Loss and Comprehensive Loss of Braille for the year ended September 30, 2016 and 2015; and the unaudited Condensed Interim Consolidated Statements of Financial Position as at March 31, 2017 and Condensed Interim Consolidated Statements of Loss and Comprehensive Loss of Braille for the three and six-month period ended March 31, 2017 and March 31, 2016.

**Management's Discussion & Analysis of Braille Battery**

See Appendix "D" for Management's Discussion & Analysis of Braille Battery for the year ended September 30, 2016 and the three and six-month period ended March 31, 2017.

**Financial Statements of Resulting Issuer**

See Appendix "E" for the Pro Forma Consolidated Balance Sheet of the Resulting Issuer dated as at March 31, 2017.

**CERTIFICATE OF MINCOM CAPITAL INC.**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Mincom Capital Inc. assuming completion of the Proposed Transaction.

DATED this 28<sup>th</sup> day of August, 2017.

per: (s) Gary Economo  
Title: Chief Executive Officer

per: (s) Judith Mazvihwa-MacLean  
Title: Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF MINCOM CAPITAL INC.**

per: (s) Chester Burt  
Title: Director

per: (s) Marc-André Bernier  
Title: Director

**CERTIFICATE OF BRAILLE HOLDINGS, INC.**

The foregoing, as it relates to Braille Battery, Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Braille Battery, Inc.

DATED this 28<sup>th</sup> day of August, 2017.

per: (s) Gary Economo  
Title: Chief Executive Officer

per: (s) Judith Mazvihwa-MacLean  
Title: Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF BRAILLE HOLDINGS, INC.**

per: (s) Lindsay Weatherdon  
Title: Director

per: (s) Jeff York  
Title: Director

**Acknowledgement – Personal Information**

“Personal Information” means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement/information circular that are analogous to Items 4.2, 11, 13.1, 16, 18.2, 19.2, 24, 25, 27, 32.3, 33, 34, 35, 36, 37, 38, 39, 41 and 42 of Exchange Form 3D1, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to Form 3D1; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

per: *(s) Gary Economo*  
Title: Director

**EXHIBIT 1**  
**CHANGE OF AUDITOR PACKAGE**

**MINCOM CAPITAL INC.**

**NOTICE OF CHANGE OF AUDITOR**

TO: KPMG LLP  
MNP LLP

AND TO: AUTORITE DES MARCHES FINANCIERS  
BRITISH COLUMBIA SECURITIES COMMISSION  
ALBERTA SECURITIES COMMISSION  
ONTARIO SECURITIES COMMISSION

Mincom Capital Inc. (the "**Corporation**") gives the following notice in accordance with Section 4.1.1 of *National Instrument 51-102 - Continuous Disclosure Obligations ("NI 51-102")*:

1. On August 10, 2016, KPMG LLP ("**KPMG**") of Ottawa, Ontario, resigned as the Corporation's auditor at the Corporation's request.
2. On August 10, 2016, the Corporation's Audit Committee and the Board of Directors approved the appointment of MNP LLP as successor auditor of the Corporation to fill the vacancy in the position of auditor of the Corporation.
3. No modified opinion was expressed in KPMG's reports on the Corporation's financial statements for the two most recently completed financial years or any subsequent period for which any auditor's report was issued.
4. As at the date hereof, there are no "reportable events", as defined in NI 51-102 and there have been no qualified opinions or denials of opinion of KPMG.

DATED as of the 10th day of August, 2016.

**MINCOM CAPITAL INC.**

Judith T. Mazvihwa-MacLean

Per: Judith T. Mazvihwa-MacLean  
Chief Financial Officer



**KPMG LLP**  
1800-150 Elgin Street  
Ottawa ON K2P 2P8  
Canada

Telephone (613) 212-5764  
Fax (613) 212-2896  
Internet [www.kpmg.ca](http://www.kpmg.ca)

To: AUTORITE DES MARCHES FINANCIERS  
BRITISH COLUMBIA SECURITIES COMMISSION  
ALBERTA SECURITIES COMMISSION  
ONTARIO SECURITIES COMMISSION

August 15, 2016

Dear Sir/Madam

**Re: Notice of Change of Auditors of Mincom Capital Inc.**

We have read the Notice of Mincom Capital Inc. dated August 10, 2016 and are in agreement with the statements pertaining to our Firm.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

August 15, 2016

Ottawa, Canada

Autorité des marchés financiers  
Ontario Securities Commission  
Alberta Securities Commission  
British Columbia Securities Commission

Dear Sir or Madam:

As required by subparagraph (6)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of Mincom Capital Inc. dated August 10, 2016 (the “Notice”) and, based on our knowledge of such information at this time, we are in agree with the statement contained in such Notice, except that we are not in a position to agree or disagree with the statement contained in paragraph (4).

Yours very truly,



Chartered Accountants,  
Licensed Public Accountants

August 15, 2016

Ottawa, Canada

c.c. KPMG LLP  
Mincom Capital Inc.

**EXHIBIT 2**

**RESOLUTION OF THE SHAREHOLDERS**

**OF**

**MINCOM CAPITAL INC.**

**(the "Corporation")**

**PROPOSED TRANSACTION**

BE IT RESOLVED that the purchase by the Corporation of all of the issued and outstanding shares of Braille Holdings Inc. owned by Grafoid Inc. pursuant to the terms and conditions described in the Information Circular is hereby authorized and approved.

**EXHIBIT 3**

**SPECIAL RESOLUTION OF  
OF  
MINCOM CAPITAL INC.  
(the “Corporation”)**

**ARTICLES OF AMENDMENT RE NAME CHANGE**

BE IT RESOLVED AS A SPECIAL RESOLUTION that:

1. the amendment to the articles of the Corporation to change the name of the Corporation to Braille Energy Systems Inc. is hereby authorized and approved;
2. any officer or director of the Corporation is hereby authorized and directed from time to time for and on behalf of the Corporation to execute all such documents and to do all such acts as in such officer’s or director’s discretion may be necessary or desirable to give effect to the foregoing, including, without limitation, the delivery of articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*; and
3. notwithstanding the foregoing, the directors of the Corporation may, without further approval of the shareholders of the Corporation, revoke this special resolution at any time before the certificate of amendment to be issued by such Director upon receipt of such articles of amendment becomes effective.

**EXHIBIT 4**

**RESOLUTION OF THE SHAREHOLDERS  
OF  
MINCOM CAPITAL INC.  
(the “Corporation”)**

**STOCK OPTION PLAN**

BE IT RESOLVED that:

1. the Stock Option Plan of the Corporation, as described in the Information Circular, is hereby approved and confirmed; and
2. any director or officer of the Corporation is hereby authorized to do all acts and things, to execute and to deliver all agreements, documents and instruments, to give all notices and to deliver, file and distribute all documents and information with such persons determined to be necessary or desirable in connection with or to give effect and and carry out the foregoing resolution.

**APPENDIX "A"**  
FINANCIAL STATEMENTS OF MINCOM

# MINCOM CAPITAL INC.

## Financial Statements

September 30, 2016 and 2015

*(in Canadian dollars)*

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# INDEPENDENT AUDITORS' REPORT



To the Shareholders of Mincom Capital Inc:

We have audited the accompanying financial statements of Mincom Capital Inc., which comprise the statement of financial position as at September 30, 2016, the statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mincom Capital Inc. as at September 30, 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

## *Other Matters*

The financial statements as at September 30, 2015 and for the year then ended were audited by KPMG LLP of Ottawa, Canada. KPMG LLP expressed an unmodified opinion on those statements on December 8, 2015.

## *Emphasis of Matter*

Without qualifying our opinion, we draw attention to Note 2 to the financial statements, which indicates that Mincom Capital Inc. is in the exploration stage and has not earned revenue from operations. In addition, for the year ended September 30, 2016, Mincom Capital Inc. incurred a net loss of \$134,185 and used cash in operating activities of \$181,914, and at September 30, 2016 had a deficit of \$898,400. These conditions, along with other matters as set forth in Note 2 in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Mincom Capital Inc.'s ability to continue as a going concern.

Ottawa, Ontario  
November 18, 2016

Chartered Professional Accountants,  
Licensed Public Accountants



ACCOUNTING > CONSULTING > TAX  
800 - 1600 CARLING AVE, OTTAWA ON, K1Z 1G3  
T: 613.691.4200 F: 613.726.9009 MNP.ca

**Mincom Capital Inc.**

## Statements of Financial Position

As at September 30

*(in Canadian dollars)*

	<u>2016</u>	<u>2015</u>
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	107,245	212,783
Amounts receivable	2,815	4,262
Tax credits and credit on duties receivable	1,225	101,238
Prepaid expenses	37,437	18,835
	<u>148,722</u>	<u>337,118</u>
Mineral exploration properties (Note 6)	1,000,000	1,000,000
Exploration and evaluation assets (Note 6)	205,952	182,315
	<u>1,354,674</u>	<u>1,519,433</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	14,574	45,148
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 7)	2,085,813	2,085,813
Contributed surplus	152,687	152,687
Deficit	(898,400)	(764,215)
	<u>1,340,100</u>	<u>1,474,285</u>
	<u>1,354,674</u>	<u>1,519,433</u>

Going concern (Note 2)

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

On behalf of the Board

(signed) "Gary Economo"  
Gary Economo, Director

(signed) "Jeffrey York"  
Jeffrey York, Director

**Mincom Capital Inc.**

Statements of Comprehensive Loss  
For the years ended September 30  
(in Canadian dollars)

	<u>2016</u>	<u>2015</u>
	\$	\$
Expenses		
Consulting fees	<b>41,000</b>	67,880
Professional fees	<b>35,181</b>	38,879
Filing fees	<b>9,654</b>	9,493
Insurance	<b>20,207</b>	20,824
Agent fees	<b>15,900</b>	19,594
Other expenses	<b>13,561</b>	17,196
	<u><b>(135,503)</b></u>	<u>(173,866)</u>
Other income		
Interest income	<b>1,318</b>	1,730
	<u><b>(134,185)</b></u>	<u>(172,136)</u>
Net loss and total comprehensive loss		
	<u><b>(0.01)</b></u>	<u>(0.01)</u>
Basic and diluted loss per common share		
	<u><b>18,012,257</b></u>	<u>18,012,257</u>
Basic and diluted weighted average number of common shares outstanding		

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

**Mincom Capital Inc.**  
 Statements of Changes in Equity  
 (in Canadian dollars)

	Share Capital		Warrants	Contributed Surplus	Deficit	Total
	Number of shares	\$	\$	\$	\$	\$
<b>Balance, September 30, 2014</b>	<b>18,012,257</b>	<b>2,085,813</b>	<b>1,517</b>	<b>151,170</b>	<b>(592,079)</b>	<b>1,646,421</b>
Expiry of warrants (Note 8)	-	-	(1,517)	1,517	-	-
Net loss and total comprehensive loss	-	-	-	-	(172,136)	(172,136)
<b>Balance, September 30, 2015</b>	<b>18,012,257</b>	<b>2,085,813</b>	<b>-</b>	<b>152,687</b>	<b>(764,215)</b>	<b>1,474,285</b>
Net loss and total comprehensive loss	-	-	-	-	(134,185)	(134,185)
<b>Balance, September 30, 2016</b>	<b>18,012,257</b>	<b>2,085,813</b>	<b>-</b>	<b>152,687</b>	<b>(898,400)</b>	<b>1,340,100</b>

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

**Mincom Capital Inc.**

## Statements of Cash Flows

For the years ended September 30

*(in Canadian dollars)*

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	<b>(134,185)</b>	(172,136)
Adjustments for:		
Interest income	<b>(1,318)</b>	(1,730)
Interest received	<b>1,318</b>	1,730
Changes in non-cash working capital items	<b>(47,729)</b>	37,358
Cash flows used in operating activities	<b>(181,914)</b>	(134,778)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation costs	<b>(23,637)</b>	(63,545)
Tax credits and credit on duties received	<b>100,013</b>	-
Cash flows from (used in) investing activities	<b>76,376</b>	(63,545)
Decrease in cash	<b>(105,538)</b>	(198,323)
Cash, beginning of the year	<b>212,783</b>	411,106
Cash, end of the year	<b>107,245</b>	212,783

*Supplemental information:*

Changes in non-cash working capital items consist of the following:

Amounts receivable	<b>1,447</b>	36,174
Prepaid expenses	<b>(18,602)</b>	(10,968)
Accounts payable and accrued liabilities	<b>(30,574)</b>	12,152
	<b>(47,729)</b>	37,358

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

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
*(in Canadian dollars)*

### **1. NATURE OF OPERATIONS**

Mincom Capital Inc. (the “Company” or “Mincom”) was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company’s shares are listed on the TSX Venture Exchange under the symbol MOI. The head office of the Company is located at 945 Princess Street, Kingston, Ontario.

The Company is engaged in the acquisition, exploration and development of mineral properties in Quebec, Canada.

### **2. GOING CONCERN ASSUMPTION**

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). The going concern basis of presentation assumes 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 is in the exploration stage and has not earned revenue from operations. During the year ended September 30, 2016, the Company incurred a net loss of \$134,185 and negative cash flows from operating activities of \$181,914. In addition, the Company has a deficit of \$898,400.

The above factors indicate material uncertainties, which may cast significant doubt about the Company’s ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative expenses and continue its exploration activities, is dependent upon Management’s ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available or that it can be obtained on terms favourable to the Company.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amount of assets and liabilities, the reported expenses, and the statement of financial position classifications used.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Basis of presentation and statement of compliance with IFRS**

These financial statements have been prepared on a historical cost basis using the going concern assumption, which assumes 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 financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) in Canadian dollars, which is also the Company’s functional currency.

These financial statements were authorized for issue by the Board of Directors on November 17, 2016.

#### **b) Judgments, estimates and assumptions**

When preparing the financial statements, Management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### Significant Management judgment

The following are significant Management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### *Recognition of deferred income tax assets and measurement of income tax expense*

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires Management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, Management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

#### *Going concern risk assessment*

In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments, Management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis and its expansionary plans. The key inputs used by the Company in this process include forecasted capital deployment, results from operations, results from exploration and general industry conditions. Changes in these inputs may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classification of assets and liabilities should the Company be unable to continue as a going concern (Note 2).

### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### *Impairment of mineral exploration properties and exploration and evaluation assets*

Determining if there are any facts and circumstances indicating impairment or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment or a reversal of an impairment loss exists, the recoverable amount of the individual asset or cash-generating units must be estimated.

#### *Share based payments*

The estimation of stock-based compensation and warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the estimated life of stock options and

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

warrants granted and the time of exercise of those stock options and warrants. The valuation model used by the Company is the Black-Scholes model.

The Company allocates values to share capital and to warrants on the residual basis when the two are issued together as a unit. As this allocation is based upon the share price at the time of issuance and the stock is thinly-traded, the actual value of the components may differ from this allocation.

### *Tax credits and credit on duties receivable*

Tax credits and credit on duties are subject to audit by the authorities in the province of Quebec and the Company's entitlement to these items is based on Management's history of success in past claims and its current understanding of the legislation that governs these matters.

## **c) Financial assets and liabilities**

### Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

### Financial assets:

For the purpose of subsequent measurement, the Company's financial assets are classified as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Cash is classified as loans and receivables.

### Financial liabilities:

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities.

Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

### Fair value hierarchy

Financial instruments measured at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices unadjusted in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company currently has no financial instruments that are subsequently measured at fair value on the statements of financial position.

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### **d) Cash**

Cash is comprised of cash balances held at a major financial institution.

### **e) Interest income**

Interest income is reported on an accrual basis using the effective interest method.

### **f) Tax credits and credit on duties**

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These credits are recognized as a reduction of the exploration costs incurred based on estimates made by Management. The Company records these credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

### **g) Mineral exploration properties and exploration and evaluation assets**

Mineral exploration properties include the cost of acquiring mining rights. Exploration and evaluation assets include expenses directly related to the exploration and evaluation activities. These costs are capitalized as intangible assets and are carried at cost less any impairment loss recognized. Costs incurred before the legal right to undertake exploration and evaluation activities on a project is acquired, are expensed in the statement of comprehensive loss.

Mining rights and expenses related to exploration and evaluation activities are capitalized on a property by property basis pending determination of the technical feasibility and commercial viability of the project. No amortization is recognized during the exploration and evaluation phase. Costs capitalized may include drilling, project consulting, geophysical, geological and geochemical studies, as well as other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, mining rights and expenses related to exploration and evaluation activities of the related mining property are transferred to mining assets under construction. Before the reclassification, mineral exploration properties and exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

Upon transfer of exploration and evaluation assets into mining assets under construction, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized with mining assets under construction. After the development stage, all assets included in mining assets under construction are transferred to mining assets and amortized over the expected productive lives of the assets.

### **h) Impairment of non-financial assets**

For impairment assessment and testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit ("CGU"). The Company considers each mineral property to be a separate CGU, and therefore assesses for indicators of impairment individually for each mineral property.

At each reporting date, the Company assesses non-financial assets including mineral exploration properties and exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of the asset may not exceed its recoverable amount, being the higher of the value in use and the fair value less costs of disposal. Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the assets of the mineral property are tested for impairment before these items are transferred to mining assets under construction. If the recoverable

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

amount of the asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount with the impairment recognized immediately in profit or loss.

Where an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, subject to the amount not exceeding the carrying amount that would have been determined had impairment not been recognized for the asset in prior periods. Any reversal of impairment is recognized immediately in profit or loss.

### **i) Provisions and contingent liabilities**

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

At September 30, 2016 and September 30, 2015, there were no provisions in the statement of financial position.

### **j) Equity-settled share-based payment transactions**

The Company provides an equity-settled share-based remuneration plan (stock option plan) for directors, officers, employees and certain consultants. The Company's plan does not feature any options for a cash settlement. Occasionally, the Company may issue warrants to brokers.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods and services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. The fair value is measured at the grant date and if applicable, recognized over the vesting period, based on the best available estimate of the number of share options expected to vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if share options ultimately exercised are different to that estimated on vesting. Share-based payment expense incorporates an expected forfeiture rate.

All share-based payments under the plan (except warrants issued to agents or brokers) are ultimately recognized as an expense in profit or loss with a corresponding credit to contributed surplus, in equity. At the same time, upon exercise of a stock option, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the share options recorded in contributed surplus are then transferred to share capital. Warrants issued to brokers are recognized as issuance costs of equity instruments with a corresponding credit to warrants, in equity. Upon exercise, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the warrants recorded in warrants are then transferred to share capital.

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### **k) Equity**

#### Share capital

Share capital represents the amount received on the issue of shares. Transaction costs directly attributable to the issuance of common shares are recognized as a reduction of share capital. If shares are issued when options and warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus. In addition, if shares are issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at the fair value of the assets or services received, if such fair value is determinable.

#### Unit placements

Under the residual method, proceeds are first allocated to shares according to the quoted prices of existing shares at the time of issuance and any residual in the proceeds is allocated to warrants.

#### Warrants

Warrants include charges related to the issuance of warrants until such equity instruments are exercised, expire or are forfeited.

#### Contributed surplus

Contributed surplus includes charges related to stock-based compensation until such equity instruments are exercised, as well as expired or forfeited warrants.

#### Deficit

Deficit includes all current and prior period profits or losses.

### **l) Income taxes**

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax basis.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

### **m) Loss per share**

Basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

conversion or exercise of securities only when such conversion or exercise would have a dilutive effect on earnings per share. The diluted loss per share is equal to the basic loss per share because the effect of warrants and stock options described in Notes 8 and 9 is antidilutive.

Shares held in escrow, other than where their release is subject only to the passage of time, have not been included in the calculation of the weighted average number of common shares outstanding for basic or diluted loss per share.

#### 4. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

##### Issued but not yet effective

The IASB has issued the following new and revised standards and amendments, which are not yet effective which may have future applicability to the Company.

##### IFRS 9, Financial Instruments (“IFRS 9”)

On July 24, 2014 the IASB issued the complete IFRS 9 (IFRS 9 (2014)). IFRS 9 (2014) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2014), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new “expected credit loss” model for calculating impairment. IFRS 9 (2014) also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. IFRS 9 (2014) is to be applied retrospectively for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company’s Management have yet to assess the impact of this new standard.

##### IFRS 15, Revenue from Contracts with Customers

Revenue from contracts with customers is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The standard replaces existing revenue standards and interpretations with a single standard and provides additional guidance on revenue recognition for contracts with customers. The Company’s Management have yet to assess the impact of this new standard.

#### 5. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL MANAGEMENT

##### *Financial instruments*

The Company’s financial instruments at September 30, 2016 consist of cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

##### *Carrying amounts of financial assets and liabilities*

	<u>September 30, 2016</u>	<u>September 30, 2015</u>
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	<u>107,245</u>	<u>212,783</u>
<b>Financial liabilities</b>		
Measured at amortized cost		
Accounts payable and accrued liabilities	<u>14,574</u>	<u>45,148</u>

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### **Risk management**

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

### **Credit risk**

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only significant financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is Management's opinion that the Company is not exposed to significant credit risk. There has been no change to Management's assessment of credit risk compared with the prior year.

### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company's working capital totals \$134,148 at September 30, 2016, including \$107,245 in cash and current liabilities totalling \$14,574, due within the next 12 months. There has been no change to Management's assessment of liquidity risk compared with the prior year.

### **Capital management**

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. The Company is not subject to any external capital requirements, neither regulatory nor contractual. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

## **6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS**

	<b>September 30, 2016</b>		<b>September 30, 2015</b>	
	<b>Mineral exploration properties</b>	<b>Exploration and evaluation assets</b>	<b>Mineral exploration properties</b>	<b>Exploration and evaluation assets</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
a) Romer	<b>1,000,000</b>	<b>205,952</b>	1,000,000	182,315
<b>TOTAL</b>	<b>1,000,000</b>	<b>205,952</b>	1,000,000	182,315

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### a) Romer

On May 8, 2014, the Company acquired a 100% interest in the Romer property from Focus Graphite Inc. ("Focus") in consideration for a cash payment of \$250,000 and the issuance of 2,500,000 common shares. The property was recorded at a value of \$1,000,000 upon initial recognition, based on the fair value of the property received, which was supported by an independent valuation. The Romer property is comprised of a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik in Northern Quebec.

The following table reflects changes to mineral exploration properties between October 1, 2014 and September 30, 2016:

	Year ended September 30, 2016	Year ended September 30, 2015
	\$	\$
Balance, beginning and end of the year	<b>1,000,000</b>	1,000,000

The following table reflects changes to exploration and evaluation assets between October 1, 2014 and September 30, 2016:

	Year ended September 30, 2016	Year ended September 30, 2015
	\$	\$
Balance, beginning of the year	<b>182,315</b>	149,122
Additions		
Geological mapping	-	22,192
Property maintenance	<b>23,637</b>	1,510
	<b>23,637</b>	23,702
Tax credits and credit on duties	-	9,491
Balance, end of the year	<b>205,952</b>	182,315

## 7. SHARE CAPITAL

Unlimited number of common shares, voting, participating and without par value

### Issued and fully paid

Common shares

	Number of shares	\$
Balance, September 30, 2014, September 30, 2015 and September 30, 2016	<b>18,012,257</b>	<b>2,085,813</b>

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### 8. WARRANTS

Outstanding warrants entitle the holders thereof to subscribe to an equivalent number of common shares.

The following table reflects the continuity of warrants:

	Number of warrants	Weighted average exercise price \$
Balance, September 30, 2014	352,400	0.48
Expired	(39,900)	0.30
Balance, September 30, 2015	312,500	0.50
Expired	(312,500)	0.50
Balance, September 30, 2016	-	-

As at September 30, 2016, there were no warrants outstanding.

As at September 30, 2015, the following warrants were issued and outstanding:

Number of warrants	Fair value \$	Exercise price \$	Expiry date
312,500	-	0.50	August 1, 2016
312,500	-		

### 9. STOCK OPTION PLAN

On November 7, 2011, the Company adopted an incentive stock option plan in accordance with the policies of the TSX Venture Exchange (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares, which are exercisable for a period to be determined by the Board at the time the option is granted. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted.

The following table reflects the continuity of stock options:

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

	Number of options	Weighted average exercise price \$
Balance, September 30, 2014	1,263,300	0.10
Expired	(234,849)	0.10
Balance, September 30, 2015 and September 30, 2016	1,028,451	0.10

As at September 30, 2016, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,028,451	5.36	\$0.10	1,028,451	\$0.10

As at September 30, 2015, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,028,451	6.36	\$0.10	1,028,451	\$0.10

## 10. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these financial statements are as follows:

### JAG Sky Inc.

During the 2015 and 2016 fiscal years, the Company prepaid amounts totaling \$25,000 to JAG Sky Inc., a private air charter services company wholly-owned by an Officer and Director of Mincom, for air travel to be used at a later date. As at September 30, 2016, the entire amount is included in prepaid expenses (\$10,000 as at September 30, 2015).

### Shared costs

#### Focus Graphite Inc.

During the year ended September 30, 2016, the Company was charged \$5,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses (2015 - \$10,000). As at September 30, 2016, \$5,000 is included in accounts payable and accrued liabilities (2015 - \$10,000).

#### Grafoid Inc.

As at September 30, 2016, included in accounts payable and accrued liabilities was an amount of \$1,575 (2015 - \$2,486) due to Grafoid Inc., which shares common management, related to other general shared costs.

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

### Key management compensation

	Year ended September 30, 2016	Year ended September 30, 2015
	\$	\$
Consulting fees	41,000	65,500
	<b>41,000</b>	<b>65,500</b>

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

### 11. INCOME TAXES

A reconciliation of the combined Canadian federal and provincial income tax with the Company's effective tax rate is as follows:

	2016	2015
	\$	\$
Net loss	(134,185)	(172,136)
Statutory rate	26.90%	26.90%
Expected recovery of income tax	(36,096)	(46,305)
Difference between future and statutory rate	-	-
Tax impact of temporary differences for which no deferred tax asset was recorded	35,779	45,806
Other	317	499
Provision for income taxes	-	-

As at September 30, 2016 and 2015, the Company had the following temporary differences. No deferred tax assets were recorded for these temporary differences.

	2016	2015
	\$	\$
Share issue costs	9,440	48,252
Eligible cumulative deduction	26,585	28,586
Mineral exploration properties & exploration and evaluation assets	101,238	-
Non-capital losses	905,705	739,285
	<b>1,042,968</b>	<b>816,123</b>

## Mincom Capital Inc.

Notes to Financial Statements  
September 30, 2016 and 2015  
(in Canadian dollars)

As at September 30, 2016, the Company has the following non-capital losses for which no deferred tax asset was set up. The carryforward balances expire as follows:

<u>Year of Expiry</u>	<u>Amount</u>
	\$
2031	4,910
2032	132,642
2033	173,776
2034	212,097
2035	215,860
2036	166,420
	<u>905,705</u>

## 12. SUBSEQUENT EVENTS

### Letter of intent to purchase Braille Holdings Inc. and concurrent private placement

On October 18, 2016, the Company announced that it has entered into a non-binding letter of intent with Grafoid Inc. (“Grafoid”), a related party with common management, to acquire Grafoid’s 75% ownership interest in Braille Holdings Inc., which owns Braille Battery (“Braille”). Braille is a producer of advanced lightweight lithium-ion high-performance batteries, based out of Sarasota, Florida.

The proposed purchase price is US\$2,000,000, of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom.

In conjunction with the acquisition, Mincom proposes to raise, subject to TSX Venture Exchange acceptance, up to US\$3,000,000 by way of a private placement of units of Mincom at a price of US\$0.10 per unit (the “Offering”). Each unit will be comprised of one common share of Mincom and one warrant. Each warrant shall be exercisable into one common share at a price of \$0.18 CAD for a period of four years from the closing date of the Offering. The proceeds will be used to cover consideration of the transaction with Grafoid and working capital.

# MINCOM CAPITAL INC.

## Financial Statements

September 30, 2015 and 2014

*(in Canadian dollars)*

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## **INDEPENDENT AUDITORS' REPORT**

To the Shareholders of Mincom Capital Inc.

We have audited the accompanying financial statements of Mincom Capital Inc., which comprise the statements of financial position as at September 30, 2015 and September 30, 2014, the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mincom Capital Inc. as at September 30, 2015 and September 30, 2014, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

*Emphasis of Matter*

Without modifying our opinion, we draw attention to Note 2 in the financial statements which indicates that Mincom Capital Inc. is in the exploration stage and has not earned revenue from operations. In addition, for the year ended September 30, 2015, Mincom Capital Inc. incurred a net loss of \$172,136 and used cash in operating activities of \$134,778, and at September 30, 2015 had a deficit of \$764,215. These conditions, along with other matters as set forth in Note 2 in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about Mincom Capital Inc.'s ability to continue as a going concern.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

December 8, 2015

Ottawa, Canada

**Mincom Capital Inc.**

## Statements of Financial Position

As at September 30

*(in Canadian dollars)*

	<b>2015</b>	2014
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	<b>212,783</b>	411,106
Amounts receivable	<b>4,262</b>	40,436
Tax credits and credit on duties receivable	<b>101,238</b>	110,729
Prepaid expenses	<b>18,835</b>	7,867
	<b>337,118</b>	570,138
Mineral exploration properties (Note 6)	<b>1,000,000</b>	1,000,000
Exploration and evaluation assets (Note 6)	<b>182,315</b>	149,122
	<b>1,519,433</b>	1,719,260
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	<b>45,148</b>	72,839
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 7)	<b>2,085,813</b>	2,085,813
Warrants (Note 8)	-	1,517
Contributed surplus	<b>152,687</b>	151,170
Deficit	<b>(764,215)</b>	(592,079)
	<b>1,474,285</b>	1,646,421
	<b>1,519,433</b>	1,719,260

Going concern (Note 2)

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

On behalf of the Board

(signed) "Gary Economo"  
Gary Economo, Director

(signed) "Jeffrey York"  
Jeffrey York, Director

**Mincom Capital Inc.**

Statements of Comprehensive Loss  
For the years ended September 30  
(in Canadian dollars)

	<u>2015</u>	<u>2014</u>
	\$	\$
Expenses		
Consulting fees	67,880	1,488
Professional fees	38,879	111,979
Filing fees	9,493	23,127
Insurance	20,824	18,385
Agent fees	19,594	26,505
Other expenses	17,196	33,970
	<u>(173,866)</u>	<u>(215,454)</u>
Other income		
Interest income	1,730	5,973
Recovery of sales taxes	-	39,231
	<u>(172,136)</u>	<u>(170,250)</u>
Net loss and total comprehensive loss	<u>(172,136)</u>	<u>(170,250)</u>
Basic and diluted loss per common share	<u>(0.01)</u>	<u>(0.01)</u>
Basic and diluted weighted average number of common shares outstanding	<u>18,012,257</u>	<u>12,802,310</u>

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

**Mincom Capital Inc.**  
 Statements of Changes in Equity  
 (in Canadian dollars)

	Share Capital		Warrants		Contributed Surplus		Deficit		Total
	Number of shares	\$		\$		\$		\$	\$
<b>Balance, September 30, 2013</b>	<b>14,271,592</b>	<b>1,076,230</b>	<b>37,810</b>	<b>113,360</b>	<b>(421,829)</b>				<b>805,571</b>
Shares issued for cash	1,240,665	284,700	-	-	-	-	-	-	284,700
Shares issued to acquire mineral properties	2,500,000	750,000	-	-	-	-	-	-	750,000
Expiry of warrants	-	-	(37,810)	37,810	-	-	-	-	-
Share issuance costs	-	(25,117)	1,517	-	-	-	-	-	(23,600)
Net loss and total comprehensive loss	-	-	-	-	(170,250)	-	-	(170,250)	(170,250)
<b>Balance, September 30, 2014</b>	<b>18,012,257</b>	<b>2,085,813</b>	<b>1,517</b>	<b>151,170</b>	<b>(592,079)</b>				<b>1,646,421</b>
Expiry of warrants	-	-	(1,517)	1,517	-	-	-	-	-
Net loss and total comprehensive loss	-	-	-	-	(172,136)	-	-	(172,136)	(172,136)
<b>Balance, September 30, 2015</b>	<b>18,012,257</b>	<b>2,085,813</b>	<b>-</b>	<b>152,687</b>	<b>(764,215)</b>				<b>1,474,285</b>

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

**Mincom Capital Inc.**

## Statements of Cash Flows

For the years ended September 30

*(in Canadian dollars)*

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	<b>(172,136)</b>	(170,250)
Adjustments for:		
Interest income	<b>(1,730)</b>	(5,973)
Interest received	<b>1,730</b>	5,973
Changes in non-cash working capital items	<b>37,358</b>	(18,925)
Cash flows used in operating activities	<b>(134,778)</b>	(189,175)
<b>INVESTING ACTIVITIES</b>		
Acquisition of mineral exploration properties	-	(250,000)
Exploration and evaluation costs	<b>(63,545)</b>	(220,008)
Cash flows used in investing activities	<b>(63,545)</b>	(470,008)
<b>FINANCING ACTIVITIES</b>		
Common shares issued	-	284,700
Share issuance costs	-	(23,600)
Cash flows from financing activities	-	261,100
Decrease in cash	<b>(198,323)</b>	(398,083)
Cash, beginning of the year	<b>411,106</b>	809,189
Cash, end of the year	<b>212,783</b>	411,106

*Supplemental information:*

Changes in non-cash working capital items consist of the following:

Amounts receivable	<b>36,174</b>	(33,852)
Prepaid expenses	<b>(10,968)</b>	3,398
Accounts payable and accrued liabilities	<b>12,152</b>	11,529
	<b>37,358</b>	(18,925)
Exploration and evaluation costs included in accounts payable and accrued liabilities	-	39,843

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

## **Mincom Capital Inc.**

Notes to Financial Statements  
September 30, 2015 and 2014  
(in Canadian dollars)

### **1. NATURE OF OPERATIONS**

Mincom Capital Inc. (the “Company” or “Mincom”) was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company was a Capital Pool Company (“CPC”), as defined in Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual (“Policy 2.4”), until May 8, 2014, when it ceased to be a CPC, following the issuance of the Exchange’s Final Bulletin, in accordance with Policy 2.4. The head office of the Company is located at 912-130 Albert Street, Ottawa, Ontario.

#### Details of Qualifying Transaction

On May 8, 2014, the Company acquired all the rights, title and interest in a group of mining claims located in the Labrador Trough sector of Northern Quebec, collectively referred to as the Romer Property (the “Property”), from Focus Graphite Inc. (“Focus”), in consideration for \$250,000 in cash and the issuance of 2,500,000 common shares of the Company. The transaction constituted Mincom’s QT, in accordance with the policies of the Exchange.

Following the completion of the QT and the issuance of the Exchange’s Final Bulletin on May 8, 2014, Mincom resumed trading on the Exchange under the symbol “MOI”, as a Tier 2 mining issuer.

### **2. GOING CONCERN ASSUMPTION**

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). The going concern basis of presentation assumes 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 is in the exploration stage and has not earned revenue from operations. During the year ended September 30, 2015, the Company incurred a net loss of \$172,136 and negative cash flows from operating activities of \$134,778. In addition, the Company has a deficit of \$764,215.

The above factors raise significant doubt about the Company’s ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative expenses and continue its exploration activities, is dependent upon management’s ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available or that it can be obtained on terms favourable to the Company.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amount of assets and liabilities, the reported expenses, and the statement of financial position classifications used.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Basis of presentation and statement of compliance with IFRS**

These financial statements have been prepared on a historical cost basis using the going concern assumption, which assumes 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.

## **Mincom Capital Inc.**

Notes to Financial Statements  
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These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") in Canadian dollars, which is also the Company's functional currency.

These financial statements were authorized for issue by the Board of Directors on December 7, 2015.

### **b) Judgments, estimates and assumptions**

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

#### Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### *Recognition of deferred income tax assets and measurement of income tax expense*

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

#### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### *Impairment of mineral exploration properties and exploration and evaluation assets*

Determining if there are any facts and circumstances indicating impairment or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment or a reversal of an impairment loss exists, the recoverable amount of the individual asset or cash-generating units must be estimated.

#### *Share based payments*

The estimation of stock-based compensation and warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the estimated life of stock options and

## **Mincom Capital Inc.**

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warrants granted and the time of exercise of those stock options and warrants. The valuation model used by the Company is the Black-Scholes model.

The Company allocates values to share capital and to warrants on the residual basis when the two are issued together as a unit. As this allocation is based upon the share price at the time of issuance and the stock is thinly-traded, the actual value of the components may differ from this allocation.

### *Tax credits and credit on duties receivable*

Tax credits and credit on duties are subject to audit by the authorities in the province of Quebec and the Company's entitlement to these items is based on management's history of success in past claims and its current understanding of the legislation that governs these matters.

## **c) Financial assets and liabilities**

### Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

### Financial assets:

For the purpose of subsequent measurement, the Company's financial assets are classified as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Cash and amounts receivable are classified as loans and receivables.

### Financial liabilities:

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities.

Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

### Fair value hierarchy

Financial instruments measured at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices unadjusted in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company currently has no financial instruments measured at fair value on the statements of financial position.

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### **d) Cash**

Cash is comprised of cash balances held at a major financial institution.

### **e) Interest income**

Interest income is reported on an accrual basis using the effective interest method.

### **f) Tax credits and credit on duties**

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These credits are recognized as a reduction of the exploration costs incurred based on estimates made by management. The Company records these credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

### **g) Mineral exploration properties and exploration and evaluation assets**

Mineral exploration properties include the cost of acquiring mining rights. Exploration and evaluation assets include expenses directly related to the exploration and evaluation activities. These costs are capitalized as intangible assets and are carried at cost less any impairment loss recognized. Costs incurred before the legal right to undertake exploration and evaluation activities on a project was acquired, are expensed in the statement of comprehensive loss.

Mining rights and expenses related to exploration and evaluation activities are capitalized on a property by property basis pending determination of the technical feasibility and commercial viability of the project. No amortization is recognized during the exploration and evaluation phase. Costs capitalized may include drilling, project consulting, geophysical, geological and geochemical studies, as well as other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, mining rights and expenses related to exploration and evaluation activities of the related mining property are transferred to mining assets under construction. Before the reclassification, mineral exploration properties and exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

Upon transfer of exploration and evaluation assets into mining assets under construction, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized with mining assets under construction. After the development stage, all assets included in mining assets under construction are transferred to mining assets and amortized over the expected productive lives of the assets.

### **h) Impairment of non-financial assets**

For impairment assessment and testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit ("CGU"). The Company considers each mineral property to be a separate CGU, and therefore assesses for indicators of impairment individually for each mineral property.

At each reporting date, the Company assesses non-financial assets including mineral exploration properties and exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of the asset may not exceed its recoverable amount, being the higher of the value in use and the fair value less costs of disposal. Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the assets of the mineral property are tested for impairment before these items are transferred to mining assets under construction. If the recoverable

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amount of the asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount with the impairment recognized immediately in profit or loss.

Where an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, subject to the amount not exceeding the carrying amount that would have been determined had impairment not been recognized for the asset in prior periods. Any reversal of impairment is recognized immediately in profit or loss.

### **i) Provisions and contingent liabilities**

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

At September 30, 2015 and September 30, 2014, there are no provisions in the statement of financial position.

### **j) Equity-settled share-based payment transactions**

The Company operates an equity-settled share-based remuneration plan (stock option plan) for directors, officers, employees and certain consultants. The Company's plan does not feature any options for a cash settlement. Occasionally, the Company may issue warrants to brokers.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods and services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. The fair value is measured at the grant date and if applicable, recognized over the vesting period, based on the best available estimate of the number of share options expected to vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if share options ultimately exercised are different to that estimated on vesting. Share-based payment expense incorporates an expected forfeiture rate.

All share-based payments under the plan (except warrants issued to agents or brokers) are ultimately recognized as an expense in profit or loss with a corresponding credit to contributed surplus, in equity. At the same time, upon exercise of a stock option, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the share options recorded in contributed surplus are then transferred to share capital. Warrants issued to brokers are recognized as issuance costs of equity instruments with a corresponding credit to warrants, in equity. Upon exercise, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the warrants recorded in warrants are then transferred to share capital.

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### **k) Equity**

#### Share capital

Share capital represents the amount received on the issue of shares. Transaction costs directly attributable to the issuance of common shares are recognized as a reduction of share capital. If shares are issued when options and warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus. In addition, if shares are issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at the fair value of the assets or services received, if such fair value is determinable.

#### Unit placements

Under the residual method, proceeds are first allocated to shares according to the quoted prices of existing shares at the time of issuance and any residual in the proceeds is allocated to warrants.

#### Warrants

Warrants include charges related to the issuance of warrants until such equity instruments are exercised.

#### Contributed surplus

Contributed surplus includes charges related to stock-based compensation until such equity instruments are exercised, as well as expired or forfeited warrants.

#### Deficit

Deficit includes all current and prior period profits or losses.

### **l) Income taxes**

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

### **m) Loss per share**

Basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion or exercise of securities only when such conversion or exercise would have a dilutive effect on

## **Mincom Capital Inc.**

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earnings per share. The diluted loss per share is equal to the basic loss per share because the effect of warrants and stock options described in Notes 8 and 9 is antidilutive.

Shares held in escrow, other than where their release is subject only to the passage of time, have not been included in the calculation of the weighted average number of common shares outstanding for basic or diluted earnings per share.

#### **4. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS**

##### **Effective in the current year**

The IASB has issued the following new standards, which are applicable to the Company in the current year.

##### *IFRIC 21, Levies*

In May 2013, the IASB issued IFRIC 21, Levies which provides guidance on accounting for levies in accordance with the requirements of IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation. It also notes that levies do not arise from executor contracts of other contractual arrangements. The interpretation also confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. This IFRIC is effective for the Company's annual financial statements beginning October 1, 2014 and is required to be applied retrospectively. The adoption of this standard did not have an impact on the Company's financial statements.

##### **Issued but not yet effective**

The IASB has issued the following new and revised standards and amendments, which are not yet effective which may have future applicability to the Company.

##### *IFRS 9, Financial Instruments ("IFRS 9")*

On July 24, 2014 the IASB issued the complete IFRS 9 (IFRS 9 (2014)). IFRS 9 (2014) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2014), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. IFRS 9 (2014) also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. IFRS 9 (2014) is to be applied retrospectively for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company's management have yet to assess the impact of this new standard.

#### **5. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL MANAGEMENT**

##### ***Financial instruments***

The Company's financial instruments at September 30, 2015 consist of cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

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### Carrying amounts of financial assets and liabilities

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	<u>212,783</u>	<u>411,106</u>
<b>Financial liabilities</b>		
Measured at amortized cost		
Accounts payable and accrued liabilities	<u>45,148</u>	<u>72,839</u>

### **Risk management**

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### **Credit risk**

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only significant financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is management's opinion that the Company is not exposed to significant credit risk.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company's working capital totals \$291,970 at September 30, 2015, including \$212,783 in cash and current liabilities totalling \$45,148, due within the next 12 months.

#### **Capital management**

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. The Company is not subject to any external capital requirements, neither regulatory nor contractual. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

**Mincom Capital Inc.**

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**6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS**

	<b>September 30, 2015</b>		September 30, 2014	
	<b>Mineral exploration properties</b>	<b>Exploration and evaluation assets</b>	Mineral exploration properties	Exploration and evaluation assets
	\$	\$	\$	\$
a) Romer	<b>1,000,000</b>	<b>182,315</b>	1,000,000	149,122
<b>TOTAL</b>	<b>1,000,000</b>	<b>182,315</b>	1,000,000	149,122

**a) Romer**

On May 8, 2014, the Company acquired a 100% interest in the Romer property from Focus Graphite Inc. ("Focus") in consideration for a cash payment of \$250,000 and the issuance of 2,500,000 common shares. The property was recorded at a value of \$1,000,000 upon initial recognition, based on the fair value of the property received, which was supported by an independent valuation. The Romer property is comprised of a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik in Northern Quebec.

The following table reflects changes to mineral exploration properties between October 1, 2013 and September 30, 2015:

	<b>Year ended September 30, 2015</b>	Year ended September 30, 2014
	\$	\$
Balance, beginning of the year	<b>1,000,000</b>	-
Acquisition of mineral exploration properties	-	1,000,000
Balance, end of the year	<b>1,000,000</b>	1,000,000

## Mincom Capital Inc.

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The following table reflects changes to exploration and evaluation assets between October 1, 2013 and September 30, 2015:

	Year ended September 30, 2015	Year ended September 30, 2014
	\$	\$
Balance, beginning of the year	149,122	-
Additions		
Independent technical studies	-	1,935
Geological mapping	22,192	255,019
Property maintenance	1,510	2,897
	23,702	259,851
Tax credits and credit on duties	9,491	(110,729)
Balance, end of the year	182,315	149,122

## 7. SHARE CAPITAL

Unlimited number of common shares, voting, participating and without par value

### Issued and fully paid

Common shares

	Number of shares	\$
Balance, September 30, 2013	14,271,592	1,076,230
Shares issued for cash (1) (2)	1,240,665	284,700
Shares issued to acquire mineral properties (Note 6)	2,500,000	750,000
Share issuance costs	-	(25,117)
Balance, September 30, 2014 and September 30, 2015	18,012,257	2,085,813

(1) On May 8, 2014, the Company completed a private placement for gross proceeds of \$184,700. The private placement was comprised of 615,665 common shares at a price of \$0.30 per share. In connection with the financing, the Company paid cash finders' fees of \$11,970 and issued, as additional consideration, 39,900 non-transferable warrants entitling the holder to acquire the same number of common shares of the Company at a price of \$0.30, until May 8, 2015. The warrants issued as commissions have been recorded at a value of \$1,517, based on the Black-Scholes option pricing model, using the following assumptions: stock price of \$0.17, risk-free interest rate of 1.07%, expected life of warrants of 1 year, annualized volatility of 100% and dividend rate of 0%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry date commensurate with the expected life of the warrants. Other share issuance costs total \$3,438. The value of the warrants, commissions and other share issue costs are presented as a reduction of share capital. Directors and officers of the Company, including close family members, participated in the private placement for an aggregate amount of \$88,000.

## Mincom Capital Inc.

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- (2) On August 1, 2014, the Company completed a private placement for gross proceeds of \$100,000. The private placement was comprised of 625,000 units at a price of \$0.16 per unit. Each unit consists of one common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.50 until August 1, 2016. The warrants have been recorded at a value of \$Nil based on the residual method. Other share issuance costs total \$8,192. The share issue costs are presented as a reduction of share capital.

### 8. WARRANTS

Outstanding warrants entitle the holders thereof to subscribe to an equivalent number of common shares.

The following table reflects the continuity of warrants:

	Number of warrants	Weighted average exercise price \$
Balance, September 30, 2013	719,675	0.10
Granted	352,400	0.48
Expired	(719,675)	0.10
Balance, September 30, 2014	352,400	0.48
Expired	(39,900)	0.30
Balance, September 30, 2015	312,500	0.50

As at September 30, 2015, the following warrants were issued and outstanding:

Number of warrants	Fair value \$	Exercise price \$	Expiry date
312,500	-	0.50	August 1, 2016
312,500	-		

As at September 30, 2014, the following warrants were issued and outstanding:

Number of warrants	Fair value \$	Exercise price \$	Expiry date
39,900	1,517	0.30	May 8, 2015
312,500	-	0.50	August 1, 2016
352,400	1,517		

## Mincom Capital Inc.

Notes to Financial Statements  
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### 9. STOCK OPTION PLAN

On November 7, 2011, the Company adopted an incentive stock option plan in accordance with the policies of the TSX Venture Exchange (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares, which are exercisable for a period to be determined by the Board at the time the option is granted. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted.

The following table reflects the continuity of stock options:

	Number of options	Weighted average exercise price \$
Balance, September 30, 2013 and September 30, 2014	1,263,300	0.10
Expired	(234,849)	0.10
Balance, September 30, 2015	1,028,451	0.10

As at September 30, 2015, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,028,451	6.36	\$0.10	1,028,451	\$0.10

As at September 30, 2014, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,263,300	7.36	\$0.10	1,263,300	\$0.10

## Mincom Capital Inc.

Notes to Financial Statements  
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### 10. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these financial statements are as follows:

#### JAG Sky Inc.

During the year, the Company prepaid an amount of \$10,000 to JAG Sky Inc. ("JAG"), a private air charter services company wholly-owned by an Officer and Director of Mincom, for air travel to be used at a later date. As at September 30, 2015, the entire amount is included in prepaid expenses.

#### Shared costs

##### Focus Graphite Inc.

During the year ended September 30, 2015, the Company was charged \$10,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses (2014 - \$25,000). As at September 30, 2015, the entire amount is included in accounts payable and accrued liabilities.

As at September 30, 2015, included in accounts payable and accrued liabilities was an additional amount of \$Nil (2014 - \$3,172) due to Focus, related to other general shared costs.

##### Grafoid Inc.

As at September 30, 2015, included in accounts payable and accrued liabilities was an amount of \$2,486 (2014 - \$Nil) due to Grafoid Inc., which shares common management, related to other general shared costs.

#### Key management compensation

	Year ended September 30, 2015	Year ended September 30, 2014
	\$	\$
Consulting fees (1)	65,500	-
	65,500	-

(1) As at September 30, 2015, \$21,000 is included in accounts payable and accrued liabilities.

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

## Mincom Capital Inc.

Notes to Financial Statements  
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### 11. INCOME TAXES

A reconciliation of the combined Canadian federal and provincial income tax with the Company's effective tax rate is as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Net loss	<u>(172,136)</u>	(170,250)
Statutory rate	26.90%	26.90%
Expected recovery of income tax	(46,305)	(45,798)
Difference between future and statutory rate	-	(1,815)
Tax impact of temporary differences for which no deferred tax asset was recorded	45,806	47,165
Other	499	448
Provision for income taxes	<u>-</u>	<u>-</u>

As at September 30, 2015 and 2014, the Company had the following temporary differences. No deferred tax assets were recorded for these temporary differences.

	<u>2015</u>	<u>2014</u>
	\$	\$
Share issue costs	48,252	91,679
Eligible cumulative deduction	28,586	30,738
Non-capital losses	<u>739,285</u>	<u>523,425</u>
	<u>816,123</u>	<u>645,842</u>

As at September 30, 2015, the Company has the following non-capital losses for which no deferred tax asset was set up. The carryforward balances expire as follows:

<u>Year of Expiry</u>	<u>Amount</u>
	\$
2031	4,910
2032	132,642
2033	173,776
2034	212,097
2035	215,860
	<u>739,285</u>

# MINCOM CAPITAL INC.

## Condensed Interim Financial Statements

For the three and six month periods ended March 31, 2017

*(Expressed in Canadian dollars)*  
*(Unaudited)*

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### Condensed Interim Financial Statements

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The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the Company's management.

<b>Mincom Capital Inc.</b>		
Condensed Interim Statements of Financial Position (Unaudited)		
<i>(in Canadian dollars)</i>		
As at	<b>March 31,</b>	September 30,
	<b>2017</b>	2016
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	<b>5,562</b>	107,245
Amounts receivable	<b>13,041</b>	2,815
Tax credits and credit on duties receivable	<b>1,225</b>	1,225
Prepaid expenses	<b>86,122</b>	37,437
	<b>105,950</b>	148,722
Mineral exploration properties (Note 5)	<b>1,000,000</b>	1,000,000
Exploration and evaluation assets (Note 5)	<b>206,012</b>	205,952
	<b>1,311,962</b>	1,354,674
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	<b>114,413</b>	14,574
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 6)	<b>2,085,813</b>	2,085,813
Contributed surplus	<b>152,687</b>	152,687
Deficit	<b>(1,040,951)</b>	(898,400)
	<b>1,197,549</b>	1,340,100
	<b>1,311,962</b>	1,354,674
Going concern (Note 2)		
<i>The accompanying notes are an integral part of these condensed interim financial statements.</i>		
On behalf of the Board		
<u>(signed) "Gary Economo"</u>	<u>(signed) "Jeffrey York"</u>	
Gary Economo, Director	Jeffrey York, Director	

<b>Mincom Capital Inc.</b>				
Condensed Interim Statements of Comprehensive Loss (Unaudited)				
<i>(in Canadian dollars)</i>				
	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Expenses				
Consulting fees	<b>9,000</b>	14,000	<b>18,010</b>	23,000
Travel and promotion	<b>884</b>	616	<b>1,668</b>	2,358
Professional fees	<b>44,736</b>	135	<b>93,949</b>	26,185
Filing fees	<b>312</b>	1,300	<b>5,428</b>	6,404
Insurance	<b>8,333</b>	3,162	<b>14,030</b>	8,813
Agent fees	<b>3,226</b>	4,440	<b>6,543</b>	7,379
Other expenses	<b>918</b>	1,143	<b>2,923</b>	1,658
	<b>(67,409)</b>	(24,796)	<b>(142,551)</b>	(75,797)
Other income				
Interest income	-	371	-	1,113
Net loss and total comprehensive loss	<b>(67,409)</b>	(24,425)	<b>(142,551)</b>	(74,684)
Basic and diluted loss per common share	<b>(0.004)</b>	(0.001)	<b>(0.008)</b>	(0.004)
Basic and diluted weighted average number of common shares outstanding	<b>18,012,257</b>	18,012,257	<b>18,012,257</b>	18,012,257
<i>The accompanying notes are an integral part of these condensed interim financial statements.</i>				

<b>Mincom Capital Inc.</b>						
Condensed Interim Statements of Changes in Equity (Unaudited)						
<i>(in Canadian dollars)</i>						
	Share Capital		Warrants	Contributed Surplus	Deficit	Total
	Number of shares	\$	\$	\$	\$	\$
<b>Balance, September 30, 2015</b>	<b>18,012,257</b>	<b>2,085,813</b>	-	<b>152,687</b>	<b>(764,215)</b>	<b>1,474,285</b>
Net loss and total comprehensive loss	-	-	-	-	(74,864)	(74,864)
<b>Balance, March 31, 2016</b>	<b>18,012,257</b>	<b>2,085,813</b>	-	<b>152,687</b>	<b>(839,079)</b>	<b>1,399,421</b>
Net loss and total comprehensive loss	-	-	-	-	(59,321)	(59,321)
<b>Balance, September 30, 2016</b>	<b>18,012,257</b>	<b>2,085,813</b>	-	<b>152,687</b>	<b>(898,400)</b>	<b>1,340,100</b>
Net loss and total comprehensive loss	-	-	-	-	(142,551)	(142,551)
<b>Balance, March 31, 2017</b>	<b>18,012,257</b>	<b>2,085,813</b>	-	<b>152,687</b>	<b>(1,040,951)</b>	<b>1,197,549</b>
<i>The accompanying notes are an integral part of these condensed interim financial statements.</i>						

<b>Mincom Capital Inc.</b>				
Condensed Interim Statements of Cash Flows (Unaudited)				
<i>(in Canadian dollars)</i>				
	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net loss	<b>(67,409)</b>	(24,425)	<b>(142,551)</b>	(74,684)
Adjustments for:				
Interest income	-	(371)	-	(1,113)
Interest received	-	371	-	1,113
Changes in working capital items	<b>11,937</b>	(23,094)	<b>40,928</b>	(43,229)
Cash flows used in operating activities	<b>(55,472)</b>	(47,519)	<b>(101,623)</b>	(117,913)
<b>INVESTING ACTIVITIES</b>				
Exploration and evaluation costs	-	-	<b>(60)</b>	(60)
Tax credits and credit on mining duties received	-	-	-	79,056
Cash flows (used in) from investing activities	-	-	<b>(60)</b>	78,996
Decrease in cash	<b>(55,472)</b>	(47,519)	<b>(101,683)</b>	(38,917)
Cash, beginning of the period	<b>61,034</b>	221,385	<b>107,245</b>	212,783
Cash, end of the period	<b>5,562</b>	173,866	<b>5,562</b>	173,866
<i>Supplemental information:</i>				
Changes in working capital items consist of the following:				
Amounts receivable	<b>(3,019)</b>	625	<b>(10,226)</b>	953
Prepaid expenses	<b>(56,120)</b>	(23,526)	<b>(48,685)</b>	(16,575)
Accounts payable and accrued liabilities	<b>71,076</b>	(193)	<b>99,839</b>	(27,607)
	<b>11,937</b>	(23,094)	<b>40,928</b>	(43,229)
<i>The accompanying notes are an integral part of these condensed interim financial statements.</i>				

## **Mincom Capital Inc.**

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

### **1. NATURE OF OPERATIONS**

Mincom Capital Inc. (the “Company” or “Mincom”) was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company’s shares are listed on the TSX Venture Exchange under the symbol MOI. The head office of the Company is located at 945 Princess Street, Kingston, Ontario.

The Company is engaged in the acquisition, exploration and development of mineral properties in Quebec, Canada.

### **2. GOING CONCERN ASSUMPTION**

These condensed interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). The going concern basis of presentation assumes 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 is in the exploration stage and has not earned revenue from operations. During the six months ended March 31, 2017, the Company incurred a net loss of \$142,551 and negative cash flows from operating activities of \$101,623. In addition, the Company has a deficit of \$1,040,951.

The above factors indicate material uncertainties, which may cast significant doubt about the Company’s ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative expenses and continue its exploration activities, is dependent upon Management’s ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available or that it can be obtained on terms favourable to the Company.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amount of assets and liabilities, the reported expenses, and the statement of financial position classifications used.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Statement of compliance**

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”).

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s annual financial statements for the years ended September 30, 2016 and 2015, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These condensed interim financial statements were authorized for issue by the Board of Directors on May 30, 2017.

#### **b) Basis of presentation**

These condensed interim financial statements have been prepared on a historical cost basis and are expressed in Canadian dollars, which is also the Company’s functional currency.

## **Mincom Capital Inc.**

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

These condensed interim financial statements have been prepared using accounting policies that are consistent with those used in the preparation of the Company's audited annual statements for the years ended September 30, 2016 and 2015.

### **c) Judgments, estimates and assumptions**

When preparing the financial statements, Management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

#### Significant Management judgment

The following are significant Management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

##### *Recognition of deferred income tax assets and measurement of income tax expense*

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires Management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, Management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

##### *Going concern risk assessment*

In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments, Management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis and its expansionary plans. The key inputs used by the Company in this process include forecasted capital deployment, results from operations, results from exploration and general industry conditions. Changes in these inputs may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classification of assets and liabilities should the Company be unable to continue as a going concern (Note 2).

#### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

##### *Impairment of mineral exploration properties and exploration and evaluation assets*

Determining if there are any facts and circumstances indicating impairment or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

## Mincom Capital Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

When an indication of impairment or a reversal of an impairment loss exists, the recoverable amount of the individual asset or cash-generating units must be estimated.

### *Share based payments*

The estimation of stock-based compensation and warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the estimated life of stock options and warrants granted and the time of exercise of those stock options and warrants. The valuation model used by the Company is the Black-Scholes model.

The Company allocates values to share capital and to warrants on the residual basis when the two are issued together as a unit. As this allocation is based upon the share price at the time of issuance and the stock is thinly-traded, the actual value of the components may differ from this allocation.

### *Tax credits and credit on duties receivable*

Tax credits and credit on duties are subject to audit by the authorities in the province of Quebec and the Company's entitlement to these items is based on Management's history of success in past claims and its current understanding of the legislation that governs these matters.

## 4. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL MANAGEMENT

### *Financial instruments*

The Company's financial instruments at March 31, 2017 consist of cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

### *Carrying amounts of financial assets and liabilities*

	March 31, 2017	September 30, 2016
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	5,562	107,245
<b>Financial liabilities</b>		
Measured at amortized cost		
Accounts payable and accrued liabilities	114,413	14,574

### *Risk management*

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

### *Credit risk*

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only significant financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered

## Mincom Capital Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

bank. It is Management's opinion that the Company is not exposed to significant credit risk. There has been no change to Management's assessment of credit risk compared with the prior year.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company has a working capital deficiency of \$8,463 at March 31, 2017, including \$5,562 in cash and current liabilities totalling \$114,413, due within the next 12 months. There has been no change to Management's assessment of liquidity risk compared with the prior year.

### Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. The Company is not subject to any external capital requirements, neither regulatory nor contractual. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

## 5. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS

		March 31, 2017		September 30, 2016	
		Mineral	Exploration	Mineral	Exploration
		and	and	and	and
		exploration	evaluation	exploration	evaluation
		properties	assets	properties	assets
		\$	\$	\$	\$
a) Romer		1,000,000	206,012	1,000,000	205,952
TOTAL		1,000,000	206,012	1,000,000	205,952

### a) Romer

On May 8, 2014, the Company acquired a 100% interest in the Romer property from Focus Graphite Inc. ("Focus") in consideration for a cash payment of \$250,000 and the issuance of 2,500,000 common shares. The property was recorded at a value of \$1,000,000 upon initial recognition, based on the fair value of the property received, which was supported by an independent valuation. The Romer property is comprised of a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik in Northern Quebec.

## Mincom Capital Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

The following table reflects changes to mineral exploration properties between October 1, 2015 and March 31, 2017:

	Six months ended March 31, 2017	Year ended September 30, 2016
	\$	\$
Balance, beginning and end of the period	1,000,000	1,000,000

The following table reflects changes to exploration and evaluation assets between October 1, 2015 and March 31, 2017:

	Six months ended March 31, 2017	Year ended September 30, 2016
	\$	\$
Balance, beginning of the period	205,952	182,315
Additions		
Property maintenance	60	23,637
	60	23,637
Balance, end of the period	206,012	205,952

## 6. SHARE CAPITAL

Unlimited number of common shares, voting, participating and without par value

### Issued and fully paid

Common shares

	Number of shares	\$
Balance, September 30, 2015, September 30, 2016 and March 31, 2017	18,012,257	2,085,813

## Mincom Capital Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

### 7. WARRANTS

Outstanding warrants entitle the holders thereof to subscribe to an equivalent number of common shares.

The following table reflects the continuity of warrants:

	Number of warrants	Weighted average exercise price \$
Balance, September 30, 2015	312,500	0.50
Expired	(312,500)	0.50
Balance, September 30, 2016 and March 31, 2017	-	-

As at March 31, 2017 and September 30, 2016, there were no warrants outstanding.

### 8. STOCK OPTIONS

On November 7, 2011, the Company adopted an incentive stock option plan in accordance with the policies of the TSX Venture Exchange (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares, which are exercisable for a period to be determined by the Board at the time the option is granted. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted.

The following table reflects the continuity of stock options:

	Number of options	Weighted average exercise price \$
Balance, September 30, 2015, September 30, 2016 and March 31, 2017	1,028,451	0.10

As at March 31, 2017, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,028,451	4.86	\$0.10	1,028,451	\$0.10

## Mincom Capital Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

(in Canadian dollars)

As at September 30, 2016, the following stock options were outstanding and exercisable:

Exercise prices	Outstanding			Exercisable	
	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
\$0.10	1,028,451	5.36	\$0.10	1,028,451	\$0.10

## 9. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these financial statements are as follows:

### JAG Sky Inc.

As at March 31, 2017, the Company has prepaid \$33,000 to JAG Sky Inc., a private air charter services company wholly-owned by an Officer and Director of Mincom, for air travel to be used at a later date. The entire amount is included in prepaid expenses (\$25,000 as at September 30, 2016).

### Shared costs

#### Focus Graphite Inc.

During the year ended September 30, 2016, the Company was charged \$5,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses. As at March 31, 2017, included in accounts payable and accrued liabilities was an amount of \$Nil (\$5,000 as at September 30, 2016).

#### Grafoid Inc.

As at March 31, 2017, included in accounts payable and accrued liabilities was an amount of \$457 (\$1,575 as at September 30, 2016) due to Grafoid Inc., which shares common management, related to other general shared costs.

### Key management compensation

The following table reflects compensation of key management personnel (Directors and Officers of the Company):

	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Consulting fees (1)	9,000	14,000	18,000	23,000
	9,000	14,000	18,000	23,000

(1) As at March 31, 2017, \$16,998 is included in accounts payable and accrued liabilities (\$Nil as at September 30, 2016).

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

## **Mincom Capital Inc.**

Notes to the Condensed Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017

*(in Canadian dollars)*

### **10. COMMITMENTS**

#### Agreement to purchase Braille Holdings Inc. and concurrent private placement

On March 14, 2017, the Company announced that it has entered into an agreement with Grafoid Inc. ("Grafoid"), a related party with common management, to acquire Grafoid's 75% ownership interest in Braille Holdings Inc., which owns Braille Battery ("Braille"). Braille is a producer of advanced lightweight lithium-ion high-performance batteries, based out of Sarasota, Florida.

The proposed purchase price is US\$2,000,000, of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom.

In conjunction with the acquisition, Mincom proposes to raise, subject to TSX Venture Exchange acceptance, up to US\$3,000,000 by way of a private placement of units of Mincom at a price of US\$0.10 per unit (the "Offering"). Each unit will be comprised of one common share of Mincom and one warrant. Each warrant shall be exercisable into one common share at a price of \$0.18 CAD for a period of four years from the closing date of the Offering. The proceeds will be used to cover consideration of the transaction with Grafoid and working capital.

***APPENDIX "B"***  
*MANAGEMENT'S DISCUSSION AND ANALYSIS OF MINCOM*

**MINCOM CAPITAL INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2016 and 2015

# MINCOM CAPITAL INC.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

The following Management Discussion and Analysis (“MD&A”) reviews the operating results, financial condition and future prospects of Mincom Capital Inc. (“Mincom” or the “Company”), current as of November 18, 2016. It should be read in conjunction with the Company’s annual audited financial statements and notes thereto for the fiscal years ended September 30, 2016 and 2015, which were prepared in accordance with International Financial Reporting Standards (“IFRS”). The reporting currency is in Canadian dollars. All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

This MD&A contains or may refer to certain statements that may be deemed “forward-looking statements”. Forward-looking statements include estimates and statements that describe the Company’s future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “anticipates”, “believes”, “could”, “estimates”, “predict”, “seek”, “potential”, “continue”, “intend”, “plan”, “expects”, “may”, “shall”, “will”, or “would” and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. Mincom does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

### **Nature of Business**

Mincom was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company was a Capital Pool Company (“CPC”), as defined in Policy 2.4 of the TSX-V Corporate Finance Manual (“Policy 2.4”) from incorporation to May 9, 2014, following the issuance of the TSX Venture Exchange’s Final Bulletin approving the Company’s acquisition of the Romer property, in Québec, as its Qualifying Transaction (“QT”). Subsequent to the completion of the QT in accordance with Policy 2.4, Mincom commenced operations as a Tier 2 mining issuer.

The principal business of the Company is the acquisition and development of mineral properties in North America with the aim of discovering commercially exploitable precious and base metal deposits which can either be placed into production by the Company or disposed of for a profit to companies that wish to place such deposits into commercial production.

The head office of the Company is located at 945 Princess St. Kingston, Ontario.

### **Corporate Development Highlights**

#### Equity Financing- Subscription of Seed Shares

In May and August 2011, the Company’s directors and officers subscribed for an aggregate of 4,700,000 common shares (the “Seed Shares”) at \$0.05 per share for gross proceeds of \$235,000. The shares were deposited in escrow pursuant to the terms of an escrow agreement and will be released from escrow in stages over a period of up to three years after the Final Exchange Bulletin issued by the TSX-V on May 9, 2014.

#### Initial Public Offering

On February 6, 2012, the Company closed its initial public offering (“IPO”) raising gross proceeds of \$793,300. The IPO was comprised of 7,933,000 common shares at a price of \$0.10 per share. In connection with the financing, the Company paid cash finders’ fees totaling \$79,330 and issued, as additional consideration, 793,300 non-transferable warrants which entitled the holder to acquire the same number of common shares of the Company at a price of \$0.10, until February 6, 2014. A syndicate

of agents led by Jones, Gable & Company Limited acted as agents for Mincom. The Company filed the final prospectus for the IPO on November 8, 2011.

The purpose of the offering was to provide the Company with funds with which to identify and evaluate businesses or assets with a view to completing a QT.

#### Mincom Shares Begin Trading

On February 10, 2012, the common shares of Mincom began trading on the TSX-V under the ticker symbol "MOI.P".

#### Private Placement Raising \$234,745 Closed

On June 11, 2012, the Company announced that it had completed a non-brokered private placement for gross proceeds of \$234,745. The private placement was comprised of 1,564,967 common shares issued at a price of \$0.15 per share.

Mincom paid a cash commission of \$13,180 in relation to the financing. All securities issued in the private placement were subject to a four month hold period which expired on October 9, 2012.

#### Mincom Announces Agreement For Qualifying Transaction- Group NanoXplore Inc. ("NanoXplore")

On April 10, 2013, the Company announced that it signed an Letter of Intent ("LOI") with NanoXplore pursuant to which Mincom was to acquire all of the issued and outstanding shares of NanoXplore.

Mincom intended for the proposed acquisition of NanoXplore to constitute the Company's QT in accordance with Policy 2.4. Mincom and NanoXplore were dealing at arm's length and accordingly, the proposed QT was not a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. Upon completion of the Qualifying Transaction, it was expected that Mincom would be listed on the Exchange as a Tier 2 issuer.

NanoXplore is a Montreal-based nanomaterials research and development services company specializing in graphene, advanced graphene materials and carbon nanotube technologies, including R&D for the production of graphene coatings for consumer electronics, security and graphene-based RF packaging applications. NanoXplore works on a contractual basis with manufacturers in cooperation with its academic partners. NanoXplore is incorporated under the Business Corporations Act (Quebec).

#### Mincom Terminates LOI with Group NanoXplore Inc.

On August 13, 2013, the Company announced the termination of the LOI signed with NanoXplore. The termination of the LOI followed confirmation from the TSX-V on August 1, 2013, that the resulting issuer, pursuant to the proposed QT, did not have sufficient "history of operations and validity of business" required to satisfy the TSX-V's minimum initial listing requirements.

#### Mincom Announces Agreement for Qualifying Transaction- Romer Property

On September 27, 2013, Mincom announced that it had signed into a letter agreement (the "Agreement") with Focus Graphite, pursuant to which Mincom was to acquire from Focus Graphite all of its rights, title and interest in a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik, Northern Québec, and collectively referred to as the Romer base and precious metals (Cu-Zn-Ni-Au-PGE) Property (the "Property"). Following the announcement, trading of the common shares of Mincom was halted by the Exchange and remained halted in accordance with Exchange policies until all required documentation with respect to the QT had been received and the Exchange was satisfied that the halt should be lifted and trading resumed on May 9, 2014.

It was intended that the acquisition of the Property would constitute Mincom's QT in accordance with Policy 2.4. Mincom and Focus Graphite were not dealing at arm's length given that Gary Economo, Jeffrey York, Marc-André Bernier and Chester Burt (the "Non-Arm's Length Parties") are also directors of Focus Graphite. Accordingly, the QT was a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. The Non-Arm's Length Parties did not participate in the deliberations of the board of directors of the Company in connection with the proposed transaction. The Agreement was unanimously approved by the independent directors of the Company and the letter of intent was signed on September 27, 2013.

The completion of the QT required a majority of the minority shareholder approval which was obtained on April 24, 2014, at a special meeting of shareholders of Mincom called for this purpose. Upon completion of the QT, it was expected that Mincom would be listed on the Exchange as a Tier 2 mining issuer.

Mr. Réjean Girard, P. Geo (Québec), President of IOS Services Geoscientifiques ("IOS") of Saguenay, Québec, a qualified person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), was mandated to prepare a NI 43-101 compliant technical report on the Property. For details on the Romer property, please refer to 'Exploration Activities' section of the management's discussion and analysis.

#### Terms and Conditions of the Agreement with Focus Graphite

The transaction was subject to Exchange and shareholder approval, and to other standard closing conditions, including satisfactory due diligence review of the Property by Mincom, and the completion of a financing (the "Offering") on terms satisfactory to Mincom, in its sole discretion, as necessary in order to meet the minimum listing requirements of the Exchange. For details on the Offering, refer to the 'Closing of the QT'.

The purchase price agreed to by Mincom and Focus Graphite for the purchase of the Project was \$1,000,000 as determined following an independent valuation prepared at the request of the Company. The consideration was paid as follows: (i) CAN\$250,000 paid in cash and; (ii) 2,500,000 common shares of Mincom, representing a deemed value of \$0.30 per share.

#### Mincom Announced the Closing of QT and Concurrent Private Placement

On May 8, 2014, the Company completed its QT with Focus Graphite and the private placement Offering raising gross proceeds of \$184,699.50. The Offering consisted of the sale and issuance of 615,665 common shares at a price of \$0.30 per common share. The Offering closed concurrently with and was conditional on the completion of the QT. The QT was also conditional on the closing of the Offering. The Offering was not conducted through an intermediary. Mincom paid a cash commission of \$11,970 in relation to the private placement and issued 39,900 non-transferable share purchase warrants exercisable at a price of \$0.30 per share until May 8, 2015.

Mr. Gary Economo, the President and CEO of Mincom, and family members of a Director participated in the Offering by purchasing 293,333 common shares, which constitutes a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction with Mr. Economo did not exceed 25% of the Company's market capitalization.

All securities issued in connection with the closing of the QT and the Offering were subject to a regulatory four (4) month hold period which expired on September 9, 2014. Following Exchange requirements, a total of 2,793,333 common shares issued pursuant to the QT and the private placement were escrowed.

#### Final Exchange Bulletin Issued

On May 9, 2014, following the Company announcing the closing of its QT with Focus Graphite and its Offering raising gross proceeds of \$184,699.50, on May 9, 2014, the TSX-V issued its final bulletin announcing it accepted for filing the Company's QT described in its Management Information Circular dated February 25, 2014. Further to the TSX-V Bulletin, the securities of the Resulting Issuer resumed trading on the TSX-V on May 12, 2014 under the trade symbol "MOI"

## Mincom Capital Inc. Announced the Closing of a Private Placement

On August 5, 2014, the Company announced the closing of a non-brokered private placement raising gross proceeds of \$100,000 following the issuance of 625,000 units priced at \$0.16 per Unit. Each Unit consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one (1) additional common share of the Company at a price of \$0.50 until August 1, 2016. La Société d'investissement dans la diversification de l'exploration ("SIDEX") was the sole participant of the financing under its "Field Action 2014" program. The mission of SIDEX is to invest in companies engaged in mineral exploration in Quebec in order to diversify Quebec's mineral base and open new territories. Field Action 2014 is a new \$3-Million financing program recently launched by SIDEX to encourage junior mineral exploration companies to pursue field work in Québec, hire young professionals, employ service companies, and make new discoveries in 2014.

The securities issued under the Offering were subject to a four month hold period ending on December 2, 2014. The proceeds from the Offering were used to advance Mincom's exploration project in Quebec.

## Expiry of Stock Options

On May 8, 2015, 234,849 stock options with an exercise price of \$0.10 expired.

## Mincom Capital Inc. Announces Intent to Acquire Braille Holdings Inc. as an Entry Point to the Lucrative Energy Storage Space With Next Generation Graphene Based Lithium Battery Technologies

Subsequent to the year ended September 30, 2016, on October 18, 2016, the Company announced it entered into a non-binding letter of intent with Grafoid Inc. ("Grafoid") to acquire Grafoid's 75% interest in Braille Holdings Inc. ("Braille"), of Sarasota, Florida which owns Braille Battery.

Braille Battery, acquired by Grafoid in September 2014, is a global leader in the development, production and sales of ultra lightweight, high performance Lithium-Ion high performance batteries and, the supplier of the world's first environmentally sustainable AGM carbon fiber batteries for IndyCar, NASCAR, Formula 1 racing cars, motorcycles and batteries for the marine industry.

Grafoid, a privately held company, is a world leading graphene research, application development and investment company that holds a controlling interest in Graphite Zero Pte Ltd., a mass producer of globally patented, low cost, high performing few layer graphene trademarked as Mesograf™.

The proposed purchase price is US \$2,000,000, of which US \$1,000,000 will be paid in cash and US \$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. The acquisition is subject to the normal transaction documents expected in an acquisition of this nature.

In conjunction with the acquisition, Mincom proposes to raise, subject to the TSX Venture Exchange ("TSXV") acceptance, up to US \$3,000,000 by way of private placement of units of Mincom at a price of US \$0.10 per unit (the "Offering"). Each unit will be comprised of 1 common share of Mincom and 1 warrant. Each warrant shall be exercisable into 1 common share at a price of CAD \$0.18 for a period of 4 years from the closing date of the Offering.

The proceeds will be used to cover the consideration of the transaction with Grafoid and working capital.

A recent report co-authored by Bloomberg New Energy Finance and McKinsey & Co. estimated that battery costs dropped to \$350 a kilowatt-hour in 2015 from \$1,000 in 2010.

The costs of lithium-ion batteries, which typically make up about 40 percent of an electric car's value, may fall by 16 percent to 20 percent with each cumulative doubling of the vehicles' manufacture, according to the report.

Mincom President and Chief Executive Officer Gary Economo said global markets have reached a tipping point, buoyed in part, by government initiatives flowing from the 2015 Paris agreement on global warming, are focused on the positive economic impact of the electrification of transportation industries.

Braille Battery Inc. is a Sarasota, Florida-based battery manufacturing and energy storage solutions company and the pioneer of a complete line of lightweight high powered battery systems for the transportation market.

Braille developed the world's first commercially available automotive lithium starting battery and has grown to become the highest volume producer of automotive lithium starting batteries. The company retains international patent protection on over 20 unique battery improvements. Some have achieved market success while others have been applied in non-consumer applications.

Its technological achievements include battery containment using composite technologies; thermal management, high amperage solutions, high vibration designs, novel battery chemistries, battery controls and dual use chemistries.

Braille's ISO compliant manufacturing facility houses management offices, design and engineering, research and development, manufacturing, logistics and fulfillment. Braille is an FDA manufacturer and is GSA / CCR registered.

Braille's achievements include numerous firsts in the industry, among them: development of the first carbon fiber battery; first Lithium-Ion automotive original equipment starting battery; first carbon Li-Ion battery; first European Community RoHS environmentally approved automotive battery; first lithium battery to win a Formula 1 Championship; first lithium battery to win Daytona 500, NASCAR and Le Mans Championships, and; the first Lithium Iron Phosphate energy storage solution for the U.S. defense industry.

## **Exploration Activities**

### **Romer Polymetallic (PGE-Au-Cu-Ni) Property**

The Property consists of 149 contiguous and 2 isolated map-designated mining claims for a total of 151 claims (total surface area: 6,870.6 ha or 69 km<sup>2</sup>). The Property is located in the Labrador Trough sector of Nunavik, the northern division of the Nord-du-Québec administrative region. The Property straddles the junction between NTS 1:50,000-scale topographic sheets 24K-03 (Lac Géri dot) and 24K-04 (Lac Thévenet), and covers portions of unpatented townships 5051, 5052 and 5151. It is bound by latitudes 58°06'30" and 58°12'30" North and longitudes 69°29'00" and 69°38'00" West.

The Property is an early stage exploration project strategically located in the Labrador Trough which is currently considered one of the highest potential emerging regions of Québec for base (Cu-Zn-Ni) and precious (Au-PGE) metal mineralizations.

The Property is part of an original group of 13 mineral properties located in the north-central portion of the Labrador Trough acquired by Focus Metals Inc. (now Focus Graphite Inc.) in 2010 of which one was acquired from Focus Graphite. The Property encompasses a series of historical base and precious mineral occurrences situated near Hellancourt and Thévenet Lakes.

The Property lies within the Géri do Zone of the Labrador Trough, which is dominated by deep marine sediments, volcanics and iron formations of the Koksoak Group intruded by Montagnais Gabbro sills, a favorable geological context for disseminated or "reef-type" palladium-rich mineralization, copper-zinc massive sulphides mineralization of Besshi and Sedex types and gold-bearing quartz veins associated with iron formations mineralizations.

Two important waves of exploration were conducted on the Property. The first, in the 1950s and 1960s was focused on massive sulphide occurrences. Only limited information on the surveys conducted during this period is available in government assessment files. The second wave, from 1987 to 2002, originated from the discovery of anomalous platinum and palladium associated with nickel-copper mineralization throughout the area, and the subsequent discovery of disseminated palladium-rich mineralization in the Montagnais Gabbro. Apart from these two waves of exploration activity, only limited "boot-and-hammer" prospecting programs were conducted by different groups and there are only four (4) properly documented drill holes located within the limits of the Property and only very limited trenching.

The Property encompasses four significant historical polymetallic mineral occurrences\* (*source: Charbonneau, R. and Robillard, I., 2009. Technical Report on the Romer Property in accordance with National Instrument 43-101, North central part of the Labrador Trough NTS map sheets 24K03 and 24K04; available at [www.sedar.com](http://www.sedar.com) under Focus Graphite Inc., filed May 12, 2010*).

### **St-Pierre Palladium and Bowen Lake Occurrences**

- Discovered by Noranda Exploration Inc. in 1987
- Later investigated by Osisko Exploration Ltd and Coleraine Resources Inc. (Kiddie, 2002; GM 60824).
- Minutely disseminated sulphides in a leucocratic facies of the Montagnais Gabbro.
- Several grab samples\*\* containing anomalous Au, Pt and Pd (e.g. St-Pierre occurrence: 1.49 g/t Pd; 0.57 g/t Pt; Noranda, 2001; GM 60824).

### **Folding Lake ("Fort-Chimo") Occurrence**

- Discovery by Frobex Ltd. prior to 1970 (Fisher and Fraser, 1964; GM16751).
- A copper and zinc bearing massive to semi-massive sulphide horizon.
- 1.18% Cu, 0.27% Ni, 1.09 g/t Au, 12.8 g/t Ag and 0.72% Zn over 1.5 m in drill core (Frobex, 1964)

### **St-Pierre ("Venditelli") Gold Occurrence**

- Discovered in the 1960s by Hollinger North Shore, although not reported
- Rediscovered by Noranda Exploration Inc. in 1987 (Woldeabzghi and Dessureault, 1988 (GM 46465); Dessureault and al., 1988 (GM 49488); Dessureault, 1988 (GM47544))
- Network of gold bearing quartz veins invading the carbonate facies iron formation of the Middle Baby Formation.
- 28 g/t Au in a grab sample\*\* (Noranda 1988; (GM46465)), 11.98 g/t Au over 0.25 m in a channel sample and 1.78 g/t Au over 1.80 m in drill core (Noranda, 1988; (GM49488)). However, abundant sampling indicates the erratic nature of the mineralization.

*\* Cautionary note: The Company has not verified the historic exploration results.*

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled.*

Subsequent to Focus Graphite's acquisition of the Property in 2010, a short reconnaissance program was conducted that included prospecting and rock sampling for a total of 305 samples (GM-64970, Charbonneau, 2010; available at <http://sigeom.mrn.gouv.qc.ca/>). Several positive results for Au, Pd, Ag and Cu were obtained confirming historically known showings. The sampling program also highlighted a new sector of interest for platinum and palladium in the south central part of the Property where a slightly mineralized gabbro returned 0.672 g/t Pt and 0.577 g/t Pd.

In 2012, Focus Graphite commissioned Geotech Ltd. of Aurora, Ontario to conduct a helicopter-borne magnetic and electromagnetic VTEM survey of the Romer property. The Geotech survey was the first high-definition airborne geophysical survey available for the Property. The magnetic survey results were expected to help identify potential iron formations and geological structures that could be associated with gold-bearing quartz vein-type mineralizations. The survey identified over 972 electromagnetic anomalies forming regional linear trends related to geological units or isolated anomalies which will help to identify sulphide targets that could be associated with PGE "reef-type" and copper-zinc of Besshi/Sedex type mineralizations. These targets will form the basis of follow-up ground exploration programs.

On July 11, 2014, the Company engaged IOS Service Géoscientifique of Chicoutimi of Québec to manage its exploration field work program for 2014.

### **2014 Exploration Program**

On April 15, 2015, the Company received the final report for the 2014 exploration program fieldwork conducted on the Romer Project from IOS Service Géoscientifique of Chicoutimi, Québec. Fieldwork plus mobilization and demobilization to Kuujuaq were conducted between July 7, 2014 and July 28, 2014. The summer 2014 field program was designed primarily to sample on the Bowen and St-Pierre

Palladium occurrences for platinum group elements (“PGE”) and gold and provide accurate descriptions as well as to evaluate four others polymetallic showings for gold, PGE, copper and zinc.

One hundred ninety-one (191) outcrops were located and described; a ground magnetic and electromagnetic survey was conducted with the use of a portable Beep Mat device over a restricted grid positioned in the vicinity of the Bowen showing and a total of 288 rock samples were collected over the six showings (231 grab samples, 57 channel samples).

Rock samples were shipped by Air Cargo to IOS laboratory facilities in Saguenay for crushing and grinding. The prepared samples were then shipped to ALS Minerals for assaying (in Val-d’Or for preparation and Vancouver for assaying), a certified analytical laboratory; ISO/IEC 17025:2005 for standards). Both IOS and ALS Minerals are independent laboratories. Gold, platinum and palladium contents were measured by fire assay with a mass spectrometry finish (ALS code: PGM-ICP24), while the remaining 48 elements were measured by atomic emission spectrometry (ICP-AES) or mass spectrometry (ICP-MS) after multi-acid (“near total”) digestion (ALS code: ME-MS61). Samples with gold values greater than 10 ppm were re-analyzed by fire assay (30 grams splits) with a gravimetric finish (ALS code: Au-GRA21). Samples with copper and zinc values exceeding 10 000 ppm (1%) were re-analyzed by atomic emission spectrometry (ICP-AES) after four acid digestion (ALS codes: Cu-OG62 and Zn-OG62). IOS introduced 17 standard samples of the certified reference material UTM-1 for PGE and gold and 21 blank samples as part of its QA/QC program.

A total of 43 channel samples were collected on the St-Pierre Palladium showing. Of the 43 samples, 41 are two-meter length samples collected from a 82 meter-long channel, and two are from a four meter-long channel. This continuous sampling was performed perpendicular to the stratigraphic contacts with the aim to evaluate the thickness and the continuity of the mineralization. The results highlight the presence of three horizons (2 to 4 meters thick) enriched in platinum and palladium:

2014 Trenching Program Results, St-Pierre Palladium Showing								
Trench #	Azimuth	Total Length (m)	From (m)	To (m)	Intersection Length* (m)	Pt (g/t)	Pd (g/t)	Au (g/t)
Channel 1	N 070	82	6	8	2	0.241	0.795	0.05
			12	16	4	0.295	0.993	0.07
			34	38	4	0.164	0.559	0.04

*\*True intersections thicknesses are unknown and are expressed as cumulative channel sample lengths. However, the trenches crosscut the strike of the mineralized zone envelope at a high angle. Mineralized Intersections are calculated with Pt+Pd+Au > 1g/t; there is no internal and external dilution considered.*

An extensive prospecting program consisting of sampling (146 grab samples) as well as combined ground magnetic and electromagnetic survey using a portable Beep Mat device were completed in the vicinity of the Bowen occurrence. This work resulted in the discovery of a new rusted zone in outcrop dominated by pyrrhotite with trace amounts of pyrite and chalcopyrite. The assays results reveal a low copper content from 0.10 to 0.85 % for 62 of the 146 grab samples\*\* (77 samples grade between 0.01 and 0.1 % Cu). Three (3) zones measuring 50 to 150m by 75 to 100m that contain several grab samples\*\* with low enrichment in platinum (from 0.104 to 0.572 g/t) and palladium (from 0.153 to 1.2 g/t) have been delineated. Four channels were also sampled on the oxidized outcrop zone (for a total of 11 channel samples) without revealing any significant values for Pt and Pd.

Some grab sampling was also conducted on the four other known polymetallic mineral occurrences of the Romer project: the Venditelli gold showing (39 samples, also 3 channels samples), the Folding Lake Cu-Ni-Au showing (18 samples), the Hélancourt Cu-Zn showing (11 samples) and the St-Pierre Nord gold showing (1 sample). Of these four occurrences only Folding Lake returned interesting assays results for gold, copper and zinc. Three (3) grab samples taken within a few meter-thick massive

sulphide horizon returned significant gold assays of between 0.47 g/t and 5.76 g/t associated with 0.5% to 2% copper and 1% to 1.9% Zn. The best grab sample\*\* returned values of 5.7 g/t Au, 2.09% Cu and 1.07% Zn. The fifteen (15) remaining samples of the Folding Lake showing area did not contain significant values of gold and zinc and only two had an anomalous copper grades (0.2% and 0.38%).

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled. Channel sampling or drilling are required to determine representative grades.*

These results were in accordance with the historical precious and base metals grades reported at St-Pierre Palladium, Bowen and Folding Lakes showings. Nevertheless, the field work highlighted the presence of three horizons mineralized in PGE at the St-Pierre showing. This new data about the geometry of the mineralization will guide future exploration work designed to test the “reef-type” PGE rich horizon model along the extensions of known mineralization. Although a grouping of elevated assays is noted at the Bowen occurrence, the real continuity of the mineralization has yet to be established. Further channel sampling will be required to better delineate the mineralization at the St-Pierre Palladium and Bowen occurrences.

#### **Exploration Completed by Mincom on the Romer Property To Date**

During the year ended September 30, 2016, the Company did not incur any significant exploration expenses on the Romer project, \$23,637 was predominately incurred to renew the mineral claims and keep them in good standing. The total capitalized exploration expenditures incurred on the claim block to date (net of tax credits and mining duties) are \$205,952.

The Company is currently reassessing its mineral exploration strategy for the Romer Project and subsequent to the year ended September 30, 2016, the Company announced it is acquiring a controlling interest in Braille Holdings Inc. from Grafoid Inc. (Refer to the Corporate Development Highlights).

#### **Qualified Person**

The above scientific and technical information regarding exploration activities as defined in National Instrument (NI) 43-101 s. 1.1, was reviewed and approved by Marc-André Bernier, M.Sc., P.Geo., (Québec and Ontario), a consultant for the Company and a Qualified Person under NI 43-101 guidelines.

#### **Financial Information**

The following selected financial data is derived from the audited annual financial statements of the Company for the fiscal years ended September 30, 2016 and 2015 that were prepared in accordance with IFRS.

## Selected Financial Information

	Year ended September 30, 2016	Year ended September 30, 2015	Year ended September 30, 2014
	\$	\$	\$
<b>Statement of Comprehensive Income</b>			
Loss from Operations	(135,503)	(173,866)	(215,454)
Other Income	1,318	1,730	45,204
Net loss and Comprehensive Loss	(134,185)	(172,136)	(170,250)
Basic and Diluted Loss per Common Share	-0.01	-0.01	-0.01
Basic and Diluted Weighted-Average			
Number of Common Shares Outstanding	18,012,257	18,012,257	12,802,310
<b>Statement of Cash Flows</b>			
Cash Flows Used in Operating Activities	(181,914)	(134,778)	(189,175)
Cash Flows From (Used in) Investing Activities	76,376	(63,545)	(470,008)
Cash Flows From Financing Activities	-	-	261,100
Decrease in Cash	(105,538)	(198,323)	(398,083)
	September 30, 2016	September 30, 2015	September 30, 2014
As at	\$	\$	\$
<b>Statement of Financial Position</b>			
Cash	107,245	212,783	411,106
Mineral Exploration Properties	1,000,000	1,000,000	1,000,000
Exploration and Evaluation Assets	205,952	182,315	149,122
Shareholders' Equity	1,340,100	1,474,285	1,646,421
Total Assets	1,354,674	1,519,433	1,719,260

### Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration and development programs, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

### Results of Operations For The Year Ended September 30, 2016

#### Operating Expenses

During the fiscal year ended September 30, 2016, the Company realized a net loss of \$134,185 (\$0.01 loss per share) compared to \$172,136 (\$0.01 loss per share) for 2015. Losses from operations were \$135,503 for the fiscal year ended September 30, 2016 and \$173,866 for 2015. The decrease in the losses from operations was attributed to:

- Consulting fees for the year ended September 30, 2016 were \$41,000 compared to \$67,880 incurred in 2015. The decrease in consulting fees is attributable to fewer consultants engaged by the entity to conduct its business as a Tier 2 mineral exploration entity.
- Professional fees for the year ended September 30, 2016 were \$35,181 compared to \$38,879 incurred in 2015. The decrease in professional fees is attributable to a significant decrease in legal and audit services required by the Company.

#### Interest and Other Income

During the fiscal year ended September 30, 2016, the Company earned other income totaling \$1,318 compared to \$1,730 in 2015. The decrease in other income earned is attributed to the Company earning less interest income further to investing proceeds from equity financings completed.

## Quarterly Information

The following selected financial data is derived from the unaudited interim financial statements of the Company, which were prepared in accordance with IFRS.

Period Ended	Other Income	Net Loss	Loss per share
	\$	\$	\$
30/09/16	1	(34,099)	(0.002)
30/06/16	204	(25,402)	(0.001)
31/03/16	371	(24,425)	(0.001)
31/12/15	742	(50,259)	(0.003)
30/09/15	196	(38,209)	(0.002)
30/06/15	310	(33,196)	(0.002)
31/03/15	522	(76,651)	(0.004)
31/12/14	702	(24,080)	(0.001)
30/09/14	1,285	(38,301)	(0.002)

## Liquidity and Capital Resources

The Company's working capital at September 30, 2016 is \$134,148 including \$107,245 in cash and current liabilities totalling \$14,574 due within the next 12 months, as compared to a working capital of \$291,970 at September 30, 2015. The decrease in working capital is mostly attributable to the Company incurring expenditures related to operations typical to a Tier 2 mineral exploration entity.

Mincom's budget, on a consolidated basis with Braille Holdings Inc., (assuming the TSX-V approves the transaction whereby Mincom purchases 75% interest in Braille Holdings Inc. from Grafoid Inc. as announced subsequent to the year ended September 30, 2016) for the next fiscal year will be \$4,070,150. The budget covers the operation expenditures of Braille Holdings Inc. and administration and mineral exploration expenditures of the wholly subsidiary that will own interest in the Romer project following the close of the transaction with Grafoid Inc. The Company's ability to continue as a going concern is dependent on revenue from the battery sales, assuming the TSX-V approves the Company's acquisition of 75% interest in Braille Holdings Inc., as well as additional financing, through various means including but not limited to equity financing, to operate its battery company, discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company. Failure to achieve additional financing could have a material adverse effect on the Company's financial condition and / or results of operations. The Company expects to raise US\$3,000,000 in an equity financing concurrent with its acquisition of 75% interest in Braille Holdings Inc. Braille Holdings Inc. expects to generate \$3,000,000 in battery sales in the next fiscal year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

## Contractual Obligations and Off-Balance Sheet Arrangements

As of September 30, 2016, the Company has no off balance sheet arrangements and no contractual obligations.

## Commitment and Proposed Transactions

As of September 30, 2016, and as of the date of this report the Company did not have any commitments outstanding. There are no undisclosed pending proposed transactions that would materially affect the performance or operation of the Company.

## Related Party Transactions

### JAG Sky Inc.

During the 2015 and 2016 fiscal years, the Company prepaid amounts totaling \$25,000 to JAG Sky Inc., a private air charter services company wholly-owned by an Officer and Director of Mincom, Gary Economo and Jeffrey York for air travel to be used at a later date. As at September 30, 2016, the entire amount is included in prepaid expenses (\$10,000 as at September 30, 2015).

### Shared Costs

#### Focus Graphite Inc.

During the year ended September 30, 2016, the Company was charged \$5,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses (2015 - \$10,000). As at September 30, 2016, the entire amount is included in accounts payable and accrued liabilities (2015 - \$10,000).

#### Grafoid Inc.

As at September 30, 2016, included in accounts payable and accrued liabilities was an amount of \$1,575 (2015 - \$2,486) due to Grafoid Inc., which shares common management, related to other general shared costs.

### Key Management Compensation

	Year ended September 30, 2016	Year ended September 30, 2015
	\$	\$
Consulting fees	<b>41,000</b>	65,500
	<b>41,000</b>	65,500

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

### Participation in Private Placement

For details regarding the participation of Directors and Officers of the Company, including close family members in the private placement that closed May 8, 2014, refer to the "Corporate Development Highlights- Mincom Announced the Closing of QT and Concurrent Private Placement"

## Financial Instruments

The Company's financial instruments at September 30, 2016 consist of cash, amounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

## Critical Accounting Policies and Estimates

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in Note 3 to the audited annual financial statements for the years ended September 30, 2016 and 2015.

## Outstanding Share Data

Common shares and convertible securities outstanding at November 18, 2016 consist of the following:

Securities	Expiry Date	Exercise Price	Number of Securities Outstanding
Common shares	-	-	18,012,257
Warrants	N/A	N/A	0
Options	February 6, 2022	\$0.10	1,028,451

## Risk Exposure and Management

The Company is exposed to a certain amount of risks at different levels. The type of risk and the way the exposure is managed are described hereafter.

### Market Risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### Credit, Liquidity, Interest Rate Risk and Currency Risk

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### Credit Risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is management's opinion that the Company is not exposed to significant credit risk.

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company's working capital totals \$134,148 at September 30, 2016, including \$107,245 in cash and current liabilities totalling \$14,574.

#### Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets exposed to interest rate risk include any cash held in investment savings accounts bearing variable interest rates. The Company has not entered into any derivative contracts to manage this risk. The Company's policy as it relates to its cash balances is to invest excess cash in savings bank account.

The Company has limited exposure to financial risk arising from fluctuations in variable interest rates earned on cash given the low interest rates currently in effect and the low volatility of these rates.

## Currency Risk

The Company's mineral interest is located in Quebec, Canada as such the Company's exposure to foreign exchange fluctuation is minimal and the associated risk is also minimal as most of the Company's activities are transacted in Canada.

## Capital Management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. As long as the Company is in the exploration stage of its mining properties, it is not the intention of the Company to contract debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. While the Company is not subject to any external capital requirements, neither regulatory nor contractual, funds from flow-through financings to be spent on the Company's exploration properties are restricted for this use. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

## Properties Titles

According to the mining law and regulations of the Province of Quebec, the Company, to renew its claims, must do a minimum of exploration expenditures and pay to the Quebec government a rent per claim for every 2 year renewal period. To ensure the Company's mineral claims are kept in good standing, the Company engaged the services of a third party professional mineral claim management entity to manage the renewal of its mineral claims.

## Additional Financing

In the future, additional funds will be required to finance the exploration or development work on the Company's properties, to pay for the renewal of the claims forming the property and to cover the costs of managing the Company. The main sources of funds available to the Company are the issuance of additional shares or the sale of interests in its property. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company.

## Conditions of the Industry in General

The exploration and development of mineral resources involves significant risks. Although the discovery of a deposit can prove extremely lucrative, few properties where exploration and development work are conducted progress to producing mines. Significant expenditures are necessary to find and establish reserves, carry out the metallurgical processes and build the processing plant and mining operations. It is not possible to provide assurance that the exploration and development programs contemplated by the Company will generate a profitable mine.

Economic viability of a deposit depends on many factors, of which some are due to the particular characteristics of the deposit, in particular its size, its average grade of the base and precious metals, and its proximity to infrastructures as well as the cyclic character of the prices of base and precious metals as well as governmental regulations, royalties, limits of production, import and export of minerals and protection of the environment. The impact of these factors cannot be evaluated in a precise way, but their effect can negatively impact the project's potential profitability.

Mining activities comprise a high risk. The activities of the Company are subject to all the dangers and the risks usually dependent on the exploration and the development, including the unusual and unforeseen geological formations, explosions, collapses, floods and other situations which can occur during drilling and the removal of material and of which any could cause physical or material or environmental injuries and, possibly, legal responsibility.

## **Government Regulation**

The activities of the Company are subject to, among others, various federal, provincial, state, and local laws, which relate to the exploration and development, tax, standard of work, disease and occupational safety, the safety in mines, toxic substances, and protection of the environment.

The exploration and development activities are subject to legislative measures mandated by federal, provincial, state, and local governments to the protection of the environment. These laws impose high standards on the mining industry, in order to control the waste material from the exploration, development, production, and processing related activities on projects and reduce or eliminate possible environmental impacts.

## **Risks of Lawsuits and No Insurable Risks**

The Company could be held responsible for pollution or for other risks against which it could not be insured or against which it could choose not to be insured, being given the high cost of the premiums or for other reasons. The payment of sums in this respect could involve the loss of the assets of the Company.

## **Conflicts of Interests**

Some of the directors and officers of the Company are also engaged as directors or officers of other companies involved in the exploration and development of mineral resources. Such engagement could result in conflicts of interest. When a conflict of interest exists, the affected directors and/or officers declare their interest and abstain to vote on any resolution in which they have a conflict of interest.

## **Permits, Licences, and Authorizations**

The activities of the Company require obtaining and maintaining permits and licences from various governmental authorities. The Company considers that it holds all the permits and licences required for its exploration activities; it currently carries on, in accordance with the relevant laws and by-laws. Changes brought to the by-laws could affect these permits and licence. Nothing guarantees that the Company can obtain all the permits and all the necessary licences in order to continue its exploration and development activities, to build mines and processing plants and exploit any future reserves.

Moreover, if the Company begins the exploitation of a project, it will have to obtain the necessary mine permits and licences and to conform to all the required obligations concerning the use of water, removal of waste etc. It cannot be guaranteed that the Company will be able to obtain these permits and licences, nor that it will be able to conform to their requirements.

## **Dependence on the Management**

The Company is dependent on its management team. The loss of its services could have an unfavorable impact on the Company.

## **Price of Precious and Base Metals**

The price of the Company's common shares, its financial results, and its future exploration and development activities may be negatively impacted by a fall of the price of precious and base metals. This may also impact the Company's ability to finance its activities on favorable terms. The Company has no control over the fluctuation of precious and base metals prices which may be affected by the sale or the purchase of precious and base metals and related products by end users, brokers, central banks and financial institutions, interest rates, foreign exchange rates, the rates of inflation, of deflation, the fluctuations in the value of the Canadian dollar and the currencies, the regional and global supply and demand of these metals, regional and global economic policies, particularly countries that produce precious and base metals.

## **Risk and Uncertainties**

The Company is at an early stage of its development, and it is a highly speculative investment opportunity. Mincom was only recently incorporated, and has no history of earnings and will not generate earnings or pay dividends in the foreseeable future.

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and some of them are or will be engaged in other projects or businesses that could give rise to potential conflicts of interest.

There is no assurance that there will be an active and liquid market for the Company's common shares on the TSX-V. The Company has only limited funds with which to conduct its business.

For a more comprehensive description of the risks related to an investment in the Company, please refer to the Company's final prospectus dated and filed November 8, 2011 on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Financial Risk

In fiscal year ended September 30, 2014, the Company became a Tier 2 mining issuer that is dependent on obtaining additional equity financing in order to continue future operations beyond the next 12 months. There is no guarantee any future financing will be obtained, or that it will be obtained on acceptable terms.

#### **Additional Information and Continuous Disclosure**

This Management's Discussion and Analysis has been prepared as of November 18, 2016. Additional information on the Company is available through regular filings on SEDAR ([www.sedar.com](http://www.sedar.com)).

(s) Gary Economo

Chief Executive Officer

(s) Judith T. Mazvihwa-MacLean

Chief Financial Officer

**MINCOM CAPITAL INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2015 and 2014

# MINCOM CAPITAL INC.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

The following Management Discussion and Analysis (“MD&A”) reviews the operating results, financial condition and future prospects of Mincom Capital Inc. (“Mincom” or the “Company”), current as of December 10, 2015. It should be read in conjunction with the Company’s annual audited financial statements and notes thereto for the fiscal years ended September 30, 2015 and 2014, which were prepared in accordance with International Financial Reporting Standards (“IFRS”). The reporting currency is in Canadian dollars. All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

This MD&A contains or may refer to certain statements that may be deemed “forward-looking statements”. Forward-looking statements include estimates and statements that describe the Company’s future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “anticipates”, “believes”, “could”, “estimates”, “predict”, “seek”, “potential”, “continue”, “intend”, “plan”, “expects”, “may”, “shall”, “will”, or “would” and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. Mincom does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

### **Nature of Business**

Mincom was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company was a Capital Pool Company (“CPC”), as defined in Policy 2.4 of the TSX-V Corporate Finance Manual (“Policy 2.4”) from incorporation to May 9, 2014, following the issuance of the TSX Venture Exchange’s Final Bulletin approving the Company’s acquisition of the Romer property, in Québec, as its Qualifying Transaction (“QT”). Subsequent to the completion of the QT in accordance with Policy 2.4, Mincom commenced operations as a Tier 2 mining issuer.

The principal business of the Company is the acquisition and development of mineral properties in North America with the aim of discovering commercially exploitable precious and base metal deposits which can either be placed into production by the Company or disposed of for a profit to companies that wish to place such deposits into commercial production.

The head office of the Company is located at 912-130 Albert Street, Ottawa, Ontario.

### **Corporate Development Highlights**

#### Equity Financing- Subscription of Seed Shares

In May and August 2011, the Company’s directors and officers subscribed for an aggregate of 4,700,000 common shares (the “Seed Shares”) at \$0.05 per share for gross proceeds of \$235,000. The shares were deposited in escrow pursuant to the terms of an escrow agreement and will be released from escrow in stages over a period of up to three years after the Final Exchange Bulletin issued by the TSX-V on May 9, 2014.

#### Initial Public Offering

On February 6, 2012, the Company closed its initial public offering (“IPO”) raising gross proceeds of \$793,300. The IPO was comprised of 7,933,000 common shares at a price of \$0.10 per share. In connection with the financing, the Company paid cash finders’ fees totaling \$79,330 and issued, as additional consideration, 793,300 non-transferable warrants which entitled the holder to acquire the

same number of common shares of the Company at a price of \$0.10, until February 6, 2014. A syndicate of agents led by Jones, Gable & Company Limited acted as agents for Mincom. The Company filed the final prospectus for the IPO on November 8, 2011.

The purpose of the offering was to provide the Company with funds with which to identify and evaluate businesses or assets with a view to completing a QT.

#### Mincom Shares Begin Trading

On February 10, 2012, the common shares of Mincom began trading on the TSX-V under the ticker symbol "MOI.P".

#### Private Placement Raising \$234,745 Closed

On June 11, 2012, the Company announced that it had completed a non-brokered private placement for gross proceeds of \$234,745. The private placement was comprised of 1,564,967 common shares issued at a price of \$0.15 per share.

Mincom paid a cash commission of \$13,180 in relation to the financing. All securities issued in the private placement were subject to a four month hold period which expired on October 9, 2012.

#### Mincom Announces Agreement For Qualifying Transaction- Group NanoXplore Inc. ("NanoXplore")

On April 10, 2013, the Company announced that it signed an Letter of Intent ("LOI") with NanoXplore pursuant to which Mincom was to acquire all of the issued and outstanding shares of NanoXplore.

Mincom intended for the proposed acquisition of NanoXplore to constitute the Company's QT in accordance with Policy 2.4. Mincom and NanoXplore were dealing at arm's length and accordingly, the proposed QT was not a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. Upon completion of the Qualifying Transaction, it was expected that Mincom would be listed on the Exchange as a Tier 2 issuer.

NanoXplore is a Montreal-based nanomaterials research and development services company specializing in graphene, advanced graphene materials and carbon nanotube technologies, including R&D for the production of graphene coatings for consumer electronics, security and graphene-based RF packaging applications. NanoXplore works on a contractual basis with manufacturers in cooperation with its academic partners. NanoXplore is incorporated under the Business Corporations Act (Quebec).

#### Mincom Terminates LOI with Group NanoXplore Inc.

On August 13, 2013, the Company announced the termination of the LOI signed with NanoXplore. The termination of the LOI followed confirmation from the TSX-V on August 1, 2013, that the resulting issuer, pursuant to the proposed QT, did not have sufficient "history of operations and validity of business" required to satisfy the TSX-V's minimum initial listing requirements.

#### Mincom Announces Agreement for Qualifying Transaction- Romer Property

On September 27, 2013, Mincom announced that it had signed into a letter agreement (the "Agreement") with Focus Graphite, pursuant to which Mincom was to acquire from Focus Graphite all of its rights, title and interest in a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik, Northern Québec, and collectively referred to as the Romer base and precious metals (Cu-Zn-Ni-Au-PGE) Property (the "Property"). Following the announcement, trading of the common shares of Mincom was halted by the Exchange and remained halted in accordance with Exchange policies until all required documentation with respect to the QT had been received and the Exchange was satisfied that the halt should be lifted and trading resumed on May 9, 2014.

It was intended that the acquisition of the Property would constitute Mincom's QT in accordance with Policy 2.4. Mincom and Focus Graphite were not dealing at arm's length given that Gary Economo, Jeffrey York, Marc-André Bernier and Chester Burt (the "Non-Arm's Length Parties") are also directors of Focus Graphite. Accordingly, the QT was a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. The Non-Arm's Length Parties did not participate in the deliberations of the board of directors of the Company in connection with the proposed transaction. The Agreement

was unanimously approved by the independent directors of the Company and the letter of intent was signed on September 27, 2013.

The completion of the QT required a majority of the minority shareholder approval which was obtained on April 24, 2014, at a special meeting of shareholders of Mincom called for this purpose. Upon completion of the QT, it was expected that Mincom would be listed on the Exchange as a Tier 2 mining issuer.

Mr. Réjean Girard, P. Geo (Québec), President of IOS Services Geoscientifiques ("IOS") of Saguenay, Québec, a qualified person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), was mandated to prepare a NI 43-101 compliant technical report on the Property. For details on the Romer property, please refer to 'Exploration Activities' section of the management's discussion and analysis.

#### Terms and Conditions of the Agreement with Focus Graphite

The transaction was subject to Exchange and shareholder approval, and to other standard closing conditions, including satisfactory due diligence review of the Property by Mincom, and the completion of a financing (the "Offering") on terms satisfactory to Mincom, in its sole discretion, as necessary in order to meet the minimum listing requirements of the Exchange. For details on the Offering, refer to the 'Closing of the QT'.

The purchase price agreed to by Mincom and Focus Graphite for the purchase of the Project was \$1,000,000 as determined following an independent valuation prepared at the request of the Company. The consideration was paid as follows: (i) CAN\$250,000 paid in cash and; (ii) 2,500,000 common shares of Mincom, representing a deemed value of \$0.30 per share.

#### Mincom Announced the Closing of QT and Concurrent Private Placement

On May 8, 2014, the Company completed its QT with Focus Graphite and the private placement Offering raising gross proceeds of \$184,699.50. The Offering consisted of the sale and issuance of 615,665 common shares at a price of \$0.30 per common share. The Offering closed concurrently with and was conditional on the completion of the QT. The QT was also conditional on the closing of the Offering. The Offering was not conducted through an intermediary. Mincom paid a cash commission of \$11,970 in relation to the private placement and issued 39,900 non-transferable share purchase warrants exercisable at a price of \$0.30 per share until May 8, 2015.

Mr. Gary Economo, the President and CEO of Mincom, and family members of a Director participated in the Offering by purchasing 293,333 common shares, which constitutes a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction with Mr. Economo did not exceed 25% of the Company's market capitalization.

All securities issued in connection with the closing of the QT and the Offering were subject to a regulatory four (4) month hold period which expired on September 9, 2014. Following Exchange requirements, a total of 2,793,333 common shares issued pursuant to the QT and the private placement were escrowed.

#### Final Exchange Bulletin Issued

On May 9, 2014, following the Company announcing the closing of its QT with Focus Graphite and its Offering raising gross proceeds of \$184,699.50, on May 9, 2014, the TSX-V issued its final bulletin announcing it accepted for filing the Company's QT described in its Management Information Circular dated February 25, 2014. Further to the TSX-V Bulletin, the securities of the Resulting Issuer resumed trading on the TSX-V on May 12, 2014 under the trade symbol "MOI"

## Mincom Capital Inc. Announced the Closing of a Private Placement

On August 5, 2014, the Company announced the closing of a non-brokered private placement raising gross proceeds of \$100,000 following the issuance of 625,000 units priced at \$0.16 per Unit. Each Unit consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one (1) additional common share of the Company at a price of \$0.50 until August 1, 2016. La Société d'investissement dans la diversification de l'exploration ("SIDEX") was the sole participant of the financing under its "Field Action 2014" program. The mission of SIDEX is to invest in companies engaged in mineral exploration in Quebec in order to diversify Quebec's mineral base and open new territories. Field Action 2014 is a new \$3-Million financing program recently launched by SIDEX to encourage junior mineral exploration companies to pursue field work in Québec, hire young professionals, employ service companies, and make new discoveries in 2014.

The securities issued under the Offering were subject to a four month hold period ending on December 2, 2014. The proceeds from the Offering were used to advance Mincom's exploration project in Quebec.

### Expiry of Stock Options

During the quarter ended June 30, 2015, on May 8, 2015, 234,849 stock options with an exercise price of \$0.10 expired.

## **Exploration Activities**

### **Romer Polymetallic (PGE-Au-Cu-Ni) Property**

The Property consists of 149 contiguous and 2 isolated map-designated mining claims for a total of 151 claims (total surface area: 6,870.6 ha or 69 km<sup>2</sup>). The Property is located in the Labrador Trough sector of Nunavik, the northern division of the Nord-du-Québec administrative region. The Property straddles the junction between NTS 1:50,000-scale topographic sheets 24K-03 (Lac Gériidot) and 24K-04 (Lac Thévenet), and covers portions of unpatented townships 5051, 5052 and 5151. It is bound by latitudes 58°06'30" and 58°12'30" North and longitudes 69°29'00" and 69°38'00" West.

The Property is an early stage exploration project strategically located in the Labrador Trough which is currently considered one of the highest potential emerging regions of Québec for base (Cu-Zn-Ni) and precious (Au-PGE) metal mineralizations.

The Property is part of an original group of 13 mineral properties located in the north-central portion of the Labrador Trough acquired by Focus Metals Inc. (now Focus Graphite Inc.) in 2010 of which one was acquired from Focus Graphite. The Property encompasses a series of historical base and precious mineral occurrences situated near Hellancourt and Thévenet Lakes.

The Property lies within the Gériido Zone of the Labrador Trough, which is dominated by deep marine sediments, volcanics and iron formations of the Koksoak Group intruded by Montagnais Gabbro sills, a favorable geological context for disseminated or "reef-type" palladium-rich mineralization, copper-zinc massive sulphides mineralization of Besshi and Sedex types and gold-bearing quartz veins associated with iron formations mineralizations.

Two important waves of exploration were conducted on the Property. The first, in the 1950s and 1960s was focused on massive sulphide occurrences. Only limited information on the surveys conducted during this period is available in government assessment files. The second wave, from 1987 to 2002, originated from the discovery of anomalous platinum and palladium associated with nickel-copper mineralization throughout the area, and the subsequent discovery of disseminated palladium-rich mineralization in the Montagnais Gabbro. Apart from these two waves of exploration activity, only limited "boot-and-hammer" prospecting programs were conducted by different groups and there are only four (4) properly documented drill holes located within the limits of the Property and only very limited trenching.

The Property encompasses four significant historical polymetallic mineral occurrences\* (*source: Charbonneau, R. and Robillard, I., 2009. Technical Report on the Romer Property in accordance with*

National Instrument 43-101, North central part of the Labrador Trough NTS map sheets 24K03 and 24K04; available at [www.sedar.com](http://www.sedar.com) under Focus Graphite Inc., filed May 12, 2010).

#### **St-Pierre Palladium and Bowen Lake Occurrences**

- Discovered by Noranda Exploration Inc. in 1987
- Later investigated by Osisko Exploration Ltd and Coleraine Resources Inc. (Kiddie, 2002; GM 60824).
- Minutely disseminated sulphides in a leucocratic facies of the Montagnais Gabbro.
- Several grab samples\*\* containing anomalous Au, Pt and Pd (e.g. St-Pierre occurrence: 1.49 g/t Pd; 0.57 g/t Pt; Noranda, 2001; GM 60824).

#### **Folding Lake ("Fort-Chimo") Occurrence**

- Discovery by Frobex Ltd. prior to 1970 (Fisher and Fraser, 1964; GM16751).
- A copper and zinc bearing massive to semi-massive sulphide horizon.
- 1.18% Cu, 0.27% Ni, 1.09 g/t Au, 12.8 g/t Ag and 0.72% Zn over 1.5 m in drill core (Frobex, 1964)

#### **St-Pierre ("Venditelli") Gold Occurrence**

- Discovered in the 1960s by Hollinger North Shore, although not reported
- Rediscovered by Noranda Exploration Inc. in 1987 (Woldeabzghi and Dessureault, 1988 (GM 46465); Dessureault and al., 1988 (GM 49488); Dessureault, 1988 (GM47544))
- Network of gold bearing quartz veins invading the carbonate facies iron formation of the Middle Baby Formation.
- 28 g/t Au in a grab sample\*\* (Noranda 1988; (GM46465)), 11.98 g/t Au over 0.25 m in a channel sample and 1.78 g/t Au over 1.80 m in drill core (Noranda, 1988; (GM49488)). However, abundant sampling indicates the erratic nature of the mineralization.

*\* Cautionary note: The Company has not verified the historic exploration results.*

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled.*

Subsequent to Focus Graphite's acquisition of the Property in 2010, a short reconnaissance program was conducted that included prospecting and rock sampling for a total of 305 samples (GM-64970, Charbonneau, 2010; available at <http://sigeom.mrn.gouv.qc.ca/>). Several positive results for Au, Pd, Ag and Cu were obtained confirming historically known showings. The sampling program also highlighted a new sector of interest for platinum and palladium in the south central part of the Property where a slightly mineralized gabbro returned 0.672 g/t Pt and 0.577 g/t Pd.

In 2012, Focus Graphite commissioned Geotech Ltd. of Aurora, Ontario to conduct a helicopter-borne magnetic and electromagnetic VTEM survey of the Romer property. The Geotech survey was the first high-definition airborne geophysical survey available for the Property. The magnetic survey results were expected to help to identify potential iron formations and geological structures that could be associated with gold-bearing quartz vein-type mineralizations. The survey identified over 972 electromagnetic anomalies forming regional linear trends related to geological units or isolated anomalies which will help to identify sulphide targets that could be associated with PGE "reef-type" and copper-zinc of Besshi/Sedex type mineralizations. These targets will form the basis of follow-up ground exploration programs.

On July 11, 2014, the Company engaged IOS Service Géoscientifique of Chicoutimi of Québec to manage its exploration field work program for 2014.

#### **Exploration Completed on the Romer Property During the Fiscal Year**

During the fiscal year ended September 30, 2015, the Company incurred exploration expenses totalling \$22,192 on the Romer project, related to preparing technical report for fieldwork completed in

2014. The total capitalized exploration expenditures incurred on the claim block to date (net of tax credits and mining duties) are \$180,805.

#### 2014 Exploration Program

During the reporting period, on April 15, 2015, the Company received the final report for the 2014 exploration program fieldwork conducted on the Romer Project from IOS Service Géoscientifique of Chicoutimi, Québec. Fieldwork plus mobilization and demobilization to Kuujuaq were conducted between July 7, 2014 and July 28, 2014. The summer 2014 field program was designed primarily to sample on the Bowen and St-Pierre Palladium occurrences for platinum group elements (“PGE”) and gold and provide accurate descriptions as well as to evaluate four others polymetallic showings for gold, PGE, copper and zinc.

One hundred ninety-one (191) outcrops were located and described; a ground magnetic and electromagnetic survey was conducted with the use of a portable Beep Mat device over a restricted grid positioned in the vicinity of the Bowen showing and a total of 288 rock samples were collected over the six showings (231 grab samples, 57 channel samples).

Rock samples were shipped by Air Cargo to IOS laboratory facilities in Saguenay for crushing and grinding. The prepared samples were then shipped to ALS Minerals for assaying (in Val-d’Or for preparation and Vancouver for assaying), a certified analytical laboratory; ISO/IEC 17025:2005 for standards). Both IOS and ALS Minerals are independent laboratories. Gold, platinum and palladium contents were measured by fire assay with a mass spectrometry finish (ALS code: PGM-ICP24), while the remaining 48 elements were measured by atomic emission spectrometry (ICP-AES) or mass spectrometry (ICP-MS) after multi-acid (“near total”) digestion (ALS code: ME-MS61). Samples with gold values greater than 10 ppm were re-analyzed by fire assay (30 grams splits) with a gravimetric finish (ALS code: Au-GRA21). Samples with copper and zinc values exceeding 10 000 ppm (1%) were re-analyzed by atomic emission spectrometry (ICP-AES) after four acid digestion (ALS codes: Cu-OG62 and Zn-OG62). IOS introduced 17 standard samples of the certified reference material UTM-1 for PGE and gold and 21 blank samples as part of its QA/QC program.

A total of 43 channel samples were collected on the St-Pierre Palladium showing. Of the 43 samples, 41 are two-meter length samples collected from a 82 meter-long channel, and two are from a four meter-long channel. This continuous sampling was performed perpendicular to the stratigraphic contacts with the aim to evaluate the thickness and the continuity of the mineralization. The results highlight the presence of three horizons (2 to 4 meters thick) enriched in platinum and palladium:

<b>2014 Trenching Program Results, St-Pierre Palladium Showing</b>								
Trench #	Azimuth	Total Length (m)	From (m)	To (m)	Intersection Length* (m)	Pt (g/t)	Pd (g/t)	Au (g/t)
Channel 1	N 070	82	6	8	2	0.241	0.795	0.05
			12	16	4	0.295	0.993	0.07
			34	38	4	0.164	0.559	0.04

*\*True intersections thicknesses are unknown and are expressed as cumulative channel sample lengths. However, the trenches crosscut the strike of the mineralized zone envelope at a high angle. Mineralized Intersections are calculated with Pt+Pd+Au > 1g/t; there is no internal and external dilution considered.*

An extensive prospecting program consisting of sampling (146 grab samples) as well as combined ground magnetic and electromagnetic survey using a portable Beep Mat device were completed in the vicinity of the Bowen occurrence. This work resulted in the discovery of a new rusted zone in outcrop dominated by pyrrhotite with trace amounts of pyrite and chalcopyrite. The assays results reveal a low copper content from 0.10 to 0.85 % for 62 of the 146 grab samples\*\* (77 samples grade between 0.01

and 0.1 % Cu). Three (3) zones measuring 50 to 150m by 75 to 100m that contain several grab samples\*\* with low enrichment in platinum (from 0.104 to 0.572 g/t) and palladium (from 0.153 to 1.2 g/t) have been delineated. Four channels were also sampled on the oxidized outcrop zone (for a total of 11 channel samples) without revealing any significant values for Pt and Pd.

Some grab sampling was also conducted on the four other known polymetallic mineral occurrences of the Romer project: the Venditelli gold showing (39 samples, also 3 channels samples), the Folding Lake Cu-Ni-Au showing (18 samples), the H elancourt Cu-Zn showing (11 samples) and the St-Pierre Nord gold showing (1 sample). Of these four occurrences only Folding Lake returned interesting assays results for gold, copper and zinc. Three (3) grab samples taken within a few meter-thick massive sulphide horizon returned significant gold assays of between 0.47 g/t and 5.76 g/t associated with 0.5% to 2% copper and 1% to 1.9% Zn. The best grab sample\*\* returned values of 5.7 g/t Au, 2.09% Cu and 1.07% Zn. The fifteen (15) remaining samples of the Folding Lake showing area did not contain significant values of gold and zinc and only two had an anomalous copper grades (0.2% and 0.38%).

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled. Channel sampling or drilling are required to determine representative grades.*

These results are in accordance with the historical precious and base metals grades reported at St-Pierre Palladium, Bowen and Folding Lakes showings. Nevertheless, the field work highlighted the presence of three horizons mineralized in PGE at the St-Pierre showing. This new data about the geometry of the mineralization will guide future exploration work designed to test the “reef-type” PGE rich horizon model along the extensions of known mineralization. Although a grouping of elevated assays is noted at the Bowen occurrence, the real continuity of the mineralization has yet to be established. Further channel sampling will be required to better delineate the mineralization at the St-Pierre Palladium and Bowen occurrences.

The Company is currently reassessing its mineral exploration strategy for the Romer Project.

### **Qualified Person**

The above scientific and technical information regarding exploration activities as defined in National Instrument (NI) 43-101 s. 1.1, was either prepared, reviewed and approved by Benoit Lafrance, g eo/P.Geo, Ph.D. (Qu ebec), a consultant for the Company and a Qualified Person under NI 43-101 guidelines.

### **Financial Information**

The following selected financial data is derived from the audited annual financial statements of the Company for the fiscal years ended September 30, 2015 and 2014 that were prepared in accordance with IFRS.

## Selected Financial Information

	Year ended September 30, 2015	Year ended September 30, 2014	Year ended September 30, 2013
	\$	\$	\$
<b>Statement of Comprehensive Income</b>			
Loss from Operations	(173,866)	(215,454)	(184,871)
Other Income	1,730	45,204	7,931
Net loss and Comprehensive Loss	(172,136)	(170,250)	(176,940)
Basic and Diluted Loss per Common Share	-0.01	-0.01	-0.02
Basic and Diluted Weighted-Average			
Number of Common Shares Outstanding	18,012,257	12,802,310	9,548,030
<b>Statement of Cash Flows</b>			
Cash Flows Used in Operating Activities	(134,778)	(189,175)	(151,022)
Cash Flows Used in Investing Activities	(63,545)	(470,008)	-
Cash Flows From Financing Activities	-	261,100	5,000
Decrease in Cash	(198,323)	(398,083)	(146,022)
	September 30, 2015	September 30, 2014	September 30, 2014
As at	\$	\$	\$
<b>Statement of Financial Position</b>			
Cash	212,783	411,106	411,106
Mineral Exploration Properties	1,000,000	1,000,000	1,000,000
Exploration and Evaluation Assets	182,315	149,122	149,122
Shareholders' Equity	1,474,285	1,646,421	1,646,421
Total Assets	1,519,433	1,719,260	1,719,260

### Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration and development programs, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

### Results of Operations For The Year Ended September 30, 2015

#### Operating Expenses

During the fiscal year ended September 30, 2015, the Company realized a net loss from operations of \$172,136 (\$0.01 loss per share) compared to \$170,250 (\$0.01 loss per share) for 2014. Losses from operations were \$173,866 for the fiscal year ended September 30, 2015 and \$215,454 for 2014. The decrease in the losses from operations was attributed to:

- Professional fees for the year ended September 30, 2015 were \$38,879 compared to \$111,979 incurred in 2014. The decrease in professional fees is attributable to a significant decrease in legal and audit services provided to complete the Company's QT.
- Filing fees were \$9,493 for the year ended September 30, 2015, compared to \$23,127 incurred in 2014. The decrease in filing fees is attributed to a decrease in the number of filings completed following the close of the Company's QT on May 9, 2014.
- Agent fees were \$19,594 for the year ended September 30, 2015, compared to \$26,505 incurred in 2014. The decrease in fees is attributed to a decrease in the number of filings completed with the transfer agent following the close of the Company's QT.
- Other expenses were \$17,196 for the year ended September 30, 2015, compared to \$33,970 incurred in 2014. The decrease in expenses is attributed to an overall drop in general administrative related expenses following the close of the Company's QT.

- Consulting fees were \$67,880 for the year ended September 30, 2015, compared to \$1,488 incurred in 2014. This increase in consulting expenses is attributed to the Company completing its QT and conducting business as a Tier 2 mineral exploration entity.

### **Interest and Other Income**

During the fiscal year ended September 30, 2015, the Company earned other income totaling \$1,730 compared to \$45,204 in 2014. The decrease in other income earned is attributed to the following:

- The Company recognizing other income of \$39,231 representing the recovery of sales taxes in 2014 and \$Nil in 2015.
- The Company earned less interest income totaling \$1,730 in 2015 compared to \$5,973 in 2014 further to investing proceeds from equity financings completed.

### **Quarterly Information**

The following selected financial data is derived from the unaudited interim financial statements of the Company, which were prepared in accordance with IFRS.

Period Ended	Other Income	Net Loss	Loss per share
	\$	\$	\$
30/09/15	196	(38,209)	(0.002)
30/06/15	310	(33,196)	(0.002)
31/03/15	522	(76,651)	(0.004)
31/12/14	702	(24,080)	(0.001)
30/09/14	1,285	(38,301)	(0.002)
30/06/14	1,630	(54,760)	(0.004)
31/03/14	40,703	(31,827)	(0.002)
31/12/13	1,586	(45,362)	(0.005)
30/09/13	1,637	(64,398)	(0.007)

During the period ended March 31, 2014, the other income recorded was \$40,703 which is high compared to other income recorded in previous periods. The increase is primarily attributed to a recovery of commodity taxes of \$39,231.

### **Liquidity and Capital Resources**

The Company's working capital at September 30, 2015 is \$291,970 including \$212,783 in cash and current liabilities totalling \$45,148 due within the next 12 months, as compared to a working capital of \$411,106 at September 30, 2014. The decrease in working capital is mostly attributable to the Company incurring expenditures related to operations typical to a Tier 2 mineral exploration entity.

Mincom's budget for the next fiscal year will be \$190,000 for administrative and mineral exploration expenditures on the recently acquired Romer property. The Company's ability to continue as a going concern is dependent on additional financing, through various means including but not limited to equity financing, to discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company. Failure to achieve additional financing could have a material adverse effect on the Company's financial condition and / or results of operations.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

The Company's ability to continue as a going concern is dependent on additional financing, through various means including but not limited to equity financing, to discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company.

### **Contractual Obligations and Off-Balance Sheet Arrangements**

As of September 30, 2015, the Company has no off balance sheet arrangements and no contractual obligations.

### **Commitment and Proposed Transactions**

As of September 30, 2015, and as of the date of this report the Company did not have any commitments outstanding. There are no undisclosed pending proposed transactions that would materially affect the performance or operation of the Company.

### **Related Party Transactions**

#### JAG Sky Inc.

The Corporation's principal assets are located in remote areas of the Province of Québec. As its officers and employees must travel to these remote areas, sometimes on short notice and for a short period of time, using commercial airlines or chartering a plane can be very expensive. The Corporation therefore decided to purchase a plane in order to save on travel costs. Shortly thereafter, given that other companies with similar management also were interested in using the plane and given the fact that the Corporation did not want to assume the obligations related to aircraft maintenance and all other obligations related thereto, the Corporation decided to sell the plane at cost to JAG Sky Inc. in order for such obligations to be assumed by an entity other than the Corporation. The Corporation continues to have access to the plane to travel its officers and employees at considerably low rates, thereby meeting its primary objective to save on travel costs for its personnel.

During the fiscal year ended September 30, 2015, the Company prepaid an amount of \$10,000 to JAG Sky Inc. ("JAG"), a private air charter services company wholly-owned by an Officer, Mr. Gary Economo and Director, Mr. Jeffrey York, of Mincom, for air travel to be used at a later date. As at September 30, 2015, the entire amount is included in prepaid expenses.

#### Shared costs

##### Focus Graphite Inc.

During the year ended September 30, 2015, the Company was charged \$10,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses (2014 - \$25,000). As at September 30, 2015, the entire amount (2015- \$10,000) is included in accounts payable and accrued liabilities.

As at September 30, 2015, included in accounts payable and accrued liabilities was an additional amount of \$Nil (2014 - \$3,172) due to Focus, related to other general shared costs.

##### Grafoid Inc.

As at September 30, 2015, included in accounts payable and accrued liabilities was an amount of \$2,486 (2014 - \$Nil) due to Grafoid Inc., which shares common management, related to other general shared costs.

### Key management compensation

	Year ended September 30, 2015	Year ended September 30, 2014
	\$	\$
Consulting fees (1)	65,500	-
	65,500	-

(1) As at September 30, 2015, \$21,000 is included in accounts payable and accrued liabilities.

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

### Participation in Private Placement

For details regarding the participation of Directors and Officers of the Company, including close family members in the private placement that closed May 8, 2014, refer to the "Corporate Development Highlights- Mincom Announced the Closing of QT and Concurrent Private Placement"

### **Financial Instruments**

The Company's financial instruments at September 30, 2015 consist of cash, amounts receivable (net of sales taxes receivables) and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

### **Critical Accounting Policies and Estimates**

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in Note 2 to the audited annual financial statements for the years ended September 30, 2015 and 2014.

### **Outstanding Share Data**

Common shares and convertible securities outstanding at December 10, 2015 consist of the following:

Securities	Expiry Date	Exercise Price	Number of Securities Outstanding
Common shares	-	-	18,012,257
Warrants	August 1, 2016	\$0.50	312,500
Options	February 6, 2022	\$0.10	1,028,451

### **Risk Exposure and Management**

The Company is exposed to a certain amount of risks at different levels. The type of risk and the way the exposure is managed are described hereafter.

#### **Market Risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Company's income or the value of its holdings of financial

instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### **Credit, Liquidity, Interest Rate Risk and Currency Risk**

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### **Credit Risk**

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is management's opinion that the Company is not exposed to significant credit risk.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company's working capital totals \$291,970 at September 30, 2015, including \$212,783 in cash and current liabilities totalling \$45,148.

#### **Interest Rate Risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets exposed to interest rate risk include any cash held in investment savings accounts bearing variable interest rates. The Company has not entered into any derivative contracts to manage this risk. The Company's policy as it relates to its cash balances is to invest excess cash in savings bank account.

The Company has limited exposure to financial risk arising from fluctuations in variable interest rates earned on cash given the low interest rates currently in effect and the low volatility of these rates.

#### **Currency Risk**

The Company's mineral interest is located in Quebec, Canada as such the Company's exposure to foreign exchange fluctuation is minimal and the associated risk is also minimal as most of the Company's activities are transacted in Canada.

### **Capital Management**

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. As long as the Company is in the exploration stage of its mining properties, it is not the intention of the Company to contract debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. While the Company is not subject to any external capital requirements, neither regulatory nor contractual, funds from flow-through financings to be spent on the Company's exploration properties are restricted for this use. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

### **Properties Titles**

According to the mining law and regulations of the Province of Quebec, the Company, to renew its claims, must do a minimum of exploration expenditures and pay to the Quebec government a rent per claim for every 2 year renewal period. To ensure the Company's mineral claims are kept

in good standing, the Company engaged the services of a third party professional mineral claim management entity to manage the renewal of its mineral claims.

### **Additional Financing**

In the future, additional funds will be required to finance the exploration or development work on the Company's properties, to pay for the renewal of the claims forming the property and to cover the costs of managing the Company. The main sources of funds available to the Company are the issuance of additional shares or the sale of interests in its property. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company.

### **Conditions of the Industry in General**

The exploration and development of mineral resources involves significant risks. Although the discovery of a deposit can prove extremely lucrative, few properties where exploration and development work are conducted progress to producing mines. Significant expenditures are necessary to find and establish reserves, carry out the metallurgical processes and build the processing plant and mining operations. It is not possible to provide assurance that the exploration and development programs contemplated by the Company will generate a profitable mine.

Economic viability of a deposit depends on many factors, of which some are due to the particular characteristics of the deposit, in particular its size, its average grade of the base and precious metals, and its proximity to infrastructures as well as the cyclic character of the prices of base and precious metals as well as governmental regulations, royalties, limits of production, import and export of minerals and protection of the environment. The impact of these factors cannot be evaluated in a precise way, but their effect can negatively impact the project's potential profitability.

Mining activities comprise a high risk. The activities of the Company are subject to all the dangers and the risks usually dependent on the exploration and the development, including the unusual and unforeseen geological formations, explosions, collapses, floods and other situations which can occur during drilling and the removal of material and of which any could cause physical or material or environmental injuries and, possibly, legal responsibility.

### **Government Regulation**

The activities of the Company are subject to, among others, various federal, provincial, state, and local laws, which relate to the exploration and development, tax, standard of work, disease and occupational safety, the safety in mines, toxic substances, and protection of the environment.

The exploration and development activities are subject to legislative measures mandated by federal, provincial, state, and local governments to the protection of the environment. These laws impose high standards on the mining industry, in order to control the waste material from the exploration, development, production, and processing related activities on projects and reduce or eliminate possible environmental impacts.

### **Risks of Lawsuits and No Insurable Risks**

The Company could be held responsible for pollution or for other risks against which it could not be insured or against which it could choose not to be insured, being given the high cost of the premiums or for other reasons. The payment of sums in this respect could involve the loss of the assets of the Company.

### **Conflicts of Interests**

Some of the directors and officers of the Company are also engaged as directors or officers of other companies involved in the exploration and development of mineral resources. Such engagement could result in conflicts of interest. When a conflict of interest exists, the affected directors and/or officers declare their interest and abstain to vote on any resolution in which they have a conflict of interest.

## **Permits, Licences, and Authorizations**

The activities of the Company require obtaining and maintaining permits and licences from various governmental authorities. The Company considers that it holds all the permits and licences required for its exploration activities; it currently carries on, in accordance with the relevant laws and by-laws. Changes brought to the by-laws could affect these permits and licence. Nothing guarantees that the Company can obtain all the permits and all the necessary licences in order to continue its exploration and development activities, to build mines and processing plants and exploit any future reserves.

Moreover, if the Company begins the exploitation of a project, it will have to obtain the necessary mine permits and licences and to conform to all the required obligations concerning the use of water, removal of waste etc. It cannot be guaranteed that the Company will be able to obtain these permits and licences, nor that it will be able to conform to their requirements.

## **Dependence on the Management**

The Company is dependent on its management team. The loss of its services could have an unfavorable impact on the Company.

## **Price of Precious and Base Metals**

The price of the Company's common shares, its financial results, and its future exploration and development activities may be negatively impacted by a fall of the price of precious and base metals. This may also impact the Company's ability to finance its activities on favorable terms. The Company has no control over the fluctuation of precious and base metals prices which may be affected by the sale or the purchase of precious and base metals and related products by end users, brokers, central banks and financial institutions, interest rates, foreign exchange rates, the rates of inflation, of deflation, the fluctuations in the value of the Canadian dollar and the currencies, the regional and global supply and demand of these metals, regional and global economic policies, particularly countries that produce precious and base metals.

## **Risk and Uncertainties**

The Company is at an early stage of its development, and it is a highly speculative investment opportunity. Mincom was only recently incorporated, and has no history of earnings and will not generate earnings or pay dividends in the foreseeable future.

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and some of them are or will be engaged in other projects or businesses that could give rise to potential conflicts of interest.

There is no assurance that there will be an active and liquid market for the Company's common shares on the TSX-V. The Company has only limited funds with which to conduct its business.

For a more comprehensive description of the risks related to an investment in the Company, please refer to the Company's final prospectus dated and filed November 8, 2011 on SEDAR at [www.sedar.com](http://www.sedar.com).

### Financial Risk

In fiscal year ended September 30, 2014, the Company became a Tier 2 mining issuer that is dependent on obtaining additional equity financing in order to continue future operations beyond the next 12 months. There is no guarantee any future financing will be obtained, or that it will be obtained on acceptable terms.

## **Additional Information and Continuous Disclosure**

This Management's Discussion and Analysis has been prepared as of December 10, 2015. Additional information on the Company is available through regular filings on SEDAR ([www.sedar.com](http://www.sedar.com)).

(s) Gary Economo

Chief Executive Officer

(s) Judith T. Mazvihwa-MacLean

Chief Financial Officer

**MINCOM CAPITAL INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the three and six month periods ended March 31, 2017

# MINCOM CAPITAL INC.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTH PERIODS ENDED MARCH 31, 2017

The following Management Discussion and Analysis (“MD&A”) reviews the operating results, financial condition and future prospects of Mincom Capital Inc. (“Mincom” or the “Company”), current as of May 30, 2017. It should be read in conjunction with the Company’s interim unaudited financial statements and notes thereto for the three and six month periods ended March 31, 2017, and the audited financial statements and notes thereto for the year ended September 30, 2016 which were prepared in accordance with International Financial Reporting Standards (“IFRS”). The reporting currency is in Canadian dollars. All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

This MD&A contains or may refer to certain statements that may be deemed “forward-looking statements”. Forward-looking statements include estimates and statements that describe the Company’s future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “anticipates”, “believes”, “could”, “estimates”, “predict”, “seek”, “potential”, “continue”, “intend”, “plan”, “expects”, “may”, “shall”, “will”, or “would” and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. Mincom does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

### **Nature of Business**

Mincom was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company was a Capital Pool Company (“CPC”), as defined in Policy 2.4 of the TSX-V Corporate Finance Manual (“Policy 2.4”) from incorporation to May 9, 2014, following the issuance of the TSX Venture Exchange’s Final Bulletin approving the Company’s acquisition of the Romer property, in Québec, as its Qualifying Transaction (“QT”). Subsequent to the completion of the QT in accordance with Policy 2.4, Mincom commenced operations as a Tier 2 mining issuer.

The principal business of the Company is the acquisition and development of mineral properties in North America with the aim of discovering commercially exploitable precious and base metal deposits which can either be placed into production by the Company or disposed of for a profit to companies that wish to place such deposits into commercial production.

The head office of the Company is located at 945 Princess St. Kingston, Ontario.

### **Corporate Development Highlights**

#### Equity Financing- Subscription of Seed Shares

In May and August 2011, the Company’s directors and officers subscribed for an aggregate of 4,700,000 common shares (the “Seed Shares”) at \$0.05 per share for gross proceeds of \$235,000. The shares were deposited in escrow pursuant to the terms of an escrow agreement and will be released from escrow in stages over a period of up to three years after the Final Exchange Bulletin issued by the TSX-V on May 9, 2014.

#### Initial Public Offering

On February 6, 2012, the Company closed its initial public offering (“IPO”) raising gross proceeds of \$793,300. The IPO was comprised of 7,933,000 common shares at a price of \$0.10 per share. In connection with the financing, the Company paid cash finders’ fees totaling \$79,330 and issued, as additional consideration, 793,300 non-transferable warrants which entitled the holder to acquire the

same number of common shares of the Company at a price of \$0.10, until February 6, 2014. A syndicate of agents led by Jones, Gable & Company Limited acted as agents for Mincom. The Company filed the final prospectus for the IPO on November 8, 2011.

The purpose of the offering was to provide the Company with funds with which to identify and evaluate businesses or assets with a view to completing a QT.

#### Mincom Shares Begin Trading

On February 10, 2012, the common shares of Mincom began trading on the TSX-V under the ticker symbol "MOI.P".

#### Private Placement Raising \$234,745 Closed

On June 11, 2012, the Company announced that it had completed a non-brokered private placement for gross proceeds of \$234,745. The private placement was comprised of 1,564,967 common shares issued at a price of \$0.15 per share.

Mincom paid a cash commission of \$13,180 in relation to the financing. All securities issued in the private placement were subject to a four month hold period which expired on October 9, 2012.

#### Mincom Announces Agreement For Qualifying Transaction- Group NanoXplore Inc. ("NanoXplore")

On April 10, 2013, the Company announced that it signed an Letter of Intent ("LOI") with NanoXplore pursuant to which Mincom was to acquire all of the issued and outstanding shares of NanoXplore.

Mincom intended for the proposed acquisition of NanoXplore to constitute the Company's QT in accordance with Policy 2.4. Mincom and NanoXplore were dealing at arm's length and accordingly, the proposed QT was not a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. Upon completion of the Qualifying Transaction, it was expected that Mincom would be listed on the Exchange as a Tier 2 issuer.

NanoXplore is a Montreal-based nanomaterials research and development services company specializing in graphene, advanced graphene materials and carbon nanotube technologies, including R&D for the production of graphene coatings for consumer electronics, security and graphene-based RF packaging applications. NanoXplore works on a contractual basis with manufacturers in cooperation with its academic partners. NanoXplore is incorporated under the Business Corporations Act (Quebec).

#### Mincom Terminates LOI with Group NanoXplore Inc.

On August 13, 2013, the Company announced the termination of the LOI signed with NanoXplore. The termination of the LOI followed confirmation from the TSX-V on August 1, 2013, that the resulting issuer, pursuant to the proposed QT, did not have sufficient "history of operations and validity of business" required to satisfy the TSX-V's minimum initial listing requirements.

#### Mincom Announces Agreement for Qualifying Transaction- Romer Property

On September 27, 2013, Mincom announced that it had signed into a letter agreement (the "Agreement") with Focus Graphite, pursuant to which Mincom was to acquire from Focus Graphite all of its rights, title and interest in a series of 149 contiguous and 2 isolated map-designated mining claims located in the Labrador Trough sector of Nunavik, Northern Québec, and collectively referred to as the Romer base and precious metals (Cu-Zn-Ni-Au-PGE) Property (the "Property"). Following the announcement, trading of the common shares of Mincom was halted by the Exchange and remained halted in accordance with Exchange policies until all required documentation with respect to the QT had been received and the Exchange was satisfied that the halt should be lifted and trading resumed on May 9, 2014.

It was intended that the acquisition of the Property would constitute Mincom's QT in accordance with Policy 2.4. Mincom and Focus Graphite were not dealing at arm's length given that Gary Economo, Jeffrey York, Marc-André Bernier and Chester Burt (the "Non-Arm's Length Parties") are also directors of Focus Graphite. Accordingly, the QT was a "Non-Arm's Length Qualifying Transaction" within the meaning of Policy 2.4. The Non-Arm's Length Parties did not participate in the deliberations of the board of directors of the Company in connection with the proposed transaction. The Agreement was

unanimously approved by the independent directors of the Company and the letter of intent was signed on September 27, 2013.

The completion of the QT required a majority of the minority shareholder approval which was obtained on April 24, 2014, at a special meeting of shareholders of Mincom called for this purpose. Upon completion of the QT, it was expected that Mincom would be listed on the Exchange as a Tier 2 mining issuer.

Mr. Réjean Girard, P. Geo (Québec), President of IOS Services Geoscientifiques ("IOS") of Saguenay, Québec, a qualified person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), was mandated to prepare a NI 43-101 compliant technical report on the Property. For details on the Romer property, please refer to 'Exploration Activities' section of the management's discussion and analysis.

#### Terms and Conditions of the Agreement with Focus Graphite

The transaction was subject to Exchange and shareholder approval, and to other standard closing conditions, including satisfactory due diligence review of the Property by Mincom, and the completion of a financing (the "Offering") on terms satisfactory to Mincom, in its sole discretion, as necessary in order to meet the minimum listing requirements of the Exchange. For details on the Offering, refer to the 'Closing of the QT'.

The purchase price agreed to by Mincom and Focus Graphite for the purchase of the Project was \$1,000,000 as determined following an independent valuation prepared at the request of the Company. The consideration was paid as follows: (i) CAN\$250,000 paid in cash and; (ii) 2,500,000 common shares of Mincom, representing a deemed value of \$0.30 per share.

#### Mincom Announced the Closing of QT and Concurrent Private Placement

On May 8, 2014, the Company completed its QT with Focus Graphite and the private placement Offering raising gross proceeds of \$184,699.50. The Offering consisted of the sale and issuance of 615,665 common shares at a price of \$0.30 per common share. The Offering closed concurrently with and was conditional on the completion of the QT. The QT was also conditional on the closing of the Offering. The Offering was not conducted through an intermediary. Mincom paid a cash commission of \$11,970 in relation to the private placement and issued 39,900 non-transferable share purchase warrants exercisable at a price of \$0.30 per share until May 8, 2015.

Mr. Gary Economo, the President and CEO of Mincom, and family members of a Director participated in the Offering by purchasing 293,333 common shares, which constitutes a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction with Mr. Economo did not exceed 25% of the Company's market capitalization.

All securities issued in connection with the closing of the QT and the Offering were subject to a regulatory four (4) month hold period which expired on September 9, 2014. Following Exchange requirements, a total of 2,793,333 common shares issued pursuant to the QT and the private placement were escrowed.

#### Final Exchange Bulletin Issued

On May 9, 2014, following the Company announcing the closing of its QT with Focus Graphite and its Offering raising gross proceeds of \$184,699.50, on May 9, 2014, the TSX-V issued its final bulletin announcing it accepted for filing the Company's QT described in its Management Information Circular dated February 25, 2014. Further to the TSX-V Bulletin, the securities of the Resulting Issuer resumed trading on the TSX-V on May 12, 2014 under the trade symbol "MOI"

## Mincom Capital Inc. Announced the Closing of a Private Placement

On August 5, 2014, the Company announced the closing of a non-brokered private placement raising gross proceeds of \$100,000 following the issuance of 625,000 units priced at \$0.16 per Unit. Each Unit consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one (1) additional common share of the Company at a price of \$0.50 until August 1, 2016. La Société d'investissement dans la diversification de l'exploration ("SIDEX") was the sole participant of the financing under its "Field Action 2014" program. The mission of SIDEX is to invest in companies engaged in mineral exploration in Quebec in order to diversify Quebec's mineral base and open new territories. Field Action 2014 is a new \$3-Million financing program recently launched by SIDEX to encourage junior mineral exploration companies to pursue field work in Québec, hire young professionals, employ service companies, and make new discoveries in 2014.

The securities issued under the Offering were subject to a four month hold period ending on December 2, 2014. The proceeds from the Offering were used to advance Mincom's exploration project in Quebec.

## Expiry of Stock Options

On May 8, 2015, 234,849 stock options with an exercise price of \$0.10 expired.

## Mincom Capital Inc. Announces Intent to Acquire Braille Holdings Inc. as an Entry Point to the Lucrative Energy Storage Space With Next Generation Graphene Based Lithium Battery Technologies

On October 18, 2016, the Company announced it entered into a non-binding letter of intent with Grafoid Inc. ("Grafoid") to acquire Grafoid's 75% interest in Braille Holdings Inc. ("Braille"), of Sarasota, Florida which owns Braille Battery.

Braille Holdings, acquired by Grafoid in 2014, is a global leader in the development, production and sales of ultra lightweight, high performance Lithium-Ion batteries and the supplier of the world's first environmentally sustainable AGM carbon fiber batteries for IndyCar, NASCAR, Formula 1 racing cars, motorcycles and batteries for the marine industry.

The proposed purchase price is US \$2,000,000, of which US \$1,000,000 will be paid in cash and US \$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. The acquisition is subject to the normal transaction documents expected in an acquisition of this nature.

In conjunction with the acquisition, Mincom proposes to raise, subject to the TSX Venture Exchange ("TSXV") acceptance, up to US \$3,000,000 by way of private placement of units of Mincom at a price of US \$0.10 per unit (the "Offering"). Each unit will be comprised of 1 common share of Mincom and 1 warrant. Each warrant shall be exercisable into 1 common share at a price of CAD \$0.18 for a period of 4 years from the closing date of the Offering. Notwithstanding the foregoing, if at any time after four (4) months and one (1) day following the Closing, the trading price of the Common Shares on the TSX Venture Exchange is equal to or exceeds \$0.30 for 10 consecutive trading days, as evidenced by the price at the close of market, Mincom shall be entitled to notify the holders of Warrants of its intention to force the exercise of the Warrants. Upon receipt of such notice, the holders of Warrants shall have 30 days to exercise the Warrants, failing which the Warrants will automatically expire.

The proceeds will be used to cover the consideration of the transaction with Grafoid and working capital.

Braille Battery Inc. is a Sarasota, Florida-based battery manufacturing and energy storage solutions company and the pioneer of a complete line of lightweight high powered battery systems for the transportation market.

Braille developed the world's first commercially available automotive lithium starting battery and has grown to become the highest volume producer of automotive lithium starting batteries. The company retains international patent protection on over 20 unique battery improvements. Some have achieved market success while others have been applied in non-consumer applications.

Its technological achievements include battery containment using composite technologies; thermal management, high amperage solutions, high vibration designs, novel battery chemistries, battery controls and dual use chemistries.

Braille's ISO compliant manufacturing facility houses management offices, design and engineering, research and development, manufacturing, logistics and fulfillment. Braille is an FDA manufacturer and is GSA / CCR registered.

Braille's achievements include numerous firsts in the industry, among them: development of the first carbon fiber battery; first Lithium-Ion automotive original equipment starting battery; first carbon Li-Ion battery; first European Community RoHS environmentally approved automotive battery; first lithium battery to win a Formula 1 Championship; first lithium battery to win Daytona 500, NASCAR and Le Mans Championships, and; the first Lithium Iron Phosphate energy storage solution for the U.S. defense industry.

Mincom Capital Inc.: Update Regarding Reverse Takeover/Change of Business Transaction

During the quarter ended March 31, 2017, on March 14, 2017, the Company announced it has entered into a non-arm's length agreement to purchase all of issued and outstanding shares of Braille Holdings Inc. held by Grafoid Inc (the "Proposed Transaction") as previously announced on October 18, 2016. The Proposed Transaction will constitute a reverse takeover and change of business under the policies of the TSX Venture Exchange (the "Exchange").

Mincom, Braille Holdings Inc. ("BHI"), Braille Battery Inc. ("Braille Battery"), and Grafoid Inc. (the "Vendor") entered into a share purchase agreement dated the 8<sup>th</sup> day of March, 2017 (the "Share Purchase Agreement") whereby the Vendor agreed to sell, and Mincom agreed to purchase, such issued and outstanding shares of BHI held by the Vendor, being 75% of all the issued and outstanding shares of BHI (the "Purchased Shares"). The Purchase Price for the Purchased Shares is Two Million Dollars (US\$2,000,000) of which One Million Dollars (US\$1,000,000) will be paid in cash and One Million Dollars (US\$1,000,000) will be paid by the issuance of 10,000,000 Common Shares to the Vendor from the treasury of Mincom at the Closing as disclosed above.

**History of Target and Financial Information**

BHI is a corporation organized under the laws of the State of Florida on May 5, 2010. Its principal place of business is located at 6935 15th Street East, Building 115, Sarasota, FL 34243. Braille Battery is a corporation organized under the laws of the State of Florida filed on March 18, 2010, effective January 1, 2009. Its principal place of business is located at 6935 15th Street East, Building 115, Sarasota, FL 34243.

Braille Battery is a wholly owned subsidiary of BHI. Braille Battery has no subsidiaries. BHI is a holding company and does not carry on business other than to hold all the issued and outstanding shares of Braille Battery. Braille Battery is an operating company and carries on the business of a battery assembler and retailer.

The resulting issuer will be called Braille Energy Systems Inc. and will be involved in the clean technology sector.

Based on audited consolidated financial statements for the year ending September 30, Braille Holdings and Braille Battery generated revenues of \$2,320,636 and a net loss before taxes of \$786,403. As at September 30, 2016 Braille had total assets of \$708,425 and total liabilities of \$4,248,075 and shareholders' deficit in the amount of \$3,539,650.

**Non-Arm's Length Transaction**

Mincom, BHI, Braille Battery, and the Vendor share common management. Focus Graphite Inc., a public company listed on the Exchange holds 13.88% of the Common Shares of Mincom and 18.17% of the Common Shares of the Vendor. The related parties and their position within each party to the Proposed Transaction are set out below:

Name	Position with				
	Mincom	Vendor	BHI	Braille Battery	Focus Graphite Inc.

Gary Economo	Director, President & CEO	Director, CEO	Director, President	Director, President	Director, President & CEO
Lindsay Weatherdon	Director	Director	N/A	N/A	
Jeffrey York	Director, Chairman of the Board	Director, Chairman of the Board	N/A	N/A	Director, Chairman of the Board
Chester Burt	Director	N/A			Director
Marc-Andre Bernier	Director	N/A			Director
Judith Mazvihwa-MacLean	CFO	CFO	CFO	CFO	CFO

The Proposed Transaction does not constitute an arm's length transaction and will be subject to shareholder approval. The date of the shareholders' meeting has not been set.

The Corporation will seek to rely on an exemption from the valuation requirements set out in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. The securities of the Corporation are not inter-listed on other stock markets.

### **Directors and Management of the Resulting Issuer**

#### ***Gary Economo - President and Chief Executive Officer, Director, Age 58***

Mr. Economo has a distinguished business leadership career, serving as CEO for a number of public and private high-technology companies during the last 20 years. A former President and CEO of Dynasty Components Inc., Mr. Economo enjoys a long history of graphite marketing and sales for high-tech applications. Over the span of his business career, Mr. Economo provided strategic consulting and representation services to technology companies in North America and Asia. In particular, he has a track record of success and expertise in building shareholder value when tasked with bringing discovery companies to market.

#### ***Chester Burt - Director, Age 65***

Mr. Burt is President of Chester Burt & Associates Ltd. ("**CBAL**") a corporate and public affairs advisory firm that specializes in connecting private and public companies with domestic and international opportunities. CBAL also arranges for the provision and supply of financial services in mergers, acquisitions and joint ventures. Working through an international network and associate firms, CBAL offers a full range of services to assist companies with strategy development and decisions to best suit their investor and corporate relations. Prior to this Mr. Burt graduated with a BA from Waterloo Lutheran University and MA from Wilfrid Laurier University in Political Science.

#### ***Lindsay Weatherdon - Director and Chairman of the Board, Age 52***

Mr. Weatherdon is the President and owner of Premcorp Sales & Marketing operating as "Concord National, Ontario Division" as well as Mitchell-Kennedy operating as "Concord National, Quebec Division". Concord National is a Canadian based consumer and packaged goods sales and marketing agency. He has held this position since 2002. In addition, Mr. Weatherdon is a shareholder, through his personal holding company, Thornbeth Holdings, of Luxell Technologies. In September 2011, Mr. Weatherdon became a director of Luxell Technologies.

#### ***Judith Mazvihwa-MacLean- Chief Financial Officer, Director, Age 42***

An Ottawa-based geologist and accountant, Ms. Mazvihwa-MacLean has more than 16 years of experience in mineral exploration, mining, management, and corporate finance. She is also the Chief Financial Officer at Focus Graphite. Prior to joining Focus Graphite, Ms. Mazvihwa-MacLean was the CFO for Golden Harp Resources Ltd., Logan Resources Ltd., and Acme Resources Ltd. (formerly, International KRL Resources Corp.) and also served as a member of the Board for both Logan Resources Ltd. and Acme Resources Ltd. Ms. Mazvihwa-MacLean holds a B.Sc. (Geology) from the

University of Zimbabwe, a M.Sc. from Brunel University in England and earned her MBA at Simon Fraser University in British Columbia. Ms. Mazvihwa-MacLean was accredited a Certified Management Accountant by the Certified Management Accountants Society of British Columbia.

### **Jeffrey York - Director, Age 53**

Mr. York is currently Chief Executive Officer of Farm Boy Inc. He worked three years for Ward Mallette Chartered Accountants and twenty years for Giant Tiger Stores which grew from a regional discount retail chain into a national company and of which he was President for 10 years. Mr. York has been a member of Young Presidents Organization since 2002. Mr. York graduated with an economics degree from Princeton University in 1986 and obtained his Chartered Accountant designation in 1989.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of [insert name of Issuer] should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

### **Exploration Activities**

#### **Romer Polymetallic (PGE-Au-Cu-Ni) Property**

The Property consists of 149 contiguous and 2 isolated map-designated mining claims for a total of 151 claims (total surface area: 6,870.6 ha or 69 km<sup>2</sup>). The Property is located in the Labrador Trough sector of Nunavik, the northern division of the Nord-du-Québec administrative region. The Property straddles the junction between NTS 1:50,000-scale topographic sheets 24K-03 (Lac Géri dot) and 24K-04 (Lac Thévenet), and covers portions of unpatented townships 5051, 5052 and 5151. It is bound by latitudes 58°06'30" and 58°12'30" North and longitudes 69°29'00" and 69°38'00" West.

The Property is an early stage exploration project strategically located in the Labrador Trough which is currently considered one of the highest potential emerging regions of Québec for base (Cu-Zn-Ni) and precious (Au-PGE) metal mineralizations.

The Property is part of an original group of 13 mineral properties located in the north-central portion of the Labrador Trough acquired by Focus Metals Inc. (now Focus Graphite Inc.) in 2010 of which one was acquired from Focus Graphite. The Property encompasses a series of historical base and precious mineral occurrences situated near Hellancourt and Thévenet Lakes.

The Property lies within the Géri do Zone of the Labrador Trough, which is dominated by deep marine sediments, volcanics and iron formations of the Koksoak Group intruded by Montagnais Gabbro sills, a favorable geological context for disseminated or "reef-type" palladium-rich mineralization, copper-zinc massive sulphides mineralization of Besshi and Sedex types and gold-bearing quartz veins associated with iron formations mineralizations.

Two important waves of exploration were conducted on the Property. The first, in the 1950s and 1960s was focused on massive sulphide occurrences. Only limited information on the surveys conducted during this period is available in government assessment files. The second wave, from 1987 to 2002, originated from the discovery of anomalous platinum and palladium associated with nickel-copper mineralization throughout the area, and the subsequent discovery of disseminated palladium-rich mineralization in the Montagnais Gabbro. Apart from these two waves of exploration activity, only limited "boot-and-hammer" prospecting programs were conducted by different groups and there are only four (4) properly documented drill holes located within the limits of the Property and only very limited trenching.

The Property encompasses four significant historical polymetallic mineral occurrences\* (*source: Charbonneau, R. and Robillard, I., 2009. Technical Report on the Romer Property in accordance with National Instrument 43-101, North central part of the Labrador Trough NTS map sheets 24K03 and 24K04; available at [www.sedar.com](http://www.sedar.com) under Focus Graphite Inc., filed May 12, 2010*).

### **St-Pierre Palladium and Bowen Lake Occurrences**

- Discovered by Noranda Exploration Inc. in 1987
- Later investigated by Osisko Exploration Ltd and Coleraine Resources Inc. (Kiddie, 2002; GM 60824).
- Minutely disseminated sulphides in a leucocratic facies of the Montagnais Gabbro.
- Several grab samples\*\* containing anomalous Au, Pt and Pd (e.g. St-Pierre occurrence: 1.49 g/t Pd; 0.57 g/t Pt; Noranda, 2001; GM 60824).

### **Folding Lake ("Fort-Chimo") Occurrence**

- Discovery by Frobex Ltd. prior to 1970 (Fisher and Fraser, 1964; GM16751).
- A copper and zinc bearing massive to semi-massive sulphide horizon.
- 1.18% Cu, 0.27% Ni, 1.09 g/t Au, 12.8 g/t Ag and 0.72% Zn over 1.5 m in drill core (Frobex, 1964)

### **St-Pierre ("Venditelli") Gold Occurrence**

- Discovered in the 1960s by Hollinger North Shore, although not reported
- Rediscovered by Noranda Exploration Inc. in 1987 (Woldeabzghi and Dessureault, 1988 (GM 46465); Dessureault and al., 1988 (GM 49488); Dessureault, 1988 (GM47544))
- Network of gold bearing quartz veins invading the carbonate facies iron formation of the Middle Baby Formation.
- 28 g/t Au in a grab sample\*\* (Noranda 1988; (GM46465)), 11.98 g/t Au over 0.25 m in a channel sample and 1.78 g/t Au over 1.80 m in drill core (Noranda, 1988; (GM49488)). However, abundant sampling indicates the erratic nature of the mineralization.

*\* Cautionary note: The Company has not verified the historic exploration results.*

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled.*

Subsequent to Focus Graphite's acquisition of the Property in 2010, a short reconnaissance program was conducted that included prospecting and rock sampling for a total of 305 samples (GM-64970, Charbonneau, 2010; available at <http://sigeom.mrn.gouv.qc.ca/>). Several positive results for Au, Pd, Ag and Cu were obtained confirming historically known showings. The sampling program also highlighted a new sector of interest for platinum and palladium in the south central part of the Property where a slightly mineralized gabbro returned 0.672 g/t Pt and 0.577 g/t Pd.

In 2012, Focus Graphite commissioned Geotech Ltd. of Aurora, Ontario to conduct a helicopter-borne magnetic and electromagnetic VTEM survey of the Romer property. The Geotech survey was the first high-definition airborne geophysical survey available for the Property. The magnetic survey results were expected to help identify potential iron formations and geological structures that could be associated with gold-bearing quartz vein-type mineralizations. The survey identified over 972 electromagnetic anomalies forming regional linear trends related to geological units or isolated anomalies which will help to identify sulphide targets that could be associated with PGE "reef-type" and copper-zinc of Besshi/Sedex type mineralizations. These targets will form the basis of follow-up ground exploration programs.

On July 11, 2014, the Company engaged IOS Service Géoscientifique of Chicoutimi of Québec to manage its exploration field work program for 2014.

### **2014 Exploration Program**

On April 15, 2015, the Company received the final report for the 2014 exploration program fieldwork conducted on the Romer Project from IOS Service Géoscientifique of Chicoutimi, Québec. Fieldwork plus mobilization and demobilization to Kuujuaq were conducted between July 7, 2014 and July 28, 2014. The summer 2014 field program was designed primarily to sample on the Bowen and St-Pierre

Palladium occurrences for platinum group elements (“PGE”) and gold and provide accurate descriptions as well as to evaluate four others polymetallic showings for gold, PGE, copper and zinc.

One hundred ninety-one (191) outcrops were located and described; a ground magnetic and electromagnetic survey was conducted with the use of a portable Beep Mat device over a restricted grid positioned in the vicinity of the Bowen showing and a total of 288 rock samples were collected over the six showings (231 grab samples, 57 channel samples).

Rock samples were shipped by Air Cargo to IOS laboratory facilities in Saguenay for crushing and grinding. The prepared samples were then shipped to ALS Minerals for assaying (in Val-d’Or for preparation and Vancouver for assaying), a certified analytical laboratory; ISO/IEC 17025:2005 for standards). Both IOS and ALS Minerals are independent laboratories. Gold, platinum and palladium contents were measured by fire assay with a mass spectrometry finish (ALS code: PGM-ICP24), while the remaining 48 elements were measured by atomic emission spectrometry (ICP-AES) or mass spectrometry (ICP-MS) after multi-acid (“near total”) digestion (ALS code: ME-MS61). Samples with gold values greater than 10 ppm were re-analyzed by fire assay (30 grams splits) with a gravimetric finish (ALS code: Au-GRA21). Samples with copper and zinc values exceeding 10 000 ppm (1%) were re-analyzed by atomic emission spectrometry (ICP-AES) after four acid digestion (ALS codes: Cu-OG62 and Zn-OG62). IOS introduced 17 standard samples of the certified reference material UTM-1 for PGE and gold and 21 blank samples as part of its QA/QC program.

A total of 43 channel samples were collected on the St-Pierre Palladium showing. Of the 43 samples, 41 are two-meter length samples collected from a 82 meter-long channel, and two are from a four meter-long channel. This continuous sampling was performed perpendicular to the stratigraphic contacts with the aim to evaluate the thickness and the continuity of the mineralization. The results highlight the presence of three horizons (2 to 4 meters thick) enriched in platinum and palladium:

2014 Trenching Program Results, St-Pierre Palladium Showing								
Trench #	Azimuth	Total Length (m)	From (m)	To (m)	Intersection Length* (m)	Pt (g/t)	Pd (g/t)	Au (g/t)
Channel 1	N 070	82	6	8	2	0.241	0.795	0.05
			12	16	4	0.295	0.993	0.07
			34	38	4	0.164	0.559	0.04

*\*True intersections thicknesses are unknown and are expressed as cumulative channel sample lengths. However, the trenches crosscut the strike of the mineralized zone envelope at a high angle. Mineralized Intersections are calculated with Pt+Pd+Au > 1g/t; there is no internal and external dilution considered.*

An extensive prospecting program consisting of sampling (146 grab samples) as well as combined ground magnetic and electromagnetic survey using a portable Beep Mat device were completed in the vicinity of the Bowen occurrence. This work resulted in the discovery of a new rusted zone in outcrop dominated by pyrrhotite with trace amounts of pyrite and chalcopyrite. The assays results reveal a low copper content from 0.10 to 0.85 % for 62 of the 146 grab samples\*\* (77 samples grade between 0.01 and 0.1 % Cu). Three (3) zones measuring 50 to 150m by 75 to 100m that contain several grab samples\*\* with low enrichment in platinum (from 0.104 to 0.572 g/t) and palladium (from 0.153 to 1.2 g/t) have been delineated. Four channels were also sampled on the oxidized outcrop zone (for a total of 11 channel samples) without revealing any significant values for Pt and Pd.

Some grab sampling was also conducted on the four other known polymetallic mineral occurrences of the Romer project: the Venditelli gold showing (39 samples, also 3 channels samples), the Folding Lake Cu-Ni-Au showing (18 samples), the Hélancourt Cu-Zn showing (11 samples) and the St-Pierre Nord gold showing (1 sample). Of these four occurrences only Folding Lake returned interesting assays results for gold, copper and zinc. Three (3) grab samples taken within a few meter-thick massive

sulphide horizon returned significant gold assays of between 0.47 g/t and 5.76 g/t associated with 0.5% to 2% copper and 1% to 1.9% Zn. The best grab sample\*\* returned values of 5.7 g/t Au, 2.09% Cu and 1.07% Zn. The fifteen (15) remaining samples of the Folding Lake showing area did not contain significant values of gold and zinc and only two had an anomalous copper grades (0.2% and 0.38%).

*\*\* Grab samples are selective by nature and are unlikely to be representative of the average grade of the mineralized zone being sampled. Channel sampling or drilling are required to determine representative grades.*

These results were in accordance with the historical precious and base metals grades reported at St-Pierre Palladium, Bowen and Folding Lakes showings. Nevertheless, the field work highlighted the presence of three horizons mineralized in PGE at the St-Pierre showing. This new data about the geometry of the mineralization will guide future exploration work designed to test the “reef-type” PGE rich horizon model along the extensions of known mineralization. Although a grouping of elevated assays is noted at the Bowen occurrence, the real continuity of the mineralization has yet to be established. Further channel sampling will be required to better delineate the mineralization at the St-Pierre Palladium and Bowen occurrences.

#### **Exploration Completed by Mincom on the Romer Property in Current Quarter**

During the quarter ended March 31, 2017, the Company did not incur any significant exploration expenses on the Romer project. The total capitalized exploration expenditures incurred on the claim block to date (net of tax credits and mining duties) are \$206,012.

The Company is currently reassessing its mineral exploration strategy for the Romer Project. The Company announced it is acquiring a controlling interest in Braille Holdings Inc. from Grafoid Inc. (Refer to the Corporate Development Highlights).

#### **Qualified Person**

The above scientific and technical information regarding exploration activities as defined in National Instrument (NI) 43-101 s. 1.1, was reviewed and approved by Marc-André Bernier, M.Sc., P.Geo., (Québec and Ontario), a consultant for the Company and a Qualified Person under NI 43-101 guidelines.

## Financial Information

The following selected financial data is derived from the unaudited interim financial statements of the Company for the three month and six month periods ended March 31, 2017, that were prepared in accordance with IFRS.

### Selected Financial Information

	Three months ended March 31, 2017	Three months ended March 31, 2016	Six months ended March 31, 2017	Six months ended March 31, 2016
	\$	\$		
<b>Statement of Comprehensive Loss</b>				
Loss from Operations	(67,409)	(24,796)	(142,551)	(75,797)
Other Income	-	371	-	1,113
Net Loss and Total Comprehensive Loss	(67,409)	(24,425)	(142,551)	(74,684)
Basic and Diluted Loss per Common Share	(0.004)	(0.001)	(0.008)	(0.004)
Basic and Diluted Weighted-Average Number of Common Shares Outstanding	18,012,257	18,012,257	18,012,257	18,012,257
<b>Statement of Cash Flows</b>				
Cash Flows Used in Operating Activities	(55,472)	(47,519)	(101,623)	(117,913)
Cash Flows From (Used in) Investing Activities	-	-	(60)	78,996
Cash Flows From Financing Activities	-	-	-	-
Decrease in Cash	(55,472)	(47,519)	(101,683)	(38,917)
As at	March 31, 2017	September 30, 2016	September 30, 2015	
	\$	\$	\$	
<b>Statement of Financial Position</b>				
Cash	5,562	107,245	212,783	
Mineral Exploration Properties	1,000,000	1,000,000	1,000,000	
Exploration and Evaluation Assets	206,012	205,952	182,315	
Shareholders' Equity	1,197,549	1,340,100	1,474,285	
Total Assets	1,311,962	1,354,674	1,519,433	

### Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration and development programs, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

### Results of Operations for the Three and Six Month Periods Ended March 31, 2017

#### Net Loss

During the three and six month periods ended March 31, 2017, the Company realized net losses of \$67,409 and \$142,551 respectively (\$24,425 and \$74,684 for the three and six month periods ended March 31, 2016).

During the three and six month periods ended March 31, 2017, the Company earned interest and other income totalling \$Nil and \$Nil respectively (\$371 and \$1,113 in the three and six month periods ended March 31, 2016). The interest was earned on proceeds raised in various equity financings closed since incorporation.

#### Operating Expenses

During the three and six month periods ended March 31, 2017, the Company's losses from operations were \$67,409 and \$142,551 respectively (\$24,796 and \$75,797 for the three and six month periods ended March 31, 2016). The increase in operating expenses is mainly attributed to the following :

- Professional fees incurred during the three and six month periods ended March 31, 2017 were \$44,736 and \$93,949 respectively (compared to \$135 and \$26,185 incurred in 2016). The increase was attributed to the Company's ongoing transaction to acquire all Braille Holdings Inc. shares owned by Grafoid Inc. representing 75% equity interest in Braille Holdings.

### Quarterly Information

The following selected financial data is derived from the unaudited interim financial statements of the Company, which were prepared in accordance with IFRS.

Period Ended	Other Income	Net Loss	Loss per share
	\$	\$	\$
31/03/17	-	(67,409)	(0.004)
31/12/16	-	(75,142)	(0.004)
30/09/16	1	(34,099)	(0.002)
30/06/16	204	(25,402)	(0.001)
31/03/16	371	(24,425)	(0.001)
31/12/15	742	(50,259)	(0.003)
30/09/15	196	(38,209)	(0.002)
30/06/15	310	(33,196)	(0.002)
31/03/15	522	(76,651)	(0.004)

### Liquidity and Capital Resources

The Company has a working capital deficit at March 31, 2017 of \$8,463 including \$5,562 in cash and current liabilities totalling \$114,413 due within the next 12 months, as compared to a working capital of \$134,148 at September 30, 2016. The decrease in working capital is mostly attributable to the Company incurring expenditures associated with its transaction with Grafoid (Refer to the Corporation Development section for details).

Mincom's budget, on a consolidated basis with Braille Holdings Inc., (assuming the TSX-V approves Mincom's transaction with Grafoid as disclosed in the Corporate Development section) for the next 12 months is \$4,070,150. The budget covers the operation expenditures of Braille Holdings Inc. and administration and mineral exploration expenditures. The Company's ability to continue as a going concern is dependent on revenue from the battery sales, assuming the TSX-V approves the Company's acquisition of 75% interest in Braille Holdings Inc., as well as additional financing, through various means including but not limited to equity financing, to operate its battery company, discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company. Failure to achieve additional financing could have a material adverse effect on the Company's financial condition and / or results of operations. The Company expects to raise US\$3,000,000 in an equity financing concurrent with its acquisition of 75% interest in Braille Holdings Inc. Braille Holdings Inc. expects to generate \$3,000,000 in battery sales in the next fiscal year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

### Contractual Obligations and Off-Balance Sheet Arrangements

As of March 31, 2017, the Company has no off balance sheet arrangements and no contractual obligations.

### Commitment and Proposed Transactions

As of March 31, 2017, and as of the date of this report the Company did not have any commitments outstanding except for its agreement to purchase Braille Holdings Inc. and concurrent private

placement (Refer to the Corporate Development section for details). There are no undisclosed pending proposed transactions that would materially affect the performance or operation of the Company.

### **Related Party Transactions**

#### JAG Sky Inc.

As at March 31, 2017, the Company has prepaid \$33,000 to JAG Sky Inc., a private air charter services company wholly-owned by an Officer and Director of Mincom, for air travel to be used at a later date. The entire amount is included in prepaid expenses (\$25,000 as at September 30, 2016).

#### Shared costs

##### Focus Graphite Inc.

During the year ended September 30, 2016, the Company was charged \$5,000 by Focus Graphite Inc. ("Focus"), which shares common management, for accounting and administrative services and other administrative expenses. As at March 31, 2017, included in accounts payable and accrued liabilities was an amount of \$Nil (\$5,000 as at September 30, 2016).

##### Grafoid Inc.

As at March 31, 2017, included in accounts payable and accrued liabilities was an amount of \$457 (\$1,575 as at September 30, 2016) due to Grafoid Inc., which shares common management, related to other general shared costs.

#### Key management compensation

The following table reflects compensation of key management personnel (Directors and Officers of the Company):

	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Consulting fees	9,000	14,000	18,000	23,000
	9,000	14,000	18,000	23,000

The shared costs noted above include an allocation of salaries and short-term benefit compensation paid to key management personnel.

#### Participation in Private Placement

For details regarding the participation of Directors and Officers of the Company, including close family members in the private placement that closed May 8, 2014, refer to the "Corporate Development Highlights- Mincom Announced the Closing of QT and Concurrent Private Placement"

### **Financial Instruments**

The Company's financial instruments at March 31, 2017 consist of cash, accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

#### *Carrying amounts of financial assets and liabilities*

	<u>March 31, 2017</u>	<u>September 30, 2016</u>
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	<u>5,562</u>	<u>107,245</u>
<b>Financial liabilities</b>		
Measured at amortized cost		
Accounts payable and accrued liabilities	<u>114,413</u>	<u>14,574</u>

### **Critical Accounting Policies and Estimates**

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in Note 3 to the audited annual financial statements for the years ended September 30, 2016 and 2015.

### **Outstanding Share Data**

Common shares and convertible securities outstanding at May 30, 2016 consist of the following:

Securities	Expiry Date	Exercise Price	Number of Securities Outstanding
Common shares	-	-	18,012,257
Warrants	N/A	N/A	0
Options	February 6, 2022	\$0.10	1,028,451

### **Risk Exposure and Management**

The Company is exposed to a certain amount of risks at different levels. The type of risk and the way the exposure is managed are described hereafter.

#### **Market Risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### **Credit, Liquidity, Interest Rate Risk and Currency Risk**

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### **Credit Risk**

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is management's opinion that the Company is not exposed to significant credit risk. There has been no change to Management's assessment of credit risk compared with the prior year.

## Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company has a working capital deficiency of \$8,463 at March 31, 2017, including \$5,562 in cash and current liabilities totalling \$114,413 due within the next 12 months. There has been no change to Management's assessment of credit risk compared with the prior year.

## Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets exposed to interest rate risk include any cash held in investment savings accounts bearing variable interest rates. The Company has not entered into any derivative contracts to manage this risk. The Company's policy as it relates to its cash balances is to invest excess cash in savings bank account.

The Company has limited exposure to financial risk arising from fluctuations in variable interest rates earned on cash given the low interest rates currently in effect and the low volatility of these rates.

## Currency Risk

The Company's mineral interest is located in Quebec, Canada as such the Company's exposure to foreign exchange fluctuation is minimal and the associated risk is also minimal as most of the Company's activities are transacted in Canada.

## Capital Management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. As long as the Company is in the exploration stage of its mining properties, it is not the intention of the Company to contract debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. While the Company is not subject to any external capital requirements, neither regulatory nor contractual, funds from flow-through financings to be spent on the Company's exploration properties are restricted for this use. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

## Properties Titles

According to the mining law and regulations of the Province of Quebec, the Company, to renew its claims, must do a minimum of exploration expenditures and pay to the Quebec government a rent per claim for every 2 year renewal period. To ensure the Company's mineral claims are kept in good standing, the Company engaged the services of a third party professional mineral claim management entity to manage the renewal of its mineral claims.

## Additional Financing

In the future, additional funds will be required to finance the exploration or development work on the Company's properties, to pay for the renewal of the claims forming the property and to cover the costs of managing the Company. The main sources of funds available to the Company are the issuance of additional shares or the sale of interests in its property. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company.

## Conditions of the Industry in General

The exploration and development of mineral resources involves significant risks. Although the discovery of a deposit can prove extremely lucrative, few properties where exploration and development work

are conducted progress to producing mines. Significant expenditures are necessary to find and establish reserves, carry out the metallurgical processes and build the processing plant and mining operations. It is not possible to provide assurance that the exploration and development programs contemplated by the Company will generate a profitable mine.

Economic viability of a deposit depends on many factors, of which some are due to the particular characteristics of the deposit, in particular its size, its average grade of the base and precious metals, and its proximity to infrastructures as well as the cyclic character of the prices of base and precious metals as well as governmental regulations, royalties, limits of production, import and export of minerals and protection of the environment. The impact of these factors cannot be evaluated in a precise way, but their effect can negatively impact the project's potential profitability.

Mining activities comprise a high risk. The activities of the Company are subject to all the dangers and the risks usually dependent on the exploration and the development, including the unusual and unforeseen geological formations, explosions, collapses, floods and other situations which can occur during drilling and the removal of material and of which any could cause physical or material or environmental injuries and, possibly, legal responsibility.

### **Government Regulation**

The activities of the Company are subject to, among others, various federal, provincial, state, and local laws, which relate to the exploration and development, tax, standard of work, disease and occupational safety, the safety in mines, toxic substances, and protection of the environment.

The exploration and development activities are subject to legislative measures mandated by federal, provincial, state, and local governments to the protection of the environment. These laws impose high standards on the mining industry, in order to control the waste material from the exploration, development, production, and processing related activities on projects and reduce or eliminate possible environmental impacts.

### **Risks of Lawsuits and No Insurable Risks**

The Company could be held responsible for pollution or for other risks against which it could not be insured or against which it could choose not to be insured, being given the high cost of the premiums or for other reasons. The payment of sums in this respect could involve the loss of the assets of the Company.

### **Conflicts of Interests**

Some of the directors and officers of the Company are also engaged as directors or officers of other companies involved in the exploration and development of mineral resources. Such engagement could result in conflicts of interest. When a conflict of interest exists, the affected directors and/or officers declare their interest and abstain to vote on any resolution in which they have a conflict of interest.

### **Permits, Licences, and Authorizations**

The activities of the Company require obtaining and maintaining permits and licences from various governmental authorities. The Company considers that it holds all the permits and licences required for its exploration activities; it currently carries on, in accordance with the relevant laws and by-laws. Changes brought to the by-laws could affect these permits and licence. Nothing guarantees that the Company can obtain all the permits and all the necessary licences in order to continue its exploration and development activities, to build mines and processing plants and exploit any future reserves.

Moreover, if the Company begins the exploitation of a project, it will have to obtain the necessary mine permits and licences and to conform to all the required obligations concerning the use of water, removal of waste etc. It cannot be guaranteed that the Company will be able to obtain these permits and licences, nor that it will be able to conform to their requirements.

### **Dependence on the Management**

The Company is dependent on its management team. The loss of its services could have an unfavorable impact on the Company.

## Price of Precious and Base Metals

The price of the Company's common shares, its financial results, and its future exploration and development activities may be negatively impacted by a fall of the price of precious and base metals. This may also impact the Company's ability to finance its activities on favorable terms. The Company has no control over the fluctuation of precious and base metals prices which may be affected by the sale or the purchase of precious and base metals and related products by end users, brokers, central banks and financial institutions, interest rates, foreign exchange rates, the rates of inflation, of deflation, the fluctuations in the value of the Canadian dollar and the currencies, the regional and global supply and demand of these metals, regional and global economic policies, particularly countries that produce precious and base metals.

## Risk and Uncertainties

The Company is at an early stage of its development, and it is a highly speculative investment opportunity. Mincom was only recently incorporated, and has no history of earnings and will not generate earnings or pay dividends in the foreseeable future.

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and some of them are or will be engaged in other projects or businesses that could give rise to potential conflicts of interest.

There is no assurance that there will be an active and liquid market for the Company's common shares on the TSX-V. The Company has only limited funds with which to conduct its business.

For a more comprehensive description of the risks related to an investment in the Company, please refer to the Company's final prospectus dated and filed November 8, 2011 on SEDAR at [www.sedar.com](http://www.sedar.com).

### Financial Risk

In fiscal year ended September 30, 2014, the Company became a Tier 2 mining issuer that is dependent on obtaining additional equity financing in order to continue future operations beyond the next 12 months. There is no guarantee any future financing will be obtained, or that it will be obtained on acceptable terms.

## Additional Information and Continuous Disclosure

This Management's Discussion and Analysis has been prepared as of May 30, 2017. Additional information on the Company is available through regular filings on SEDAR ([www.sedar.com](http://www.sedar.com)).

(s) Gary Economo

Chief Executive Officer

(s) Judith T. Mazvihwa-MacLean

Chief Financial Officer

*APPENDIX "C"*  
*FINANCIAL STATEMENTS OF BRAILLE*

**BRILLE HOLDINGS INC.**  
**(Amended)**  
**Consolidated Financial Statements**

**For the years ended September 30, 2016 and 2015**

*(Expressed in Canadian Dollars)*

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# Independent Auditors' Report



To the Shareholders of Braille Holdings Inc.:

We have audited the accompanying consolidated financial statements of Braille Holdings Inc., which comprise the consolidated statement of financial position as at September 30, 2016 and September 30, 2015, and the consolidated statements of loss and other comprehensive loss, changes in deficiency and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Braille Holdings Inc. as at September 30, 2016 and September 30, 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### *Emphasis of Matter*

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements, which indicated that Braille Holdings Inc. incurred a net loss of \$768,403 during the year ended September 30, 2016 and as of that date has an accumulated deficit of \$4,858,610. The Company's continuance as a going concern is dependent upon its ability to increase sales and reduce costs. These conditions, as described in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

### *Other Matter*

Without qualifying our opinion, we draw attention to Note 17 to the financial statements, which explains that the financial statements for the year ended September 30, 2016 have been amended from those on which we originally reported on April 13, 2017.

Ottawa, Ontario  
August 24, 2017

Chartered Professional Accountants  
Licensed Public Accountants



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**Braille Holdings Inc.**

Consolidated Statements of Financial Position

*(Expressed in Canadian dollars)*

(Amended)

As at	September 30, 2016	September 30, 2015
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	16,491	13,820
Trade receivables (Note 4)	25,607	86,670
Inventory (Note 5)	251,488	198,792
Prepaid expenses	172,992	139,397
	<b>466,578</b>	438,679
Property, plant and equipment (Note 6)	241,847	255,971
Total assets	<b>708,425</b>	694,650
<b>LIABILITIES</b>		
Current liabilities		
Trade liabilities	548,867	1,594,049
Warranty provision	60,972	51,050
Amounts due to related parties (Note 12)	3,638,236	1,801,323
Current portion of long-term debt (Note 7)	-	85,989
Total liabilities	<b>4,248,075</b>	3,532,411
<b>EQUITY (DEFICIENCY)</b>		
Share capital (Note 8)	1,633,500	1,633,500
Deficit	(4,858,610)	(4,090,207)
Accumulated other comprehensive income	(314,540)	(381,054)
Total deficiency	<b>(3,539,650)</b>	(2,837,761)
Total liabilities and deficiency	<b>708,425</b>	694,650

Going concern (Note 2)

Contingent liability (Note 13)

On behalf of the Board

(signed) "Gary Economo"  
Gary Economo, Director

(signed) "Jeffrey York"  
Jeffrey York, Director

**Braille Holdings Inc.**

## Consolidated Statements of Loss and Comprehensive Loss

For the years ended September 30

*(Expressed in Canadian dollars)*

(Amended)

	2016	2015
	\$	\$
Revenue	<b>2,320,636</b>	2,092,632
Cost of goods sold	<b>(1,640,474)</b>	(1,646,741)
	<b>680,162</b>	445,891
Operating expenses		
Management and consulting fees	<b>281,645</b>	238,108
Salaries and benefits	<b>344,101</b>	1,686,657
Travel and promotion	<b>250,317</b>	379,479
Professional fees	<b>44,643</b>	18,701
Insurance	<b>180,521</b>	168,468
Interest and bank charges	<b>205,907</b>	46,708
Rent	<b>53,025</b>	43,516
Utilities	<b>20,135</b>	22,465
Depreciation of property, plant and equipment (Note 6)	<b>40,009</b>	26,541
Other	<b>28,262</b>	75,288
Net loss before tax	<b>(768,403)</b>	(2,260,040)
Tax recovery (Note 15)		
Current tax recovery	-	30,623
Deferred tax recovery	-	72,453
Net loss	<b>(768,403)</b>	(2,156,964)
Other comprehensive income (loss)		
Exchange differences on translation	<b>66,514</b>	(272,928)
Other comprehensive income (loss)	<b>66,514</b>	(272,928)
Total comprehensive loss	<b>(701,889)</b>	(2,429,892)
Basic and diluted loss per common share	<b>(0.04)</b>	(0.11)
Basic and diluted weighted average number of common shares outstanding	<b>20,000,000</b>	20,000,000

**Braille Holdings Inc.**Consolidated Statements of Changes in Deficiency  
(Expressed in Canadian dollars)

(Amended)

	Share capital		Deficit	Accumulated other comprehensive income	Total
	# of shares	\$	\$	\$	\$
<b>Balance, September 30, 2014</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(1,933,243)</b>	<b>(108,126)</b>	<b>(407,869)</b>
Net loss	-	-	(2,156,964)	-	(2,156,964)
Exchange differences on translation	-	-	-	(272,928)	(272,928)
					-
<b>Balance, September 30, 2015</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(4,090,207)</b>	<b>(381,054)</b>	<b>(2,837,761)</b>
Net loss	-	-	(768,403)	-	(768,403)
Exchange differences on translation	-	-	-	66,514	66,514
					-
<b>Balance, September 30, 2016</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(4,858,610)</b>	<b>(314,540)</b>	<b>(3,539,650)</b>

**Braille Holdings Inc.**

Consolidated Statements of Cash Flows

For the years ended September 30

*(Expressed in Canadian dollars)*

(Amended)

	2016	2015
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss from continuing operations	(768,403)	(2,156,964)
Adjustments for:		
Depreciation of property, plant and equipment	40,009	26,541
Deferred tax recovery	-	(72,453)
Changes in working capital items (Note 9)	(990,250)	1,371,473
<b>Net cash used in operating activities</b>	<b>(1,718,644)</b>	<b>(831,403)</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(30,771)	-
<b>Net cash used in investing activities</b>	<b>(30,771)</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>		
Amounts due to related parties	1,837,797	768,051
Long-term debt	(85,078)	(75,871)
<b>Net cash provided by financing activities</b>	<b>1,752,719</b>	<b>692,180</b>
Increase (decrease) in cash	3,304	(139,223)
Cash, beginning of the year	13,820	138,511
Exchange differences on cash	(633)	14,532
<b>Cash, end of the year</b>	<b>16,491</b>	<b>13,820</b>

*Supplemental cash flow information is provided in Note 9*

## **Braille Holdings Inc.**

Notes to the Consolidated Financial Statements

September 30, 2016 and 2015

*(Expressed in Canadian dollars)*

(Amended)

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### **1. NATURE OF OPERATIONS**

Braille Holdings Inc. (the "Company" or "Braille Holdings") was incorporated on May 6, 2010 under the laws of the State of Florida. Braille Holdings is an investment holding company. The subsidiary of the Company (Note 3(c)), is engaged in the production and sale of Lithium-Ion ("Li-Ion") batteries (Braille Battery Inc.). The head office of the Company is located at 6935 15<sup>th</sup> street E Building 115, Sarasota, Florida, USA.

### **2. GOING CONCERN ASSUMPTION**

These consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"). The going concern basis of presentation assumes 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. During the year ended September 30, 2016, the Company incurred a net loss of \$768,403 (2015 - \$2,156,964) and negative cash flows from operations of \$1,718,644 (2015 - \$831,403). In addition, the Company has a working capital deficiency of \$3,781,497 and a deficit of \$4,858,610.

The above factors raise significant doubt about the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

The Company's ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business and meet its corporate administrative expenses is dependent upon the Company's ability to increase sales and reduce costs. No assurance can be given that the Company will be successful in meeting sales targets and reducing costs. Failure to meet operational goals results in material uncertainties that cast significant doubt as to the Company's ability to continue to operate as a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the statements of financial position.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Basis of presentation and compliance with IFRS**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), on a historical cost basis

The consolidated financial statements were authorized for issue by the Board of Directors on August 24, 2017.

#### **(b) Judgments, estimates and assumptions**

The Company's consolidated financial statements are prepared in accordance with IFRS recognition and measurement principles that often require Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts presented and disclosed in the consolidated financial statements. Management reviews these estimates and assumptions on an ongoing basis based on historical experience, changes in business conditions and other relevant factors as it believes to be reasonable under the circumstances. Changes in facts and circumstances may result in revised estimates, and actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## **Braille Holdings Inc.**

Notes to the Consolidated Financial Statements

September 30, 2016 and 2015

*(Expressed in Canadian dollars)*

(Amended)

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### Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

#### *Recognition of deferred income tax assets*

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

#### *Functional currency*

The functional currency for each entity in the consolidated group is the currency of the primary economic environment in which it operates. Determination of functional currency involves significant judgment. Management considers various factors, including but not limited to whether the activities of the entity are carried out as an extension of the Company and/or whether cash flows from the activities of the entity are sufficient to service existing and normally expected obligations without funds being made available by the Company. The Company reconsiders the functional currency of its entities if there is a change in the underlying transactions, events and conditions which determine their primary economic environment.

#### *Contingencies*

Management uses judgment to assess the existence of contingencies. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. Management also uses judgment to assess the likelihood of the occurrence of one or more future events.

#### *Going concern risk assessment*

The assessment of the Company's ability to continue as a going concern, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### *Useful lives of depreciable assets*

Management reviews its estimates of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to the amortization period of intangible assets, specifically trademarks, customer relationships and intellectual property.

#### *Valuation adjustments for inventory*

The Company records valuation adjustments for inventory by comparing the inventory cost to its net realizable value. This process requires the use of estimates and assumptions related to future market demand, costs

## Braille Holdings Inc.

Notes to the Consolidated Financial Statements

September 30, 2016 and 2015

(Expressed in Canadian dollars)

(Amended)

and prices. These adjustments are reviewed on an ongoing basis and may have a significant impact on any valuation adjustment for inventory.

### *Contingencies*

When contingencies exist, Management estimates the related financial impact to the Company of the possible outcomes of one or more future events.

### *Warranty provision*

Management makes estimates in determining an appropriate warranty provision, based on past history of warranty claims.

## **(c) Basis of consolidation**

These consolidated financial statements consolidate those of the parent company and its subsidiary as at and for the years ending September 30, 2016 and 2015. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company and its subsidiary have a reporting date of September 30, 2016.

All intercompany transactions and balances between the companies are eliminated on consolidation, including unrealized gains and losses on transactions. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

The subsidiary of the Company and its principal activity as at September 30, 2016 and 2015 is as follows:

Name of subsidiary	Place of incorporation	Ownership interest as at		Principal activity
		September 30, 2016	September 30, 2015	
Braille Battery Inc.	United States	100%	100%	Production and sale of Li-Ion batteries

## **(d) Foreign currency translation**

### *Functional and presentation currency*

The consolidated financial statements are presented in Canadian dollars. The functional currency of the parent company and its subsidiary is US dollars. The consolidated financial statements have been presented in Canadian dollars at the request of the Company's shareholders.

Asset and liabilities for each statement of financial position presented (i.e. including comparatives) are translated at the closing rate at the date of that statement of financial position.

Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at the average exchange rate for the year.

All resulting exchange differences are recognized in other comprehensive income.

### *Foreign currency transactions and balances*

Foreign currency transactions are translated into the functional currency of the respective entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and

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losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

### (e) Financial instruments

#### Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

#### Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss ("FVTPL")
- held-to-maturity ("HTM") investments
- available-for-sale ("AFS") financial assets

All financial assets except for those at FVTPL are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and trade receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

#### *Financial assets at FVTPL*

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except those designated and effective as hedging instruments, for which the hedge accounting requirements apply. The Company does not currently hold any assets that fall into this category of financial instruments.

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Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

### *HTM investments*

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Company has the intention and ability to hold them until maturity. The Company does not currently hold any assets that fall into this category.

HTM investments are measured subsequently at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes in the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

### *AFS financial assets*

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company does not currently hold any assets that fall into this category.

### Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include trade liabilities, amounts due to related parties and long-term debt.

Financial liabilities are measured subsequently at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

### Fair value measurement of financial instruments

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

### **(f) Basic and diluted loss per share**

Basic loss per share is computed by dividing the net loss attributable to owners of the Company for the period by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion or exercise of securities only when such conversion or exercise would have a dilutive effect on earnings per share. The diluted loss per share is equal to the basic loss per share because the Company does not currently have any convertible securities outstanding which could result in dilution.

### **(g) Cash**

Cash is comprised of cash balances held at major financial institutions.

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### (h) Inventory

Inventory is stated at the lower of cost and net realizable value. Cost includes all expenses directly attributable to the assembly process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of parts are assigned using the average cost formula. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

### (i) Interest income

Interest income is reported on an accrual basis using the effective interest method.

### (j) Property, plant and equipment

Property, plant and equipment ("PP&E") are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of PP&E consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property, plant and equipment, less its estimated residual value, on a straight-line basis over the estimated useful life of the asset.

Detail	Useful life	Method
Solar panels	18 years	Straight line
Equipment	5 years	Straight line

Depreciation on all items of property, plant and equipment is recognized in profit or loss.

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis. No adjustments were made in the current year.

An item of PP&E is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

There have been no impairment losses with respect to PP&E recognized in any of the periods presented in these consolidated financial statements.

### (k) Research and development costs

Costs related to research activities are expensed as incurred. Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided they meet the following recognition requirements: (i) the development costs can be measured reliably; (ii) the project is technically and commercially feasible; (iii) the Company intends to and has sufficient resources to complete the project; (iv) the Company has the ability to use or sell the product or equipment; and (v) the product, equipment or process will generate probable future economic benefits. Development costs are presented net of any investment tax credits received or receivable. Costs not meeting all these criteria are expensed as incurred. To date, no development costs have been capitalized.

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### **(l) Provisions and contingent liabilities**

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

### **(m) Employee benefits**

The cost of short-term employee benefits (including non-monetary benefits such as group medical and dental insurance) are recognized in the period in which the service is rendered and are not discounted.

### **(n) Income taxes**

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

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### **(o) Equity**

#### Share capital

Share capital represents the amount received on the issuance of common shares. Transaction costs directly attributable to the issuance of common shares are recognized as a reduction of share capital. If shares are issued when options or warrants are exercised, the share capital account also comprises the compensation costs previously recorded as contributed surplus or warrants. In addition, if common shares are issued as consideration for the acquisition of non-monetary assets, they are measured at the fair value of the assets or services received, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the assets or services received, the common shares are measured at the fair value of the shares issued. Given that there is no quoted price for the Company's shares, the fair value is estimated by using other observable inputs at that date.

### **(p) Revenue recognition**

Revenue arises from the sale of goods. It is measured at the fair value of the consideration received or receivable, excluding sales taxes, rebates and trade discounts.

Sale of goods is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership, generally when the customer has taken undisputed delivery of the goods.

### **(q) Segment reporting**

Management has determined that there is only one business segment, being the production and sale of goods, based on information that is regularly reviewed by the chief operating decision-maker.

### **(r) Leases**

#### Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under an operating lease are charged to the statement of loss on a straight-line basis over the period of the lease. Related expenses, such as maintenance and insurance expenses are charged as incurred.

### **(s) Standards, amendments and interpretations**

#### **Issued but not yet effective**

The IASB has issued the following new and revised standards and amendments, which are not yet effective which may have future applicability to the Company.

#### IFRS 9, Financial Instruments

In November 2009, the IASB issued IFRS 9, Financial Instruments (IFRS 9 (2009)), and in October 2010, the IASB published amendments to IFRS 9 (IFRS 9 (2010)). In November 2013, the IASB issued a new general hedge accounting standard, which forms part of IFRS 9 Financial Instruments (2013). In July 2014, the IASB issued the final version of IFRS 9, bringing together the classification and measurement, impairment and hedge accounting phases of the project to replace IAS 39 "Financial Instruments: Recognition and Measurement" (IAS 39). IFRS 9 is to be applied retrospectively for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is assessing the impact of this new standard on its consolidated financial statements.

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### IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers (IFRS 15). IFRS 15 replaces IAS 18, Revenue, IAS 11, Construction Contracts and related Interpretations. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. This guidance is effective for annual reporting periods beginning on or after January 1, 2018 and early adoption is permitted. This standard is to be applied using one of the following methods: retrospective or modified retrospective with the cumulative effect of initially applying the standard as an adjustment to opening equity at the date of initial application. The Company is assessing the impact of this new standard on its consolidated financial statements.

Revenue from contracts with customers is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The standard replaces existing revenue standards and interpretations with a single standard and provides additional guidance on revenue recognition for contracts with customers. The Company is assessing the impact of this new standard on its consolidated financial statements.

### IFRS 16, Leases

IFRS 16 replaces IAS 17, Leases, and introduces new rules for accounting for leases which will result in substantially all lessee leases being recorded on the consolidated statement of financial position. The standard is effective for annual periods beginning on or after January 1, 2019 with retroactive application and with early adoption permitted. The Company continues to assess this new standard and the potential impact to the consolidated financial statements.

## 4. TRADE RECEIVABLES

Trade receivables consist of the following:

	September 30, 2016	September 30, 2015
	\$	\$
Trade receivables	<b>25,607</b>	86,670

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. The Company did not recognize an allowance for either year.

All trade receivables have been reviewed for indicators of impairment.

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**5. INVENTORY**

Inventory consists of the following:

	<b>September 30, 2016</b>	September 30, 2015
	\$	\$
Parts	<b>138,221</b>	125,239
Finished goods	<b>113,267</b>	73,553
<b>Total inventory</b>	<b>251,488</b>	198,792

During the year ended September 30, 2016, a total of \$1,640,474 (2015 - \$1,646,741) of inventories was included in profit or loss as an expense. This includes \$5,381 (2015 - \$107,784) resulting from write-down of inventories.

**6. PROPERTY, PLANT AND EQUIPMENT**

	<b>Solar panels</b>	<b>Equipment</b>	<b>Total</b>
	\$	\$	\$
<b>Cost</b>			
Balance, September 30, 2015	200,910	88,802	289,712
Additions	-	30,771	30,771
Net exchange differences	(4,155)	(1,836)	(5,991)
<b>Cost, September 30, 2016</b>	<b>196,755</b>	<b>117,737</b>	<b>314,492</b>
<b>Accumulated depreciation</b>			
Balance, September 30, 2015	13,020	20,721	33,741
Depreciation	11,042	28,967	40,009
Net exchange differences	(382)	(723)	(1,105)
<b>Accumulated depreciation, September 30, 2016</b>	<b>23,680</b>	<b>48,965</b>	<b>72,645</b>
<b>Net Book Value, September 30, 2016</b>	<b>173,075</b>	<b>68,772</b>	<b>241,847</b>

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	Solar panels	Equipment	Total
	\$	\$	\$
<b>Cost</b>			
Balance, September 30, 2014	168,120	74,309	242,429
Additions	-	-	-
Net exchange differences	32,790	14,493	47,283
<b>Cost, September 30, 2015</b>	<b>200,910</b>	<b>88,802</b>	<b>289,712</b>
<b>Accumulated depreciation</b>			
Balance, September 30, 2014	1,557	2,477	4,034
Depreciation	10,242	16,299	26,541
Net exchange differences	1,221	1,945	3,166
<b>Accumulated depreciation, September 30, 2015</b>	<b>13,020</b>	<b>20,721</b>	<b>33,741</b>
<b>Net Book Value, September 30, 2015</b>	<b>187,890</b>	<b>68,081</b>	<b>255,971</b>

**7. LONG-TERM DEBT**

	September 30, 2016	September 30, 2015
	\$	\$
Loan, bearing interest at 3.94%, repayable in monthly installments of \$7,166 (US\$5,469) ending in September 2016, secured by a general security agreement over underlying assets.	-	85,989
Current portion of long-term debt	-	85,989
<b>Total long-term debt</b>	<b>-</b>	<b>-</b>

The balance of this loan was fully repaid during the year ended September 30, 2016.

**8. SHARE CAPITAL****Authorized**

100,000,000 Common shares voting common shares, no par value

**Issued and fully paid**

Common shares

	Number of shares	\$
<b>Balance, September 30, 2014, September 30, 2015 and September 30, 2016</b>	<b>20,000,000</b>	<b>1,633,500</b>

## Braille Holdings Inc.

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### 9. SUPPLEMENTAL CASH-FLOW INFORMATION

	2016	2015
	\$	\$
Changes in working capital are as follows:		
Trade receivables	59,880	56,224
Inventory	(57,392)	80,254
Prepaid expenses	(36,854)	(109,117)
Trade liabilities	(1,022,631)	1,302,072
Warranty provision	11,089	46,850
Income taxes payable	-	(30,623)
Amounts due to related parties	55,658	25,813
	<b>(990,250)</b>	<b>1,371,473</b>

### 10. RISK MANAGEMENT AND CAPITAL MANAGEMENT

#### Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarized in Note 11. The main types of risks are currency risk, credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

#### Currency risk analysis

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited exposure to financial risk arising from fluctuations in foreign exchange rates given that its transactions are carried out primarily in US dollars.

#### Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at September 30, 2016 and 2015, as summarized below:

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*(Expressed in Canadian dollars)***(Amended)**

	<b>2016</b>	2015
	<b>\$</b>	\$
Cash	<b>16,491</b>	13,820
Trade receivables	<b>25,607</b>	86,670
	<b>42,098</b>	100,490

As at September 30, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at September 30, analyzed by the length of time past due are:

	<b>2016</b>	2015
	<b>\$</b>	\$
Not more than 3 months	<b>25,607</b>	86,670
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	-	-
More than 1 year	-	-
	<b>25,607</b>	86,670

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

It is management's opinion that the Company is not exposed to significant credit risk. Credit risk for cash is considered negligible, since the counterparties are reputable bank with high quality external credit ratings. In respect of trade receivables, the Company is not exposed to significant credit risk to any single counterparty. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates Management considers the credit quality of trade receivables that are not past due or impaired to be good.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

Liquidity risk analysis

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The Company considers expected cash flows from financial assets in assessing and managing liquidity risk. The Company had a working capital deficiency of \$3,781,497 as at September 30, 2016 (\$3,093,732 as at September 30, 2015), including \$16,491 in cash. The Company will require additional financing, through various means including but not limited to equity financing, to meet costs associated with operations. There is no assurance that the Company will be successful in raising the additional required funds.

The Company has current liabilities of \$4,248,075 (2015 - \$3,532,412) due within twelve months.

**Braille Holdings Inc.**

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*(Expressed in Canadian dollars)***(Amended)**Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. The Company monitors capital on the basis of the carrying amount of equity, less cash as presented on the face of the statement of financial position. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets.

**11. FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, trade receivables, trade liabilities, long-term debt and amounts due to related parties.

The classification of these financial instruments is as follows:

	<b>September 30, 2016</b>	September 30, 2015
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	<b>16,491</b>	13,820
Trade receivables	<b>25,607</b>	86,670
<b>Total financial assets</b>	<b>42,098</b>	100,490
<b>Financial liabilities</b>		
Measured at amortized cost		
Trade liabilities	<b>548,867</b>	1,594,049
Current portion of long-term debt	-	85,989
Amounts due to related parties	<b>3,638,236</b>	1,801,323
<b>Total financial liabilities</b>	<b>4,187,103</b>	3,481,361

The fair values of these financial instruments approximate their carrying values due to their short-term nature.

**Braille Holdings Inc.**

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*(Expressed in Canadian dollars)***(Amended)****12. RELATED PARTY TRANSACTIONS**

Transactions with related parties not disclosed elsewhere in these consolidated financial statements are as follows:

Amounts due to related parties

	<b>September 30, 2016</b>	September 30, 2015
	\$	\$
JAG Equipment Leasing Inc.	<b>82,637</b>	28,128
Grafoid Inc.	<b>3,555,599</b>	1,773,195
	<b>3,638,236</b>	1,801,323

Unless noted otherwise, all amounts due from related parties are due upon receipt.

JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.)

The Company leases equipment on a monthly basis from JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc). ("JAG Equipment"), a privately-held business owned by two Directors of Grafoid Inc., Braille's parent Company. During the year ended September 30, 2016, the Company was charged a total of \$55,658 (2015 – \$25,813) by JAG Equipment for equipment rental. As at September 30, 2016, included in amounts due to related parties was an amount of \$82,637 (2015 - \$28,128) due to JAG Equipment.

Grafoid Inc.

The Company has received funding from Grafoid Inc. ("Grafoid"), Braille's parent company, which has a 75% ownership interest in the Company. As at September 30, 2016, included in amounts due to related parties is \$3,555,599 due to Grafoid. The amount includes a non-interest bearing amount of \$1,175,967, an interest-bearing amount of \$2,168,914 and accrued interest of \$210,718. The interest bearing amount bears interest at 10% annually. All amounts are payable within twelve months and are secured by the Company's trade receivables.

All related party transactions disclosed above were at the exchange amount.

Transactions with key management personnel

The following table reflects compensation of key management personnel, including the CEO, CTO, CFO and Directors:

	<b>2016</b>	2015
	\$	\$
Salaries/Consulting fees (1)	<b>47,707</b>	36,980

(1) As at September 30, 2016, \$71,445 is included in trade liabilities (2015 - \$18,314).

**Braille Holdings Inc.**

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*(Expressed in Canadian dollars)***(Amended)****13. CONTINGENT LIABILITY**

Braille is currently under Federal Aviation Administration (“FAA”) order 2016-9156 restricting certain shipments. Braille is complying with the order and has completely updated its shipping procedures and materials. The Company has participated in further testing as required. Braille is making good progress towards full compliance and based on assistance from legal counsel, they believe that the order and restrictions will soon be lifted, allowing the company to resume full shipping. The FAA order contains penalties for non-compliance, but the Company believes based on consultation with legal counsel that it is likely that the potential fine will be reduced or eliminated. No liability has been recognized in the consolidated statements of financial position in relation to the FAA order, as the amount cannot be reliably estimated based on the assessment of the Company’s legal counsel.

**14. LEASES**

The Company’s future minimum operating lease payments are as follows:

	Minimum lease payments due			<b>Total</b>
	Within 1 year	1 to 5 years	After 5 years	
	\$	\$	\$	\$
September 30, 2016	32,522	-	-	<b>32,522</b>
September 30, 2015	26,607	-	-	<b>26,607</b>

Lease payments recognized as an expense during the year ended September 30, 2016 amount to \$53,025 (2015 - \$43,516). Lease agreement ends April 2017. Management has the option to extend the current lease by one year.

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*(Expressed in Canadian dollars)***(Amended)****15. INCOME TAXES***Relationship between expected tax expense and accounting profit or loss*

The relationship between the expected tax expense (recovery) based on the combined federal and state income tax rate and the reported tax expense in the consolidated statements of loss and comprehensive loss can be reconciled as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Accounting loss before income tax	<b>(768,403)</b>	(2,260,040)
Expected tax recovery calculated using the combined federal and state income tax rates 37.63% (37.63% in 2015)	<b>(289,150)</b>	(850,453)
Adjustments for the following items:		
Tax impact of temporary difference for which no deferred tax asset was recorded	<b>286,050</b>	727,733
Non-deductible expenses	<b>3,100</b>	4,307
Difference in tax rates	-	15,337
Income tax recovery	-	(103,076)

Recovery of income taxes include the following amounts:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Current	-	30,623
Deferred	-	72,453
Tax recovery	-	103,076

In assessing the realization of deferred tax assets, Management considers whether it is more likely than not that some portion or all the deferred tax assets will be realized. The realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those losses can be carried forward and temporary differences are deductible.

**Braille Holdings Inc.**

Notes to the Consolidated Financial Statements

September 30, 2016 and 2015

*(Expressed in Canadian dollars)*

(Amended)

*Deferred tax assets*

	2016	2015
	\$	\$
Net operating loss carryforwards	<b>74,423</b>	77,531
Carrying amount of capital assets over tax basis	<b>(74,423)</b>	(77,531)
Net deferred tax asset (liability)	-	-

*Unrecognized deductible temporary differences*

	2016	2015
	\$	\$
Net operating loss carryforwards	<b>2,590,539</b>	1,839,989
Non-deductible provisions and reserves	<b>93,950</b>	81,947
Unrecognized deductible temporary differences	<b>2,684,489</b>	1,921,936

Net operating loss carryforwards as at September 30, 2016, expire as follows:

	\$
2035	1,848,248
2036	742,291
	<b>2,590,539</b>

Net operating loss carryforwards as at September 30, 2015, expire as follows:

	\$
2035	1,839,989
	<b>1,839,989</b>

**Braille Holdings Inc.**

Notes to the Consolidated Financial Statements

September 30, 2016 and 2015

*(Expressed in Canadian dollars)***(Amended)**

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**16. SUBSEQUENT EVENT**

In March 2017, Braille's parent company, Grafoid Inc. ("Grafoid"), entered into an agreement with Mincom Capital Inc. ("Mincom"), to sell its interest in the Company. The proposed purchase price is US\$2,000,000, of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. In conjunction with the acquisition, Mincom proposes to raise, subject to TSX Venture Exchange acceptance, up to US\$3,000,000 by way of private placement of units of Mincom at a price of US\$0.10 per unit. Each unit will be comprised of one common share of Mincom and one warrant. Each warrant shall be exercisable into one common share at a price of \$0.18 CAD for a period of four years from the closing date. The proceeds will be used to cover consideration of the transaction with Grafoid and to provide working capital for both Mincom and Braille.

**17. CORRECTION OF AN ERROR**

The consolidated financial statements have been amended to correct an error and to include a subsequent event. The error in Note 8 of the consolidated financial statements stated that there was an unlimited number of Class "A" shares and Preferred Shares authorized, in fact there is only 100,000,000 Common Shares authorized. Due to the new authorized date of the amended consolidated financial statements there is a subsequent event that has been disclosed, Note 16.

**BRILLE HOLDINGS INC.**  
**(AMENDED)**  
**Condensed Consolidated Interim Financial Statements**  
For the three and six month periods ended March 31, 2017  
*(Expressed in Canadian Dollars)*  
*(Unaudited)*

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<b>Condensed Consolidated Interim Financial Statements</b>	
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Condensed Consolidated Interim Statements of Loss and Comprehensive Loss	3
Condensed Consolidated Interim Statements of Changes in Deficiency	4
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The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's Management.

**Braille Holdings Inc.**

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

*(Expressed in Canadian dollars)*

(AMENDED)

As at	March 31, 2017	September 30, 2016
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash	33,456	16,491
Trade receivables (Note 4)	136,688	25,607
Inventory (Note 5)	357,863	251,488
Prepaid expenses	110,072	172,992
	<b>638,079</b>	<b>466,578</b>
Property, plant and equipment (Note 6)	233,709	241,847
Total assets	<b>871,788</b>	<b>708,425</b>
<b>LIABILITIES</b>		
Current liabilities		
Trade liabilities	591,116	548,867
Warranty provision	49,477	60,972
Amounts due to related parties (Note 10)	133,100	3,638,236
	<b>773,693</b>	<b>4,248,075</b>
Amounts due to related parties (Note 10)	3,837,448	-
Total liabilities	<b>4,611,141</b>	<b>4,248,075</b>
<b>EQUITY (DEFICIENCY)</b>		
Share capital (Note 7)	1,633,500	1,633,500
Deficit	(5,007,188)	(4,858,610)
Accumulated other comprehensive income	(365,665)	(314,540)
Total deficiency	<b>(3,739,353)</b>	<b>(3,539,650)</b>
Total liabilities and deficiency	<b>871,788</b>	<b>708,425</b>

Going concern (Note 2)

Contingent liability (Note 11)

On behalf of the Board

(signed) "Gary Economo"  
Gary Economo, Director

(signed) "Jeffrey York"  
Jeffrey York, Director

**Braille Holdings Inc.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)  
(Expressed in Canadian dollars)

(AMENDED)	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Revenue	<b>702,314</b>	580,159	<b>1,107,198</b>	1,160,318
Cost of goods sold	<b>(366,332)</b>	(410,119)	<b>(689,270)</b>	(820,238)
	<b>335,982</b>	170,040	<b>417,928</b>	340,080
Operating expenses				
Management and consulting fees	<b>11,930</b>	70,411	<b>39,801</b>	140,822
Salaries and benefits	<b>74,040</b>	86,025	<b>144,335</b>	172,050
Travel and promotion	<b>16,393</b>	62,579	<b>78,956</b>	125,158
Professional fees	<b>11,766</b>	11,161	<b>13,688</b>	22,322
Insurance	<b>34,132</b>	45,130	<b>76,985</b>	90,260
Interest and bank charges	<b>55,544</b>	51,477	<b>114,300</b>	102,954
Rent	<b>15,070</b>	13,256	<b>30,089</b>	26,512
Utilities	<b>3,979</b>	5,034	<b>10,730</b>	10,068
Depreciation of property, plant and equipment (Note 6)	<b>14,441</b>	10,002	<b>25,104</b>	20,004
Other	<b>31,698</b>	7,065	<b>32,518</b>	14,130
	<b>(268,993)</b>	(362,140)	<b>(566,506)</b>	(724,280)
Net earnings (loss)	<b>66,989</b>	(192,100)	<b>(148,578)</b>	(384,200)
Other comprehensive income (loss)				
Exchange differences on translation	<b>34,393</b>	16,629	<b>(51,125)</b>	33,258
Other comprehensive income (loss)	<b>34,393</b>	16,629	<b>(51,125)</b>	33,258
Total comprehensive income (loss)	<b>101,382</b>	(175,471)	<b>(199,703)</b>	(350,942)
Basic and diluted earnings (loss) per per common share	<b>0.003</b>	(0.01)	<b>(0.01)</b>	(0.02)
Basic and diluted weighted average number of common shares outstanding	<b>20,000,000</b>	20,000,000	<b>20,000,000</b>	20,000,000

**Braille Holdings Inc.**

Condensed Consolidated Interim Statements of Changes in Deficiency (Unaudited)

*(Expressed in Canadian dollars)*

(AMENDED)

	Share capital		Deficit		Accumulated other comprehensive income	Total
	# of shares	\$	\$	\$	\$	\$
<b>Balance, September 30, 2015</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(4,090,207)</b>	<b>(381,054)</b>	<b>(2,837,761)</b>	
Net loss	-	-	(384,200)	-	(384,200)	
Exchange differences on translation	-	-	-	33,258	33,258	
						-
<b>Balance, March 31, 2016</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(4,474,407)</b>	<b>(347,796)</b>	<b>(3,188,703)</b>	
Net loss	-	-	(384,203)	-	(384,203)	
Exchange differences on translation	-	-	-	33,256	33,256	
						-
<b>Balance, September 30, 2016</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(4,858,610)</b>	<b>(314,540)</b>	<b>(3,539,650)</b>	
Net loss	-	-	(148,578)	-	(148,578)	
Exchange differences on translation	-	-	-	(51,125)	(51,125)	
						-
<b>Balance, March 31, 2017</b>	<b>20,000,000</b>	<b>1,633,500</b>	<b>(5,007,188)</b>	<b>(365,665)</b>	<b>(3,739,353)</b>	

**Braille Holdings Inc.**

Condensed Consolidated Interim Statements of Cash Flows (Unaudited)

*(Expressed in Canadian dollars)*

(AMENDED)	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net earnings (loss)	<b>66,989</b>	(192,100)	<b>(148,578)</b>	(384,200)
Adjustments for:				
Depreciation of property, plant and equipment	<b>14,441</b>	10,002	<b>25,104</b>	20,004
Changes in working capital items	<b>(126,402)</b>	(247,563)	<b>(76,505)</b>	(495,126)
<b>Net cash used in operating activities</b>	<b>(44,972)</b>	(429,661)	<b>(199,979)</b>	(859,322)
<b>INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment	-	-	<b>(13,615)</b>	-
<b>Net cash used in investing activities</b>	-	-	<b>(13,615)</b>	-
<b>FINANCING ACTIVITIES</b>				
Amounts due to related parties	<b>54,046</b>	459,449	<b>228,809</b>	918,898
Long-term debt	-	(21,270)	-	(42,540)
<b>Net cash provided by financing activities</b>	<b>54,046</b>	438,179	<b>228,809</b>	876,358
Increase in cash	<b>9,074</b>	8,518	<b>15,215</b>	17,036
Cash, beginning of the period	<b>23,904</b>	22,178	<b>16,491</b>	13,820
Exchange differences on cash	<b>478</b>	(160)	<b>1,750</b>	(320)
<b>Cash, end of the period</b>	<b>33,456</b>	30,536	<b>33,456</b>	30,536

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

## **Braille Holdings Inc.**

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

*(Expressed in Canadian dollars)*

*(AMENDED)*

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### **1. NATURE OF OPERATIONS**

Braille Holdings Inc. (the “Company” or “Braille Holdings”) was incorporated on May 6, 2010 under the laws of the State of Florida. Braille Holdings is an investment holding company. Braille Battery Inc. (“Braille Battery”), a subsidiary of the Company, is engaged in the production and sale of Lithium-Ion (“Li-Ion”) batteries. The head office of the Company is located at 6935 15<sup>th</sup> street E Building 115, Sarasota, Florida, USA.

### **2. GOING CONCERN ASSUMPTION**

These condensed consolidated interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). The going concern basis of presentation assumes 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. During the six months ended March 31, 2017, the Company incurred a net loss of \$148,578 and negative cash flows from operations of \$199,979. In addition, the Company has a working capital deficiency of \$135,614 and a deficit of \$5,007,188.

The above factors indicate material uncertainties, which may cast significant doubt about the Company’s ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

In March 2017, Braille’s parent company, Grafoid Inc. (“Grafoid”), entered into an agreement with Mincom Capital Inc. (“Mincom”), to sell its interest in the Company. The proposed purchase price is US\$2,000,000, of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. In conjunction with the acquisition, Mincom proposes to raise, subject to TSX Venture Exchange acceptance, up to US\$3,000,000 by way of private placement of units of Mincom at a price of US\$0.10 per unit. Each unit will be comprised of one common share of Mincom and one warrant. Each warrant shall be exercisable into one common share at a price of \$0.18 CAD for a period of four years from the closing date. The proceeds will be used to cover consideration of the transaction with Grafoid and to provide working capital for both Mincom and Braille.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business and meet its corporate administrative expenses is dependent upon the Company’s ability to increase sales, reduce costs and obtain the necessary financing by way of the transaction described above or by other means. No assurance can be given that the Company will be successful in meeting sales targets and reducing costs. Failure to meet operational goals results in material uncertainties that cast significant doubt as to the Company’s ability to continue to operate as a going concern.

These condensed consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the statements of financial position.

## **Braille Holdings Inc.**

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

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### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34").

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the years ended September 30, 2016 and 2015, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 24, 2017.

#### **(b) Basis of presentation**

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are expressed in Canadian dollars. The functional currency of the parent company and its subsidiary is US dollars. The condensed consolidated interim financial statements have been presented in Canadian dollars at the request of the Company's shareholders.

These condensed consolidated interim financial statements have been prepared using accounting policies that are consistent with those used in the preparation of the Company's audited annual statements for the years ended September 30, 2016 and 2015.

#### **(c) Judgments, estimates and assumptions**

When preparing the financial statements, Management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

##### Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

##### *Recognition of deferred income tax assets*

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

##### *Functional currency*

The functional currency for each entity in the consolidated group is the currency of the primary economic environment in which it operates. Determination of functional currency involves significant judgment. Management considers various factors, including but not limited to whether the activities of the entity are carried out as an extension of the Company and/or whether cash flows from the activities of the entity are sufficient to service existing and normally expected obligations without funds being made available by the

## **Braille Holdings Inc.**

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

*(Expressed in Canadian dollars)*

*(AMENDED)*

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Company. The Company reconsiders the functional currency of its entities if there is a change in the underlying transactions, events and conditions which determine their primary economic environment.

### *Contingencies*

Management uses judgment to assess the existence of contingencies. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. Management also uses judgment to assess the likelihood of the occurrence of one or more future events.

### *Going concern risk assessment*

The assessment of the Company's ability to continue as a going concern, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

### *Useful lives of depreciable assets*

Management reviews its estimates of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

### *Valuation adjustments for inventory*

The Company records valuation adjustments for inventory by comparing the inventory cost to its net realizable value. This process requires the use of estimates and assumptions related to future market demand, costs and prices. These adjustments are reviewed on an ongoing basis and may have a significant impact on any valuation adjustment for inventory.

### *Contingencies*

When contingencies exist, Management estimates the related financial impact to the Company of the possible outcomes of one or more future events.

### *Warranty provision*

Management makes estimates in determining an appropriate warranty provision, based on past history of warranty claims.

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

### 4. TRADE RECEIVABLES

Trade receivables consist of the following:

	March 31, 2017	September 30, 2016
	\$	\$
Trade receivables	136,688	25,607

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. The Company did not recognize an allowance for either period.

All trade receivables have been reviewed for indicators of impairment.

### 5. INVENTORY

Inventory consists of the following:

	March 31, 2017	September 30, 2016
	\$	\$
Parts	196,825	138,221
Finished goods	161,038	113,267
Total inventory	357,863	251,488

During the six month period ended March 31, 2017, a total of \$689,270 (2016 - \$820,238) of inventories was included in profit or loss as an expense.

### 6. PROPERTY, PLANT AND EQUIPMENT

	Solar panels	Equipment	Total
	\$	\$	\$
<b>Cost</b>			
Balance, September 30, 2016	196,755	117,737	314,492
Additions	-	13,615	13,615
Net exchange differences	2,895	1,614	4,509
<b>Cost, March 31, 2017</b>	<b>199,650</b>	<b>132,966</b>	<b>332,616</b>
<b>Accumulated depreciation</b>			
Balance, September 30, 2016	23,680	48,965	72,645
Depreciation	6,929	18,175	25,104
Net exchange differences	373	785	1,158
<b>Accumulated depreciation, March 31, 2017</b>	<b>30,982</b>	<b>67,925</b>	<b>98,907</b>
<b>Net Book Value, March 31, 2017</b>	<b>168,668</b>	<b>65,041</b>	<b>233,709</b>

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

	Solar panels	Equipment	Total
	\$	\$	\$
<b>Cost</b>			
Balance, September 30, 2015	200,910	88,802	289,712
Additions	-	30,771	30,771
Net exchange differences	(4,155)	(1,836)	(5,991)
<b>Cost, September 30, 2016</b>	<b>196,755</b>	<b>117,737</b>	<b>314,492</b>
<b>Accumulated depreciation</b>			
Balance, September 30, 2015	13,020	20,721	33,741
Depreciation	11,042	28,967	40,009
Net exchange differences	(382)	(723)	(1,105)
<b>Accumulated depreciation, September 30, 2016</b>	<b>23,680</b>	<b>48,965</b>	<b>72,645</b>
<b>Net Book Value, September 30, 2016</b>	<b>173,075</b>	<b>68,772</b>	<b>241,847</b>

## 7. SHARE CAPITAL

### Authorized

100,000,000 Common shares voting common shares, no par value

### Issued and fully paid

Common shares

	Number of shares	\$
<b>Balance, September 30, 2015, September 30, 2016 and March 31, 2017</b>	<b>20,000,000</b>	<b>1,633,500</b>

## 8. RISK MANAGEMENT AND CAPITAL MANAGEMENT

### Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarized in Note 9. The main types of risks are currency risk, credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

### Currency risk analysis

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited exposure to financial risk arising from fluctuations in foreign exchange rates given that its transactions are carried out primarily in US dollars.

### Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at March 31, 2017, as summarized below:

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
Cash	<b>33,456</b>	16,491
Trade receivables	<b>136,688</b>	25,607
	<b>170,144</b>	42,098

As at March 31, 2017, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at March 31, 2017, analyzed by the length of time past due are:

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
Not more than 3 months	<b>136,688</b>	25,607
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	-	-
More than 1 year	-	-
	<b>136,688</b>	25,607

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

It is management's opinion that the Company is not exposed to significant credit risk. Credit risk for cash is considered negligible, since the counterparties are reputable bank with high quality external credit ratings. In respect of trade receivables, the Company is not exposed to significant credit risk to any single counterparty. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates Management considers the credit quality of trade receivables that are not past due or impaired to be good.

None of the Company's financial assets are secured by collateral or other credit enhancements.

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

### Liquidity risk analysis

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The Company considers expected cash flows from financial assets in assessing and managing liquidity risk. The Company had a working capital deficiency of \$135,614 as at March 31, 2017, including \$33,456 in cash. The Company will require additional financing, through various means including but not limited to equity financing, to meet costs associated with operations. There is no assurance that the Company will be successful in raising the additional required funds.

The Company has current liabilities of \$773,693 due within twelve months.

### Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. The Company monitors capital on the basis of the carrying amount of equity, less cash as presented on the face of the statement of financial position. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets.

## 9. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, trade receivables, trade liabilities and amounts due to related parties.

The classification of these financial instruments is as follows:

	March 31, 2017	September 30, 2016
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	33,456	16,491
Trade receivables	136,688	25,607
<b>Total financial assets</b>	<b>170,144</b>	<b>42,098</b>
<b>Financial liabilities</b>		
Measured at amortized cost		
Trade liabilities	591,116	548,867
Amounts due to related parties	3,970,548	3,638,236
<b>Total financial liabilities</b>	<b>4,561,664</b>	<b>4,187,103</b>

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

The fair values of these financial instruments approximate their carrying values due to their short-term nature and no change in the risk level of the Company.

### 10. RELATED PARTY TRANSACTIONS

Transactions with related parties not disclosed elsewhere in these consolidated financial statements are as follows:

#### Amounts due to related parties

	March 31, 2017	September 30, 2016
	\$	\$
JAG Equipment Leasing Inc.	111,804	82,637
Grafoid Inc.	3,717,658	3,555,599
Director and Officers	141,086	-
	<b>3,970,548</b>	<b>3,638,236</b>

Unless noted otherwise, all amounts due from related parties are due upon receipt.

#### JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.)

The Company leased equipment on a monthly basis from JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc). ("JAG Equipment"), a privately-held business owned by two Directors of Grafoid Inc., Braille's parent Company. During the six months ended March 31, 2017, the Company was charged a total of \$27,853 (2016 – \$27,830) by JAG Equipment for equipment rental. As at March 31, 2017, included in amounts due to related parties was an amount of \$111,804 (\$82,637 as at September 30, 2016) due to JAG Equipment.

#### Grafoid Inc.

The Company has received funding from Grafoid Inc. ("Grafoid"), Braille's parent company, which has a 75% ownership interest in the Company. As at March 31, 2017, included in amounts due to related parties is \$3,717,658 due to Grafoid. The amount includes a non-interest bearing amount of \$1,193,270, an interest-bearing amount of \$2,200,826 and accrued interest of \$323,562. The interest bearing amount bears interest at 10% annually and is due on September 30, 2019.

#### Director and Officers

As at March 31, 2017, included in amounts due to related parties was \$119,790 (US\$90,000) due to a Director and two Officers of Braille, each of whom loaned the Company \$39,930 (US\$30,000) for working capital purposes. The loans bear interest at 10% annually and are repayable over twelve months, beginning in October 2018. Additionally, Braille received a short-term loan from an Officer of the Company in the amount of \$21,296 (US\$16,000), which is included in amounts due to related parties. The amount is non-interest bearing and payable on demand.

## Braille Holdings Inc.

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and six months ended March 31, 2017 and 2016

(Expressed in Canadian dollars)

(AMENDED)

### Transactions with key management personnel

The following table reflects compensation of key management personnel, including the CEO, CTO, CFO and Directors:

	Three months ended March 31,		Six months ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Salaries/Consulting fees (1)	11,930	11,063	23,875	22,126

(1) As at March 31, 2017, \$100,046 is included in trade liabilities (\$71,445 as at September 30, 2016).

## 11. CONTINGENT LIABILITY

Braille is currently under Federal Aviation Administration (“FAA”) order 2016-9156 restricting certain shipments. Braille is complying with the order and has completely updated its shipping procedures and materials. The Company has participated in further testing as required. Braille is making good progress towards full compliance and based on assistance from legal counsel, they believe that the order and restrictions will soon be lifted, allowing the Company to resume full shipping. The FAA order contains penalties for non-compliance, but the Company believes based on consultation with legal counsel that it is likely that the potential fine will be reduced or eliminated. No liability has been recognized in the consolidated statements of financial position in relation to the FAA order, as the amount cannot be reliably estimated based on the assessment of the Company’s legal counsel.

## 12. LEASES

The Company’s future minimum operating lease payments are as follows:

	Minimum lease payments due			
	Within 1 year	1 to 5 years	After 5 years	Total
	\$	\$	\$	\$
March 31, 2017	4,594	-	-	4,594
September 30, 2016	32,522	-	-	32,522

Lease payments recognized as an expense during the six month period ended March 31, 2017 amount to \$30,089 (2016 - \$26,512). Subsequent to quarter end, the lease agreement was extended for a year, up to April 2018.

## 13. CORRECTION OF AN ERROR

The condensed consolidated interim financial statements have been amended to correct errors. The error in Note 7 of the condensed consolidated interim financial statements stated that there was an unlimited number of Class “A” shares and Preferred Shares authorized, in fact there is only 100,000,000 Common Shares authorized. The Company also added disclosure in Note 2 related to the agreement between Grafoid and Mincom, for Grafoid to sell its interest in the Company to Mincom.

*APPENDIX "D"*  
*MANAGEMENT'S DISCUSSION AND ANALYSIS OF BRAILLE*

**BRILLE HOLDINGS INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2016 and 2015

# **BRILLE HOLDINGS INC.**

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

The following Management Discussion and Analysis (“MD&A”) reviews the operating results, financial condition and future prospects of Braille Holdings Inc. (“Braille Holdings” or the “Company”), current as of April 19, 2017. It should be read in conjunction with the Company’s annual audited financial statements and notes thereto for the fiscal years ended September 30, 2016 and 2015, which were prepared in accordance with International Financial Reporting Standards (“IFRS”). The reporting currency is in Canadian dollars. All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

This MD&A contains or may refer to certain statements that may be deemed “forward-looking statements”. Forward-looking statements include estimates and statements that describe the Company’s future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “anticipates”, “believes”, “could”, “estimates”, “predict”, “seek”, “potential”, “continue”, “intend”, “plan”, “expects”, “may”, “shall”, “will”, or “would” and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. Braille does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

### **Nature of Business**

Braille Holdings, Inc. (“Braille Holdings”), was incorporated on May 6, 2010 under the laws of the State of Florida.

Braille Battery, Inc. (“Braille Battery”), was incorporated on January 1, 2009 under the laws of the State of Florida. The principal place of business for both entities is located at 6935 15<sup>th</sup> Street East, Building 115, Sarasota, FL 34243.

Braille Battery is a wholly owned subsidiary of Braille Holdings. Braille Battery has no subsidiaries. Braille Holdings is a holding company and does not carry on business other than to hold all the issued and outstanding shares of Braille Battery. Braille Battery is an operating company and carries on the business of a battery manufacturer and retailer.

Braille Holdings, acquired by Grafoid in September 2014, is a global leader in the development, production and sales of ultra lightweight, high performance Lithium-Ion high performance batteries and, the supplier of the world's first environmentally sustainable AGM carbon fiber batteries for IndyCar, NASCAR, Formula 1 racing cars, motorcycles and batteries for the marine industry.

### **Corporate Development Highlights**

#### Mincom Capital Inc. Announces Intent to Acquire Braille Holdings Inc. as an Entry Point to the Lucrative Energy Storage Space With Next Generation Graphene Based Lithium Battery Technologies

Subsequent to the year ended September 30, 2016, on October 18, 2016, Mincom Capital Inc. (“Mincom”) announced it entered into a non-binding letter of intent with Grafoid Inc. (“Grafoid”) to acquire Grafoid's 75% interest in Braille Holdings Inc. (“Braille”).

Grafoid, a privately held company, is a world leading graphene research, application development and investment company that holds a controlling interest in Graphite Zero Pte Ltd., a mass producer of globally patented, low cost, high performing few layer graphene trademarked as Mesograf™.

The proposed purchase price is US \$2,000,000, of which US \$1,000,000 will be paid in cash and US \$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. The acquisition is subject to the normal transaction documents expected in an acquisition of this nature.

In conjunction with the acquisition, Mincom proposes to raise, subject to the TSX Venture Exchange ("TSXV") acceptance, up to US \$3,000,000 by way of private placement of units of Mincom at a price of US \$0.10 per unit (the "Offering"). Each unit will be comprised of one common share of Mincom and one warrant. Each warrant shall be exercisable into one common share at a price of CAD \$0.18 for a period of 4 years from the closing date of the Offering. Notwithstanding the foregoing, if at any time after four (4) months and one (1) day following the Closing, the trading price of the Common Shares on the TSX Venture Exchange is equal to or exceeds \$0.30 for 10 consecutive trading days, as evidenced by the price at the close of market, Mincom shall be entitled to notify the holders of Warrants of its intention to force the exercise of the Warrants. Upon receipt of such notice, the holders of Warrants shall have 30 days to exercise the Warrants, failing which the Warrants will automatically expire.

The proceeds will be used to cover the consideration of the transaction with Grafoid and working capital.

#### Update Regarding Reverse Take Over/ Change of Business Transaction

On March 14, 2017 Mincom Capital announced it has entered into a non-arm's length agreement to purchase all of issued and outstanding shares of Braille Holdings held by Grafoid (the "Proposed Transaction") as previously announced on October 18, 2016. The Proposed Transaction will constitute a reverse takeover and change of business under the policies of the TSX Venture Exchange (the "Exchange").

Mincom, Braille Holdings, Braille Battery and Grafoid (the "Vendor") entered into a share purchase agreement dated March 8, 2017 (the "Share Purchase Agreement") whereby the Vendor agreed to sell, and Mincom agreed to purchase, such issued and outstanding shares of Braille Holdings held by the Vendor, being 75% of all the issued and outstanding shares of Braille Holdings (the "Purchased Shares"). The Purchase Price for the Purchased Shares is US\$2,000,000) of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid by the issuance of 10,000,000 Common Shares to the Vendor from the treasury of Mincom at the Closing.

The resulting issuer will be called Braille Energy Systems Inc. and will be involved in the clean technology sector.

Based on audited consolidated financial statements for the year ending September 30, 2016, Braille generated revenues of \$2,320,636 and a net loss before taxes of \$786,403. As at September 30, 2016 Braille Holdings had total assets of \$708,425 and total liabilities of \$4,248,075 and shareholders' deficit in the amount of \$3,539,650.

#### **Financing**

In conjunction with the Proposed Transaction, Mincom intends to raise capital through a non-brokered private placement for aggregate total proceeds of a maximum of US\$3,000,000 (the "Financing") as disclosed above.

#### **Non-Arm's Length Transaction**

Mincom, Braille Holdings, Braille Battery, and the Vendor share common management. Focus Graphite Inc., a public company listed on the Exchange holds 13.88% of the Common Shares of Mincom and 18.17% of the Common Shares of the Vendor. The related parties and their position within each party to the Proposed Transaction are set out below:

Name	Position with				
	Mincom	Vendor	BHI	Braille Battery	Focus Graphite Inc.
Gary Economo	Director, President & CEO	Director, CEO	Director, President	Director, President	Director, President & CEO
Lindsay Weatherdon	Director	Director	N/A	N/A	
Jeffrey York	Director, Chairman of the Board	Director, Chairman of the Board	N/A	N/A	Director, Chairman of the Board
Chester Burtt	Director	N/A			Director
Marc-Andre Bernier	Director	N/A			Director
Judith Mazvihwa-MacLean	CFO	CFO	CFO	CFO	CFO

The Proposed Transaction does not constitute an arm's length transaction and will be subject to shareholder approval. The date of the shareholders' meeting has not been set.

The Corporation will seek to rely on an exemption from the valuation requirements set out in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. The securities of the Corporation are not inter-listed on other stock markets.

### **Directors and Management of the Resulting Issuer**

#### **Gary Economo – President and Chief Executive Officer, Director, Age 58**

Mr. Economo, has served as CEO of both public and private companies in the past. He is presently the President and CEO of Mincom, Focus Graphite, Stria Lithium Inc., and Grafoid Inc.

#### **Jeffrey York – Director, Age 53**

Mr. York is currently Co CEO of Farm Boy Inc. He worked three years for Ward Mallette Chartered Accountants and twenty years for Giant Tiger Stores which grew from a regional discount retail chain into a national company and of which he was President for 10 years. Mr. York has been a member of Young Presidents Organization since 2002. Mr. York graduated with an economics degree from Princeton University in 1986 and obtained his Chartered Accountant designation in 1989.

#### **Lindsay Weatherdon – Director and Chairman of the Board, Age 52**

Mr. Weatherdon is the President and owner of Premcorp Sales & Marketing operating as “Concord National, Ontario Division” as well as Mitchell-Kennedy operating as “Concord National, Quebec Division”. Concord National is a Canadian based consumer and packaged goods sales and marketing agency. He has held this position since 2002. In addition, Mr. Weatherdon is a shareholder, through his personal holding company, Thombeth Holdings, of Luxell Technologies. In September 2011, Mr. Weatherdon became a director of Luxell Technologies.

#### **Chester Burt – Director, Age 65**

Mr. Burt is President of Chester Burt & Associates Ltd. (“CBAL”) a corporate and public affairs advisory firm that specializes in connecting private and public companies with domestic and international opportunities. CBAL also arranges for the provision and supply of financial services in mergers, acquisitions and joint ventures. Working through an international network and associate firms, CBAL offers a full range of services to assist companies with strategy development and decisions to best suit their investor and corporate relations. Prior to this Mr. Burt graduated with a BA from Waterloo Lutheran University and MA from Wilfrid Laurier University in Political Science.

#### **Judith Mazvihwa-MacLean – Chief Financial Officer, Director, Age 42**

An Ottawa-based geologist and accountant, Ms. Mazvihwa-MacLean has more than 16 years of experience in mineral exploration, mining, management, and corporate finance. She is also the Chief Financial Officer at Focus Graphite. Prior to joining Focus Graphite, Ms. Mazvihwa-MacLean was the CFO for Golden Harp Resources Ltd., Logan Resources Ltd., and Acme Resources Ltd. (formerly, International KRL Resources Corp.) and also served as a member of the Board for both Logan Resources Ltd. and Acme Resources Ltd. Ms. Mazvihwa-MacLean holds a B.Sc. (Geology) from the University of Zimbabwe, a M.Sc. from Brunel University in England and earned her MBA at Simon Fraser University in British Columbia. Ms. Mazvihwa-MacLean was accredited a Certified Management Accountant by the Certified Management Accountants Society of British Columbia.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the resulting issuer should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

### **Principal Products, Services, and Operations**

Braille Battery Inc. is a Sarasota, Florida-based battery manufacturing and energy storage solutions company and the pioneer of a complete line of lightweight high powered battery systems for the transportation market.

Braille developed the world's first commercially available automotive lithium starting battery and has grown to become the highest volume producer of automotive lithium starting batteries. The company retains international patent protection on over 20 unique battery improvements. Some have achieved market success while others have been applied in non-consumer applications.

Its technological achievements include battery containment using composite technologies; thermal management, high amperage solutions, high vibration designs, novel battery chemistries, battery controls and dual use chemistries.

Braille's ISO compliant manufacturing facility houses management offices, design and engineering, research and development, manufacturing, logistics and fulfillment. Braille is an FDA manufacturer and is GSA / CCR registered.

Braille's achievements include numerous firsts in the industry, among them: development of the first carbon fiber battery; first Lithium-Ion automotive original equipment starting battery; first carbon Li-Ion battery; first European Community RoHS environmentally approved automotive battery; first lithium battery to win a Formula 1 Championship; first lithium battery to win Daytona 500, NASCAR and Le Mans Championships, and; the first Lithium Iron Phosphate energy storage solution for the U.S. defense industry.

### Principal Products and Services

Braille Battery manufactures its own lithium-ion battery line and distributes a full multi-level line of batteries and accessories pre-assembled by a network of suppliers. Braille Battery's products are sold through distributors and on-line, to individuals and companies for the automotive racing industry. For the last two completed financial years, sales of Braille Battery's principal products to customers have generated \$4,413,268.

### Operations

Braille Battery assembles its products at its facility in Sarasota, Florida by combining prefabricated components delivered by third party suppliers and in-house fabricated components. Braille Battery offers custom designed battery application solutions. Customers can input their specific requirements for a custom battery and Braille Battery will assemble the product to the customers' specifications.

Braille Battery's manufacturing and assembly operations are located in Sarasota Florida. Machinery and equipment required to operate the business are owned and leased by Braille Battery. Raw materials and component parts are widely available. Battery cells and parts are purchased from a network of approximately twenty-two different suppliers.

Braille Battery is the exclusive battery provider for a number of professional auto racing series, including Indycar, DTM, SuperGT and Australian V8 Supercars, along with many of the prototypes and GT cars in the IMSA TUDOR sports car series. Braille Battery is also a supplier to teams in NASCAR, Formula 1, Open Wheel, Drag Racing, Rally, and SCCA. Braille Battery's brand names include Micro-lite, Green-lite, Super 16 Volt Lithium, Intensity, Intensity Carbon, and Fleet-lite. Its AGM brands include: Endurance Series, Carbon AGM and Lightweight AGM.

Braille Battery has thirteen employees in administrative, marketing, sales, and manufacturing departments all located in Sarasota. Braille's management has identified no specific risk with the foreign operations of Braille Battery. The company is not dependent on foreign operations.

### Market

Braille Battery manufactures, markets and sells Lithium and AGM battery and charging solutions to industries requiring light-weight, fast-charging, high-capacity, long runtime, safe, dependable energy systems. The main market segment to which Braille Battery sells its principal products is the automotive racing industry. This includes professional racing series, individual professional racing teams, and amateurs and hobbyists.

### Braille Battery Marketing and Strategies

Braille Battery products are marketed through direct sales, participation in industry events and trade shows, including the Daytona 500 and the SEMA Show. For the financial year ended September 30, 2016, Braille Battery had marketing and promotion expenses of US\$99,829 of which, US\$65,319 was allocated as advertising and promotional discounts and US\$24,582 was allocated to expenses related to attendance at industry events and trade shows.

Braille Battery has adopted a tiered pricing policy. Market prices are offered to retail customers, and discounts are provided on volume orders by wholesalers, distributors, and dealers. Braille Battery batteries are designed, intended, promoted, sold and warranted in street and race vehicles, where many companies void warranty when used in racing applications.

### Competitive Conditions

Braille Battery's direct competitors are other light weight lithium ion battery producers: Smart Battery, Optima (Johnson Controls), Odyssey (Energysys), XS Power, Super B, Lithium Pros. Braille Battery also competes, indirectly lead acid battery companies such as East Penn and Crown.

Braille Battery products are priced as premium products. In the lightweight AGM line, Braille Battery offers more power (pound for pound) compared to competitors. In the lithium market, Braille Battery's lithium batteries are used in more original equipment manufacturer (OEM) factory race cars and professional race series and is the only lithium battery to have a less than 1% failure rate year after year compared to the typical "consumer grade" lithium batteries sold by other companies.

Political conditions which embrace non-traditional energy storage devices, such as lithium ion batteries will encourage new competitors into the marketplace specifically in Europe and China.

### Braille Battery Future Developments

Currently, management has determined that no further development or improvement Braille Battery's products is required.

## Financial Information

The following selected financial data is derived from the audited annual financial statements of the Company for the fiscal years ended September 30, 2016 and 2015 that were prepared in accordance with IFRS.

### Selected Financial Information

	Year ended September 30, 2016	Year ended September 30, 2015
	\$	\$
<b>Statement of Comprehensive Income</b>		
Revenue	2,320,636	2,092,632
Cost of Goods Sold	1,640,474	1,646,741
Net Loss before Tax	(768,403)	(2,260,040)
Other Comprehensive Income ( Loss)	66,514	(272,928)
Total Comprehensive Income ( Loss)	(701,889)	(2,429,892)
Basic and Diluted Loss per Common Share	-0.04	-0.11
Basic and Diluted Weighted-Average		
Number of Common Shares Outstanding	20,000,000	20,000,000
<b>Statement of Cash Flows</b>		
Cash Flows Used in Operating Activities	(1,718,644)	(831,403)
Cash Flows Used in Investing Activities	(30,771)	-
Cash Flows From Financing Activities	1,752,719	692,180
Increase (Decrease) in Cash	3,304	(139,223)
	September 30, 2016	September 30, 2015
As at	\$	\$
<b>Statement of Financial Position</b>		
Cash	16,491	13,820
Trade Receivables	25,607	86,670
Inventory	251,488	198,792
Prepaid Expenses	172,992	139,397
Property Plant and Equipment	241,847	255,971

### Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its operations, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

### Results of Operations For The Year Ended September 30, 2016

#### Cost of Goods Sold and Operating Expenses

During the fiscal year ended September 30, 2016, the Company realized a net loss of \$768,403 (\$0.04 loss per share) compared to \$2,156,964 (\$0.11 loss per share) for 2015. Losses from operations were \$768,403 for the fiscal year ended September 30, 2016 and \$2,260,040 for 2015. The decrease in the losses from operations was attributed to:

- Salaries and benefits expenses for the year ended September 30, 2016 were \$344,101 compared to \$1,686,657 incurred in 2015. The decrease in the salaries and benefits expense is attributable to fewer employees engaged by the entity to conduct its business. A non recurring expense was incurred as a settlement payment in 2015 in the amount of \$1,205,450 (US\$900,000).
- Travel and promotion expense for the year ended September 30, 2016 were \$250,317 compared to \$379,479 incurred in 2015. The decrease in travel and promotional expenses is attributable to a significant decrease in conferences and shows attended by the Company to increase its profile.

During the fiscal year ended September 30, 2016, the Company's cost of goods sold were \$1,640,474, compared to \$1,646,741 in 2015. The change is attributed to the Company's ongoing efforts to improve the gross margins of a few product lines by reducing cost of raw materials, increasing efficiency. The Company plans to increase its capacity and further benefit from economies of scale, thereby reducing the direct production costs thus increasing gross margins.

### **Revenue and Other Income**

During the fiscal year ended September 30, 2016, the Company earned other income totaling \$66,514 as result of exchange differences on translation. This is compared to other loss recognised in 2015 totaling \$272,928.

During the year ended September 30, 2016, the Company recognised revenues totaling \$2,320,636 compared to \$2,092,632. The increase in revenue is attributed to Braille's ongoing efforts to introduce its line of batteries to new industries and markets.

As a result of the abovementioned cost of goods sold, operating expenses and revenues recognised during the year ended September 30, 2016, the Company incurred a net loss before tax of \$768,403 compared to \$2,260,040 in 2015.

### **Liquidity and Capital Resources**

The Company's working capital deficiency at September 30, 2016 is \$3,781,497 including \$16,491 in cash and current liabilities totalling \$4,248,075 due within the next 12 months, as compared to a working capital of \$3,093,732 at September 30, 2015. The decrease in working capital is mostly attributable to the Company incurring fewer non-recurring expenditures in fiscal year 2016.

Braille Holdings' budget, on a consolidated basis with Mincom Capital Inc., (assuming the TSX-V approves the transaction whereby Mincom purchases 75% interest in Braille Holdings Inc. from Grafoid Inc. as announced subsequent to the year ended September 30, 2016) for the next fiscal year will be \$4,070,150. The budget covers the operation expenditures of Braille Holdings Inc. and administration and mineral exploration expenditures of the Romer project following the close of the transaction with Grafoid Inc. The Company's ability to continue as a going concern is dependent on revenue from the battery sales, assuming the TSX-V approves Mincom's acquisition of 75% interest in Braille Holdings Inc., as well as additional financing, through various means including but not limited to equity financing, to operate its battery company, discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company. Failure to achieve additional financing could have a material adverse effect on the Company's financial condition and / or results of operations. The Company expects to raise US\$3,000,000 in an equity financing concurrent with its acquisition of 75% interest in Braille Holdings Inc. Braille Holdings Inc. expects to generate \$3,000,000 in battery sales in the next fiscal year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

### **Contractual Obligations and Off-Balance Sheet Arrangements**

As of September 30, 2016, the Company has no off balance sheet arrangements and no contractual obligations.

### **Contingent Liability**

Braille is currently under Federal Aviation Administration ("FAA") order 2016-9156 restricting certain shipments. Braille is complying with the order and has completely updated its shipping procedures and materials. The Company has participated in further testing as required. Braille is making good progress towards full compliance and based on assistance from legal counsel, they believe that the order and restrictions will soon be lifted, allowing the company to resume full shipping. The FAA order contains

penalties for non-compliance, but the Company believes based on consultation with legal counsel that it is likely that the potential fine will be reduced or eliminated. No liability has been recognized in the consolidated statements of financial position in relation to the FAA order, as the amount cannot be reliably estimated based on the assessment of the Company's legal counsel.

### Commitment and Proposed Transactions

As of September 30, 2016, and as of the date of this report the Company did not have any commitments outstanding. There are no undisclosed pending proposed transactions that would materially affect the performance or operation of the Company.

### Leases

The Company's future minimum operating lease payments are as follows:

	Minimum lease payments due			Total
	Within 1 year	1 to 5 years	After 5 years	
	\$	\$	\$	\$
September 30, 2016	32,522	-	-	<b>32,522</b>
September 30, 2015	26,607	-	-	<b>26,607</b>

Lease payments recognized as an expense during the year ended September 30, 2016 amount to \$53,025 (2015 - \$43,516). Lease agreement ends April 2017. Management has the option to extend the current lease by one year.

### Related Party Transactions

#### Amounts Due to Related Parties

	September 30, 2016	September 30, 2015
	\$	\$
JAG Equipment Leasing Inc.	<b>82,637</b>	28,128
Grafoid Inc.	<b>3,555,599</b>	1,773,195
	<b>3,638,236</b>	1,801,323

Unless noted otherwise, all amounts due from related parties are due upon receipt.

#### JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.)

The Company leases equipment on a monthly basis from JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc). ("JAG Equipment"), a privately-held business owned by two Directors of Grafoid Inc., Braille Holdings' parent Company. During the year ended September 30, 2016, the Company was charged a total of \$55,658 (2015 – \$25,813) by JAG Equipment for equipment rental. As at September 30, 2016, included in amounts due to related parties was an amount of \$82,637 (2015 - \$28,128) due to JAG Equipment.

#### Grafoid Inc.

The Company has received funding from Grafoid Inc. ("Grafoid"), Braille Holdings' parent company, which has a 75% ownership interest in the Company. As at September 30, 2016, included in amounts due to related parties is \$3,555,599 due to Grafoid. The amount includes a non-interest bearing amount of \$1,175,967, an interest-bearing amount of \$2,168,914 and accrued interest of \$210,718. The interest bearing amount bears interest at 10% annually.

All related party transactions disclosed above were at the exchange amount.

### Transactions with Key Management Personnel

The following table reflects compensation of key management personnel, including the CEO, CTO, CFO and Directors:

	2016	2015
	\$	\$
Salaries/Consulting fees (1)	47,707	36,980

(1) As at September 30, 2016, \$71,445 is included in trade liabilities (2015 - \$18,314).

### **Financial Instruments**

The Company's financial instruments consist of cash, trade receivables, trade liabilities, long-term debt and amounts due to related parties.

The classification of these financial instruments is as follows:

	September 30, 2016	September 30, 2015
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	16,491	13,820
Trade receivables	25,607	86,670
<b>Total financial assets</b>	<b>42,098</b>	100,490
<b>Financial liabilities</b>		
Measured at amortized cost		
Trade liabilities	548,867	1,594,049
Current portion of long-term debt	-	85,989
Amounts due to related parties	3,638,236	1,801,323
<b>Total financial liabilities</b>	<b>4,187,103</b>	3,481,361

The fair values of these financial instruments approximates their carrying values due to their short-term nature. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

### **Critical Accounting Policies and Estimates**

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in Note 3 to the audited annual financial statements for the years ended September 30, 2016 and 2015.

### **Outstanding Share Data**

Common shares and convertible securities outstanding at April 19, 2017 consist of the following:  
Braille Holdings Inc.

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of September 30, 2016	Amount Outstanding as of April 19, 2017
Common Shares	100,000,000	20,000,000	20,000,000

Braille Battery Inc.

Designation of security	Amount authorized or to be authorized	Amount outstanding as of September 30, 2016	Amount outstanding as of April 19, 2017
Common Shares	10,000	10,000	10,000

As at April 19, 2017, Braille Holdings and Braille Battery did not have any convertible shares outstanding.

### **Risk Exposure and Management**

The Company is exposed to a certain amount of risks at different levels. The main types of risks are currency risk, credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

#### Currency Risk Analysis

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited exposure to financial risk arising from fluctuations in foreign exchange rates given that its transactions are carried out primarily in US dollars.

#### Credit Risk Analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at September 30, 2016 and 2015, as summarized below:

	<b>2016</b>	2015
	\$	\$
Cash	<b>16,491</b>	13,820
Trade receivables	<b>25,607</b>	86,670
	<b>42,098</b>	100,490

As at September 30, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at September 30, analyzed by the length of time past due are:

	<b>2016</b>	2015
	\$	\$
Not more than 3 months	<b>25,607</b>	86,670
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	-	-
More than 1 year	-	-
	<b>25,607</b>	86,670

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

It is management's opinion that the Company is not exposed to significant credit risk. Credit risk for cash is considered negligible, since the counterparties are reputable bank with high quality external credit ratings. In respect of trade receivables, the Company is not exposed to significant credit risk to any single counterparty. Trade receivables consist of a large number of customers in various industries

and geographical areas. Based on historical information about customer default rates Management considers the credit quality of trade receivables that are not past due or impaired to be good.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

#### Liquidity Risk Analysis

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The Company considers expected cash flows from financial assets in assessing and managing liquidity risk. The Company had a working capital deficiency of \$3,781,497 as at September 30, 2016 (\$3,093,732 as at September 30, 2015), including \$16,491 in cash. The Company will require additional financing, through various means including but not limited to equity financing, to meet costs associated with operations. There is no assurance that the Company will be successful in raising the additional required funds.

The Company has current liabilities of \$4,248,075 (2015 - \$3,532,411) due within twelve months.

#### Capital Management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. The Company monitors capital on the basis of the carrying amount of equity, less cash as presented on the face of the statement of financial position. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets.

#### **Additional Information and Continuous Disclosure**

This Management's Discussion and Analysis has been prepared as of April 19, 2017. Additional information on the Company is available through regular filings on SEDAR ([www.sedar.com](http://www.sedar.com)).

(s) Gary Economo

Chief Executive Officer

(s) Judith T. Mazvihwa-MacLean

Chief Financial Officer

**BRILLE HOLDINGS, INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the three and six month period ended March 31, 2017

# **BRILLE HOLDINGS INC.**

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTH PERIODS ENDED MARCH 31, 2017**

The following Management Discussion and Analysis (“MD&A”) reviews the operating results, financial condition and future prospects of Braille Holdings Inc. (“Braille Holdings” or the “Company”), current as of July 10, 2017. It should be read in conjunction with the Company’s interim unaudited financial statements and notes thereto for the three and six month periods ended March 31, 2017, which were prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). The reporting currency is in Canadian dollars. All currency amounts herein are expressed in Canadian Dollars unless otherwise indicated.

This MD&A contains or may refer to certain statements that may be deemed “forward-looking statements”. Forward-looking statements include estimates and statements that describe the Company’s future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “anticipates”, “believes”, “could”, “estimates”, “predict”, “seek”, “potential”, “continue”, “intend”, “plan”, “expects”, “may”, “shall”, “will”, or “would” and similar expressions. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. Braille does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

### **Nature of Business**

Braille Holdings, Inc. (“Braille Holdings”), was incorporated on May 6, 2010 under the laws of the State of Florida. Braille Battery, Inc. (“Braille Battery”), was incorporated on January 1, 2009 under the laws of the State of Florida. The principal place of business for both entities is located at 6935 15<sup>th</sup> Street East, Building 115, Sarasota, FL 34243.

Braille Battery is a wholly owned subsidiary of Braille Holdings. Braille Battery has no subsidiaries. Braille Holdings is a holding company and does not carry on business other than to hold all the issued and outstanding shares of Braille Battery. Braille Battery is an operating company and carries on the business of a battery manufacturer and retailer.

Braille Battery, acquired by Grafoid in September 2014, is a global leader in the development, production and sales of ultra lightweight, high performance Lithium-Ion high performance batteries and, the supplier of the world’s first environmentally sustainable AGM carbon fiber batteries for IndyCar, NASCAR, Formula 1 racing cars, motorcycles and batteries for the marine industry.

### **Corporate Development Highlights**

[Mincom Capital Inc. Announces Intent to Acquire Braille Holdings Inc. as an Entry Point to the Lucrative Energy Storage Space With Next Generation Graphene Based Lithium Battery Technologies](#)

Subsequent to the year ended September 30, 2016, on October 18, 2016, Mincom Capital Inc. (“Mincom”) announced it entered into a non-binding letter of intent with Grafoid Inc. (“Grafoid”) to acquire Grafoid’s 75% interest in Braille Holdings Inc. (“Braille”).

Grafoid, a privately held company, is a world leading graphene research, application development and investment company that holds a controlling interest in Graphite Zero Pte Ltd., a mass producer of globally patented, low cost, high performing few layer graphene trademarked as Mesograf™.

The proposed purchase price is US\$2,000,000, of which US\$1,000,000 will be paid in cash and US \$1,000,000 will be paid in shares issued to Grafoid from the treasury of Mincom. The acquisition is subject to the normal transaction documents expected in an acquisition of this nature.

In conjunction with the acquisition, Mincom proposes to raise, subject to the TSX Venture Exchange ("TSXV") acceptance, up to US\$3,000,000 by way of private placement of units of Mincom at a price of US\$0.10 per unit (the "Offering"). Each unit will be comprised of 1 common share of Mincom and 1 warrant. Each warrant shall be exercisable into 1 common share at a price of CAD\$0.18 for a period of 4 years from the closing date of the Offering. Notwithstanding the foregoing, if at any time after four (4) months and one (1) day following the Closing, the trading price of the Common Shares on the TSX Venture Exchange is equal to or exceeds \$0.30 for 10 consecutive trading days, as evidenced by the price at the close of market, Mincom shall be entitled to notify the holders of Warrants of its intention to force the exercise of the Warrants. Upon receipt of such notice, the holders of Warrants shall have 30 days to exercise the Warrants, failing which the Warrants will automatically expire. The proceeds will be used to cover the consideration of the transaction with Grafoid and working capital.

#### Update Regarding Reverse Take Over/ Change of Business Transaction

On March 14, 2017 Mincom Capital announced it has entered into a non-arm's length agreement to purchase all of issued and outstanding shares of Braille Holdings held by Grafoid (the "Proposed Transaction") as previously announced on October 18, 2016. The Proposed Transaction will constitute a reverse takeover and change of business under the policies of the TSX Venture Exchange (the "Exchange").

Mincom, Braille Holdings, Braille Battery and Grafoid (the "Vendor") entered into a share purchase agreement dated March 8, 2017 (the "Share Purchase Agreement") whereby the Vendor agreed to sell, and Mincom agreed to purchase, such issued and outstanding shares of Braille held by the Vendor, being 75% of all the issued and outstanding shares of Braille Holdings (the "Purchased Shares"). The Purchase Price for the Purchased Shares is US\$2,000,000 of which US\$1,000,000 will be paid in cash and US\$1,000,000 will be paid by the issuance of 10,000,000 Common Shares to the Vendor from the treasury of Mincom at the Closing.

The resulting issuer will be called Braille Energy Systems Inc. and will be involved in the clean technology sector.

Based on audited consolidated financial statements for the year ending September 30, 2016, Braille Holdings generated revenues of \$2,320,636 and a net loss before taxes of \$786,403. As at September 30, 2016 Braille Holdings had total assets of \$708,425 and total liabilities of \$4,248,075 and shareholders' deficit in the amount of \$3,539,650.

#### Financing

In conjunction with the Proposed Transaction, Mincom intends to raise capital through a non-brokered private placement for aggregate total proceeds of a maximum of US\$3,000,000 (the "Financing") as disclosed above.

#### Non-Arm's Length Transaction

Mincom, Braille Holdings, Braille Battery, and the Vendor share common management. Focus Graphite Inc., a public company listed on the Exchange holds 13.88% of the Common Shares of Mincom and 18.17% of the Common Shares of the Vendor. The related parties and their position within each party to the Proposed Transaction are set out below:

Name	Position with				
	Mincom	Vendor	BHI	Braille Battery	Focus Graphite Inc.
Gary Economo	Director, President & CEO	Director, CEO	Director, President	Director, President	Director, President & CEO
Lindsay Weatherdon	Director	Director	N/A	N/A	
Jeffrey York	Director, Chairman of the Board	Director, Chairman of the Board	N/A	N/A	Director, Chairman of the Board
Chester Burt	Director	N/A			Director
Marc-Andre Bernier	Director	N/A			Director
Judith Mazvihwa-MacLean	CFO	CFO	CFO	CFO	CFO

The Proposed Transaction does not constitute an arm's length transaction and will be subject to shareholder approval. The date of the shareholders' meeting has not been set.

The Corporation will seek to rely on an exemption from the valuation requirements set out in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. The securities of the Corporation are not inter-listed on other stock markets.

#### **Directors and Management of the Resulting Issuer**

##### **Gary Economo – President and Chief Executive Officer, Director, Age 58**

Mr. Economo, has served as CEO of both public and private companies in the past. He is presently the President and CEO of Mincom, Focus Graphite, Stria Lithium Inc., and Grafoid Inc.

##### **Jeffrey York – Director, Age 53**

Mr. York is currently Chief Executive Officer of Farm Boy Inc. He worked three years for Ward Mallette Chartered Accountants and twenty years for Giant Tiger Stores which grew from a regional discount retail chain into a national company and of which he was President for 10 years. Mr. York has been a member of Young Presidents Organization since 2002. Mr. York graduated with an economics degree from Princeton University in 1986 and obtained his Chartered Accountant designation in 1989.

##### **Lindsay Weatherdon – Director and Chairman of the Board, Age 52**

Mr. Weatherdon is the President and owner of Premcorp Sales & Marketing operating as "Concord National, Ontario Division" as well as Mitchell-Kennedy operating as "Concord National, Quebec Division". Concord National is a Canadian based consumer and packaged goods sales and marketing agency. He has held this position since 2002. In addition, Mr. Weatherdon is a shareholder, through his personal holding company, Thombeth Holdings, of Luxell Technologies. In September 2011, Mr. Weatherdon became a director of Luxell Technologies.

##### **Chester Burt – Director, Age 65**

Mr. Burt is President of Chester Burt & Associates Ltd. ("CBAL") a corporate and public affairs advisory firm that specializes in connecting private and public companies with domestic and international opportunities. CBAL also arranges for the provision and supply of financial services in mergers, acquisitions and joint ventures. Working through an international network and associate firms, CBAL offers a full range of services to assist companies with strategy development and decisions to best suit their investor and corporate relations. Prior to this Mr. Burt graduated with a BA from Waterloo Lutheran University and MA from Wilfrid Laurier University in Political Science.

##### **Judith Mazihwa-MacLean – Chief Financial Officer, Director, Age 42**

An Ottawa-based geologist and accountant, Ms. Mazvihwa-MacLean has more than 16 years of experience in mineral exploration, mining, management, and corporate finance. She is also the Chief Financial Officer at Focus Graphite. Prior to joining Focus Graphite, Ms. Mazvihwa-MacLean was the CFO for Golden Harp Resources Ltd., Logan Resources Ltd., and Acme Resources Ltd. (formerly, International KRL Resources Corp.) and also served as a member of the Board for both Logan Resources Ltd. and Acme Resources Ltd. Ms. Mazvihwa-MacLean holds a B.Sc. (Geology) from the University of Zimbabwe, a M.Sc. from Brunel University in England and earned her MBA at Simon Fraser University in British Columbia. Ms. Mazvihwa-MacLean was accredited a Certified Management Accountant by the Certified Management Accountants Society of British Columbia.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of [insert name of Issuer] should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

#### **Principal Products, Services, and Operations**

Braille Battery Inc. is a Sarasota, Florida-based battery manufacturing and energy storage solutions company and the pioneer of a complete line of lightweight high powered battery systems for the transportation market.

Braille developed the world's first commercially available automotive lithium starting battery and has grown to become the highest volume producer of automotive lithium starting batteries. The company retains international patent protection on over 20 unique battery improvements. Some have achieved market success while others have been applied in non-consumer applications.

Its technological achievements include battery containment using composite technologies; thermal management, high amperage solutions, high vibration designs, novel battery chemistries, battery controls and dual use chemistries.

Braille's ISO compliant manufacturing facility houses management offices, design and engineering, research and development, manufacturing, logistics and fulfillment. Braille is an FDA manufacturer and is GSA / CCR registered.

Braille's achievements include numerous firsts in the industry, among them: development of the first carbon fiber battery; first Lithium-Ion automotive original equipment starting battery; first carbon Li-Ion battery; first European Community RoHS environmentally approved automotive battery; first lithium battery to win a Formula 1 Championship; first lithium battery to win Daytona 500, NASCAR and Le Mans Championships, and; the first Lithium Iron Phosphate energy storage solution for the U.S. defense industry.

### Principal Products and Services

Braille Battery manufactures its own lithium-ion battery line and distributes a full multi-level line of batteries and accessories pre-assembled by a network of suppliers. Braille Battery's products are sold through distributors and on-line, to individuals and companies for the automotive racing industry. For the last two completed financial years, sales of Braille Battery's principal products to customers have generated \$4,413,268.

### Operations

Braille Battery assembles its products at its facility in Sarasota, Florida by combining prefabricated components delivered by third party suppliers and in-house fabricated components. Braille Battery offers custom designed battery application solutions. Customers can input their specific requirements for a custom battery and Braille Battery will assemble the product to the customers' specifications.

Braille Battery's manufacturing and assembly operations are located in Sarasota Florida. Machinery and equipment required to operate the business are owned and leased by Braille Battery. Raw materials and component parts are widely available. Battery cells and parts are purchased from a network of approximately twenty-two different suppliers.

Braille Battery is the exclusive battery provider for a number of professional auto racing series, including Indycar, DTM, SuperGT and Australian V8 Supercars, along with many of the prototypes and GT cars in the IMSA TUDOR sports car series. Braille Battery is also a supplier to teams in NASCAR, Formula 1, Open Wheel, Drag Racing, Rally, and SCCA. Braille Battery's brand names include Micro-lite, Green-lite, Super 16 Volt Lithium, Intensity, Intensity Carbon, and Fleet-lite. Its AGM brands include: Endurance Series, Carbon AGM and Lightweight AGM.

Braille Battery has thirteen employees in administrative, marketing, sales, and manufacturing departments all located in Sarasota.

### Market

Braille Battery manufactures, markets and sells Lithium and AGM battery and charging solutions to industries requiring light-weight, fast-charging, high-capacity, long runtime, safe, dependable energy systems. The main market segment to which Braille Battery sells its principal products is the automotive racing industry. This includes professional racing series, individual professional racing teams, and amateurs and hobbyists.

### Braille Battery Marketing and Strategies

Braille Battery products are marketed through direct sales, participation in industry events and trade shows, including the Daytona 500 and the SEMA Show. For the financial year ended September 30,

2016, Braille Battery had marketing and promotion expenses of US\$99,829 of which, US\$65,318 was allocated as advertising and promotional discounts and US\$24,581 was allocated to expenses related to attendance at industry events and trade shows.

Braille Battery has adopted a tiered pricing policy. Market prices are offered to retail customers, and discounts are provided on volume orders by wholesalers, distributors, and dealers.

Braille Battery batteries are designed, intended, promoted, sold and warranted in street and race vehicles, where many companies void warranty when used in racing applications.

#### Competitive Conditions

Braille Battery's direct competitors are other light weight lithium ion battery producers: Smart Battery, Optima (Johnson Controls), Odyssey (Energys), XS Power, Super B, Lithium Pros. Braille Battery also competes, indirectly lead acid battery companies such as East Penn and Crown.

Braille Battery products are priced as premium products. In the lightweight AGM line, Braille Battery offers more power (pound for pound) compared to competitors. In the lithium market, Braille Battery's lithium batteries are used in more original equipment manufacturer (OEM) factory race cars and professional race series and is the only lithium battery to have a less than 1% failure rate year after year compared to the typical "consumer grade" lithium batteries sold by other companies.

Political conditions which embrace non-traditional energy storage devices, such as lithium ion batteries will encourage new competitors into the marketplace specifically in Europe and China.

#### Braille Battery Future Developments

Currently, management has determined that no further development or improvement Braille Battery's products is required.

## Financial Information

The following selected financial data is derived from the unaudited interim financial statements of the Company for the three and six month periods ended March 31, 2017, that were prepared in accordance with IFRS.

### Selected Financial Information

	Three months ended March 31, 2017	Three months ended March 31, 2016	Six months ended March 31, 2017	Six months ended March 31, 2016
	\$	\$		
<b>Statement of Comprehensive Loss</b>				
Revenue	702,314	580,159	1,107,198	1,160,318
Costs of Goods Sold	(366,332)	(410,119)	(689,270)	(820,238)
Net Income Loss before Tax	66,989	(192,100)	(148,578)	(384,200)
Basic and Diluted (Loss) per Common Shares	0.003	(0.010)	(0.010)	(0.020)
Total Comprehensive Income (Loss)	101,382	(175,471)	(199,703)	(350,942)
Basic and Diluted Weighted Average				
Number of Common Shares Outstanding	20,000,000	20,000,000	20,000,000	20,000,000
<b>Statement of Cash Flows</b>				
Cash Flows Used in Operating Activities	(44,972)	(429,661)	(199,979)	(859,322)
Cash Flows Used in Investing Activities	-	-	(13,615)	-
Cash Flows From Financing Activities	54,046	438,179	228,809	876,358
Increase in Cash	9,074	8,518	15,215	17,036
	March 31, 2017	September 30, 2016	September 30, 2015	
As at	\$	\$	\$	
<b>Statement of Financial Position</b>				
Cash	33,456	16,491	13,820	
Trade Receivables	136,688	25,607	86,670	
Inventory	357,863	251,488	198,792	
Prepaid Expenses	110,072	172,992	139,397	
Property Plant and Equipment	233,709	241,847	255,971	
Total Liabilities	4,611,141	4,248,075	3,532,411	
Shareholders' Equity/Deficiency	(3,739,353)	(3,539,650)	2,837,761	
Total Assets	871,788	708,425	694,650	

### Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration and development programs, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

### Results of Operations for the Three and Six Month Period Ended March 31, 2017

#### Cost of Goods Sold and Operating Expenses

During the three and six month periods ended March 31, 2017, the Company realized comprehensive income of \$101,382 and comprehensive loss of \$199,703 respectively (compared to a comprehensive loss of \$175,471 and \$350,942 for the three and six month periods ended March 31, 2016). Net earnings from operations for the three and six month periods were \$66,989 for the three months ended March 31, 2017 and losses from operations for the six month period ended March 31, 2017 were \$148,578 (compared to losses from operations of \$192,100 and \$384,200 for the three and six month periods ended March 31 2016). The decrease in the losses from operations was attributed to:

- Management and consulting expenses for the three and six month periods ended March 31, 2017 were \$11,930 and \$39,801 (compared to \$70,411 and \$140,822 incurred in 2016). The

decrease in the management and consulting expense is attributable to fewer consultants engaged by the entity to conduct its business.

- Travel and promotion expenses for the three and six month periods ended March 31, 2017 were \$16,393 and \$78,956 (compared to \$62,579 and \$125,158 incurred in 2016). The decrease in the travel and promotion expenses is attributable to fewer shows attended by the company.

During the three and six month periods ended March 31, 2017, the Company's cost of goods sold were \$366,332 and \$689,270 respectively (compared to \$410,119 and \$820,238 during the three and six month periods ended March 31, 2016). The change is attributed to the increased production. The Company has increased efficiency by reducing the battery assembly staff from 6 to 4 without negatively impacting output. In the medium term, the Company plans to increase its capacity and further benefit from economies of scale, thereby reducing the direct production costs thus increasing gross margins.

### **Revenue and Other Income**

During the three and six month periods ended March 31, 2017, the Company recognised revenues totaling \$702,314 and \$1,107,198 (compared to \$580,159 and \$1,160,318 during the three and six month periods ended March 31, 2016). The difference is attributed to Braille's ongoing efforts to introduce its batteries to new industries and build new distributions channels to these new markets.

As a result of the above mentioned cost of goods sold, operating expenses and revenues recognised during the three and six month periods ended March 31, 2017, the Company earned a total comprehensive income of \$101,382 for the three month period ended March 31, 2017 and a total comprehensive loss of \$199,703 for the six month period ended March 31, 2017 (compared to a total comprehensive loss of \$175,471 and \$350,942 during the three and six month periods ended March 31, 2016).

### **Liquidity and Capital Resources**

The Company's working capital deficiency at March 31, 2017 is \$135,614 including \$33,456 in cash and current liabilities totalling \$773,693 due within the next 12 months, as compared to a working capital deficiency of \$3,781,497 at September 30, 2016. The increase in working capital is mostly attributable to the Company successfully negotiating with Grafoid during the quarter ended December 31, 2016, to revise the terms of the \$3,717,658 loan owed to Grafoid so the loan is not payable within the next 12 months, removing it from the current liability category to a long term liability.

Braille Holdings' budget, on a consolidated basis with Mincom Capital Inc., (assuming the TSX-V approves the transaction whereby Mincom purchases 75% interest in Braille Holdings Inc. from Grafoid Inc. as announced subsequent to the year ended September 30, 2016) for the next fiscal year will be approximately \$4.7M. The budget covers the operation expenditures of Braille Holdings, Inc. and administration and mineral exploration expenditures of the Romer project following the close of the transaction with Grafoid Inc. The Company's ability to continue as a going concern is dependent on revenue from the battery sales, assuming the TSX-V approves Mincom's acquisition of 75% interest in Braille Holdings, as well as additional financing, through various means including but not limited to equity financing, to operate its battery company, discharge its current liabilities, meet its corporate administrative expenses and to continue its exploration and research activities. No assurance can be given that any such additional financing will be available or that, it can be obtained on terms favourable to the Company. Failure to achieve additional financing could have a material adverse effect on the Company's financial condition and / or results of operations. The Company expects to raise US\$3,000,000 in an equity financing concurrent with its acquisition of 75% interest in Braille Holdings Inc. Braille Holdings Inc. expects to generate \$3,000,000 in battery sales in the next fiscal year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

## Contractual Obligations and Off-Balance Sheet Arrangements

As of March 31, 2017, the Company has no off balance sheet arrangements and no contractual obligations.

## Contingent Liability

Braille is currently under Federal Aviation Administration (“FAA”) order 2016-9156 restricting certain shipments. Braille is complying with the order and has completely updated its shipping procedures and materials. The Company has participated in further testing as required. Braille is making good progress towards full compliance and based on assistance from legal counsel, they believe that the order and restrictions will soon be lifted, allowing the company to resume full shipping. The FAA order contains penalties for non-compliance, but the Company believes based on consultation with legal counsel that it is likely that the potential fine will be reduced or eliminated. No liability has been recognized in the consolidated statements of financial position in relation to the FAA order, as the amount cannot be reliably estimated based on the assessment of the Company’s legal counsel.

## Commitment and Proposed Transactions

As of March 31, 2017, and as of the date of this report the Company did not have any commitments outstanding. There are no undisclosed pending proposed transactions that would materially affect the performance or operation of the Company.

## Lease

The Company’s future minimum operating lease payments are as follows:

	Minimum lease payments due			Total
	Within 1 year	1 to 5 years	After 5 years	
	\$	\$	\$	\$
March 31, 2017	4,594	-	-	<b>4,594</b>
September 30, 2016	32,522	-	-	<b>32,522</b>

Lease payments recognized as an expense during the six month period ended March 31, 2017 amount to \$30,089 (2016 - \$26,512). Lease agreement ends April 2017. Management has the option to extend the current lease by one year and during the quarter, the lease agreement was extended for a year, up to April 2018.

## Related Party Transactions

Transactions with related parties not disclosed elsewhere in these consolidated financial statements are as follows:

### Amounts Due to Related Parties

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
JAG Equipment Leasing Inc.	<b>111,804</b>	82,637
Grafoid Inc.	<b>3,717,658</b>	3,555,599
Director and Officers	<b>141,086</b>	-
	<b>3,970,548</b>	3,638,236

Unless noted otherwise, all amounts due from related parties are due upon receipt.

JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc.)

The Company leased equipment on a monthly basis from JAG Equipment Leasing Inc. (formerly 2395141 Ontario Inc). ("JAG Equipment"), a privately-held business owned by two Directors of Grafoid Inc., Braille's parent Company. During the six months ended March 31, 2017, the Company was charged a total of \$27,853 (2016 – \$27,830) by JAG Equipment for equipment rental. As at March 31, 2017, included in amounts due to related parties was an amount of \$111,804 (\$82,637 as at September 30, 2016) due to JAG Equipment.

Grafoid Inc.

The Company has received funding from Grafoid Inc. ("Grafoid"), Braille's parent company, which has a 75% ownership interest in the Company. As at March 31, 2017, included in amounts due to related parties is \$3,717,658 due to Grafoid. The amount includes a non-interest bearing amount of \$1,193,270, an interest-bearing amount of \$2,200,826 and accrued interest of \$323,562. The interest bearing amount bears interest at 10% annually and is due on or before September 30, 2019.

Director and Officers

As at March 31, 2017, included in amounts due to related parties was \$119,790 (US\$90,000) due to a Director and two Officers of Braille, each of whom loaned the Company \$39,930 (US\$30,000) for working capital purposes. The loans bear interest at 10% annually and are repayable over twelve months, beginning in October 2018.

All related party transactions disclosed above were at the exchange amount.

Transactions with key management personnel

The following table reflects compensation of key management personnel, including the CEO, CTO, CFO and Directors:

	Three months ended March 31,		Six months ended March 31,	
	<b>2017</b>	2016	<b>2017</b>	2016
	\$	\$	\$	\$
Salaries/Consulting fees (1)	<b>11,930</b>	11,063	<b>23,875</b>	22,126

(1) As at March 31, 2017, \$100,046 is included in trade liabilities (\$71,445 as at September 30, 2016).

**Financial Instruments**

The Company's financial instruments consist of cash, trade receivables, trade liabilities and amounts due to related parties.

The classification of these financial instruments is as follows:

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
<b>Financial assets</b>		
Loans and receivables		
Cash	<b>33,456</b>	16,491
Trade receivables	<b>136,688</b>	25,607
<b>Total financial assets</b>	<b>170,144</b>	42,098
<b>Financial liabilities</b>		
Measured at amortized cost		
Trade liabilities	<b>591,116</b>	548,867
Amounts due to related parties	<b>3,970,548</b>	3,638,236
<b>Total financial liabilities</b>	<b>4,561,664</b>	4,187,103

The fair values of these financial instruments approximates their carrying values due to their short-term nature, except for the amount due to Grafoid which is now a long term liability. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

#### **Critical Accounting Policies and Estimates**

The preparation of the Company's financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in Note 3 to the audited annual financial statements for the years ended September 30, 2016 and 2015.

#### **Outstanding Share Data**

Common shares and convertible securities outstanding at July 10, 2017 consist of the following:

Braille Holdings Inc.

<b>Designation of Security</b>	<b>Amount Authorized or to be Authorized</b>	<b>Amount Outstanding as of September 30, 2016</b>	<b>Amount Outstanding as of July 10, 2017</b>
Common Shares	100,000,000	20,000,000	20,000,000

Braille Battery Inc.

<b>Designation of security</b>	<b>Amount authorized or to be authorized</b>	<b>Amount outstanding as of September 30, 2016</b>	<b>Amount outstanding as of July 10, 2017</b>
Common Shares	10,000	10,000	10,000

As at July 10, 2017, Braille Holdings and Braille Battery did not have any convertible shares outstanding.

### **Risk Exposure and Management**

The Company is exposed to a certain amount of risks at different levels. The main types of risks are currency risk, credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

#### Currency Risk Analysis

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited exposure to financial risk arising from fluctuations in foreign exchange rates given that its transactions are carried out primarily in US dollars.

#### Credit Risk Analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at March 31, 2017, as summarized below:

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
Cash	<b>33,456</b>	16,491
Trade receivables	<b>136,688</b>	25,607
	<b>170,144</b>	42,098

As at March 31, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at March 31, 2017 analyzed by the length of time past due are:

	<b>March 31, 2017</b>	September 30, 2016
	\$	\$
Not more than 3 months	<b>136,688</b>	25,607
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	-	-
More than 1 year	-	-
	<b>136,688</b>	25,607

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

It is management's opinion that the Company is not exposed to significant credit risk. Credit risk for cash is considered negligible, since the counterparties are reputable bank with high quality external credit ratings. In respect of trade receivables, the Company is not exposed to significant credit risk to any single counterparty. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates Management considers the credit quality of trade receivables that are not past due or impaired to be good.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

#### Liquidity Risk Analysis

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The Company considers expected cash flows from financial assets in assessing and managing liquidity risk. The Company had a working capital deficiency of \$135,614 as at March 31, 2017, including \$33,456 in cash. The Company will require additional financing, through various means including but not limited to equity financing, to meet costs associated with operations. There is no assurance that the Company will be successful in raising the additional required funds.

The Company has current liabilities of \$773,693 due within twelve months.

#### Capital Management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. The Company monitors capital on the basis of the carrying amount of equity, less cash as presented on the face of the statement of financial position. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets.

#### **Additional Information and Continuous Disclosure**

This Management's Discussion and Analysis has been prepared as of July 10, 2017. Additional information on the Company is available through regular filings on SEDAR ([www.sedar.com](http://www.sedar.com)).

(s) Gary Economo

(s) Judith T. Mazvihwa-MacLean

Chief Executive Officer

Chief Financial Officer

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***APPENDIX "E"***  
*PRO FORMA CONSOLIDATED BALANCE SHEET OF THE RESULTING ISSUER*

# **BRILLE ENERGY SYSTEMS INC.**

## **Pro Forma Consolidated Statement of Financial Position**

March 31, 2017

**Braille Energy Systems Inc.**Pro Forma Consolidated Statement of Financial Position (*unaudited*)*(in Canadian dollars)*

As at March 31, 2017

	Mincom Capital Inc.	Braille Holdings Inc.	Pro Forma Adjustments	Notes	Pro Forma
	\$	\$	\$		\$
<b>ASSETS</b>					
Current assets					
Cash	5,562	33,456	(665,500)	4(a)	1,575,106
			(125,000)	4(c)	
			2,528,900	4(d)	
			(202,312)	4(e)	
Amounts receivable	13,041	136,688	-		149,729
Tax credits and credit on duties receivable	1,225	-	-		1,225
Inventory	-	357,863	-		357,863
Prepaid expenses	86,122	110,072	(11,300)	4(f)	184,894
	105,950	638,079	1,524,788		2,268,817
Property, plant and equipment	-	233,709	-		233,709
Mineral exploration properties	1,000,000	-	-		1,000,000
Exploration and evaluation assets	206,012	-	-		206,012
Goodwill	-	-	5,466,515	4(b)	5,466,515
<b>Total assets</b>	<b>1,311,962</b>	<b>871,788</b>	<b>6,991,303</b>		<b>9,175,053</b>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable and accrued liabilities	114,413	591,116	-		705,529
Warranty provision	-	49,477	-		49,477
Amounts due to related parties	-	133,100	-		133,100
	114,413	773,693	-		888,106
Amounts due to related parties	-	3,837,448	665,500	4(a)	4,502,948
<b>Total liabilities</b>	<b>114,413</b>	<b>4,611,141</b>	<b>665,500</b>		<b>5,391,054</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	2,085,813	1,633,500	1,331,000	4(a)	5,617,711
			(1,633,500)	4(b)	
			2,528,900	4(d)	
			(202,312)	4(e)	
			(125,690)	4(e)	
Warrants	-	-	125,690	4(e)	125,690
Contributed surplus	152,687	-	41,021	4(c)	193,708
Deficit	(1,040,951)	(5,007,188)	5,007,188	4(b)	(1,218,272)
			(125,000)	4(c)	
			(41,021)	4(c)	
			(11,300)	4(f)	
Accumulated other comprehensive income	-	(365,665)	365,665	4(b)	-
	1,197,549	(3,739,353)	7,260,641		4,718,837
Non-controlling interest	-	-	(934,838)	4(b)	(934,838)
<b>Total equity (deficiency)</b>	<b>1,197,549</b>	<b>(3,739,353)</b>	<b>6,325,803</b>		<b>3,783,999</b>
<b>Total liabilities and equity</b>	<b>1,311,962</b>	<b>871,788</b>	<b>6,991,303</b>		<b>9,175,053</b>

The accompanying notes are an integral part of the pro forma consolidated statement of financial position.

## **Braille Energy Systems Inc.**

Notes to Pro Forma Consolidated Statement of Financial Position

March 31, 2017

(in Canadian dollars)

### **1. BASIS OF PRESENTATION**

The unaudited pro forma consolidated statement of financial position of Braille Energy Systems Inc. at March 31, 2017 has been prepared by management after giving effect to the transaction contemplated by a letter of intent signed between Mincom Capital Inc. ("Mincom") and Grafoid Inc. ("Grafoid"), pursuant to which Mincom will acquire Grafoid's 75% interest in Braille Holdings Inc. ("Braille"). Following the closing of the acquisition, Braille would continue to exist as a subsidiary of Mincom. Concurrently, Mincom plans to complete a private placement for gross proceeds of a minimum of \$2,528,900 (US\$1,900,000) and a maximum of \$3,993,000 (US\$3,000,000). As part of the transaction, Mincom will change its name to Braille Energy Systems Inc. (the "Company").

The pro forma consolidated statement of financial position has been compiled from and includes:

- (a) The unaudited condensed interim statement of financial position of Mincom at March 31, 2017
- (b) The unaudited condensed consolidated interim statement of financial position of Braille at March 31, 2017
- (c) The additional information set out in Note 2.

It is management's opinion that this unaudited pro forma consolidated statement of financial position presents, in all material respects, the transactions described in Note 2 and is in accordance with International Financial Reporting Standards ("IFRS"). The unaudited pro forma consolidated statement of financial position is not intended to reflect the financial position of the Company which would have actually resulted had the transactions been effected on the date indicated and do not purport to be indicative of the effects that may be expected to occur in the future.

All US dollar amounts have been converted to Canadian dollars at the rate of 1.3310,

The Company's pro forma effective income tax rate is 26.50% (Federal - 15.00%, Provincial – 11.50%).

### **2. PROPOSED TRANSACTIONS**

The unaudited pro forma statement of financial position gives effect to the acquisition of the Braille and to the closing of a private placement, as if they had both occurred on March 31, 2017.

#### Acquisition of Braille

In accordance with the letter of intent signed with Grafoid, Mincom will acquire 75% of the issued and outstanding shares of Braille in consideration for (i) \$1,331,000 (US\$1,000,000) in cash and (ii) the issuance of common shares of Mincom having a total value of \$1,331,000 (US\$1,000,000). Using the terms of the private placement detailed below as a basis, Mincom would issue 10,000,000 shares at a deemed price of \$0.13 (US\$0.10) per share. The cash consideration is payable as follows: \$665,500 (US\$500,000) due upon closing and \$665,500 (US\$500,000) due eighteen months following the closing of the transaction.

#### Private Placement

Concurrent with the acquisition of Braille, Mincom plans to complete a private placement for gross proceeds of a minimum of \$2,528,900 (US\$1,900,000) and a maximum of \$3,993,000 (US\$3,000,000), by issuing a minimum of 19,000,000 units and a maximum of 30,000,000 units of Mincom at a price of \$0.13 (US\$0.10) per unit. Each unit will be comprised of one common share and one warrant. Each warrant shall be exercisable into one common share at a price of \$0.18 for a period of four years from the closing date of the financing. The terms of the private placement are subject to change.

## Braille Energy Systems Inc.

Notes to Pro Forma Consolidated Statement of Financial Position

March 31, 2017

(in Canadian dollars)

### 3. PRELIMINARY PURCHASE PRICE ALLOCATION

The acquisition of Braille has been accounted for as a business combination in accordance with IFRS 3, "Business Combinations". The purchase price consideration to be paid has been allocated, on a preliminary pro forma basis, to the fair value of the net assets acquired as at March 31, 2017, the date of the pro forma consolidated statement of financial position. The allocation is based on management's best estimates taking into account all available information up to the date of the filing statement. The purchase price allocation will be finalized once management has gathered and reviewed all relevant information. The final allocation of the purchase price consideration between goodwill and other identifiable assets may differ from the preliminary estimates and the difference could be material.

<b>PURCHASE PRICE</b>		
		\$
Cash		1,331,000
10,000,000 common shares of Mincom		1,331,000
		2,662,000
<b>PURCHASE PRICE ALLOCATION</b>		
		\$
<i>ASSETS</i>		
Cash		33,456
Amounts receivable		136,688
Inventory		357,863
Prepaid expenses		110,072
Property, plant and equipment		233,709
<b>Total identifiable assets acquired</b>		871,788
<i>LIABILITIES</i>		
Accounts payable and accrued liabilities		(591,116)
Warranty provision		(49,477)
Amounts due to related parties		(3,970,548)
<b>Total liabilities assumed</b>		(4,611,141)
<b>Non-controlling interest</b>		(934,838)
<b>Net identifiable assets acquired</b>		(2,804,515)
Goodwill		5,466,515
<b>Net assets acquired</b>		2,662,000

## **Braille Energy Systems Inc.**

Notes to Pro Forma Consolidated Statement of Financial Position

March 31, 2017

(in Canadian dollars)

### **4. PRO FORMA ADJUSTMENTS**

The unaudited pro forma consolidated statement of financial position includes the following adjustments:

- (a) A cash payment of \$665,500 (US\$500,000), the recognition of a liability in the amount of \$665,500 (US\$500,000), payable in eighteen months, and the issuance of 10,000,000 common shares to Grafoid, valued at \$1,331,000 (US\$1,000,000), to reflect the acquisition of Braille. The preliminary purchase price is as detailed in Note 2. The excess of the purchase price over the fair value of the net assets acquired has been allocated to goodwill.
- (b) The consolidation of 100% of Braille's assets and liabilities and recognition of non-controlling interest.
- (c) As part of the above transaction, the Company anticipates incurring approximately \$125,000 in additional professional fees and other transaction costs which will be borne by the Company. As well, Mincom will issue 500,000 warrants to the Company's sponsor. Each warrant shall be exercisable into one common share at a price of \$0.10 for a period of thirty months from the closing date of the transaction. The warrants have been recorded at a value of \$41,021, based on the Black-Scholes option pricing model, using the following assumptions: stock price of \$0.13, risk-free interest rate of 1.02%, expected life of warrants of 30 months, annualized volatility of 100% and dividend rate of 0%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of warrants.
- (d) Gross proceeds of \$2,528,900 (US\$1,900,000) from the issuance of 19,000,000 units at a price of \$0.13 (US\$0.10) per share, further to the completion of a private placement. This assumes the minimum financing. The proceeds of the financing were allocated between share capital (\$2,528,900) and warrants (\$Nil) using the residual method.
- (e) In connection with the financing, Mincom would pay cash finders' fees of \$202,312 and may issue, as additional consideration, 1,520,000 non-transferable warrants entitling the holder thereof to purchase the same number of common shares of Mincom at a price of \$0.18 for a period of four years from the date of issuance. This assumes the minimum financing. The fair value of the warrants was measured indirectly by reference to the fair value of the equity instruments to be granted, as the fair value of the services to be received could not be reliably estimated. The warrants which may be issued as commissions have been recorded at a value of \$125,690, based on the Black-Scholes option pricing model, using the following assumptions: stock price of \$0.13, risk-free interest rate of 1.02%, expected life of warrants of 4 years, annualized volatility of 100% and dividend rate of 0%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of warrants.
- (f) An amount of \$11,300, included in prepaid expenses at March 31, 2017, would need to be expensed upon completion of the transaction.

## Braille Energy Systems Inc.

Notes to Pro Forma Consolidated Statement of Financial Position

March 31, 2017

(in Canadian dollars)

### 5. SHARE CAPITAL

Upon completion of the proposed transactions, the Company's pro forma share capital will be as follows:

Unlimited number of common shares, voting, participating and without par value

#### Issued and fully paid

Common shares

	Number of shares	\$
Balance, March 31, 2017	18,012,257	2,085,813
Shares issued to acquire Braille	10,000,000	1,331,000
Shares issued for cash (assumes minimum financing)	19,000,000	2,528,900
Share issuance costs (assumes minimum financing)	-	(328,002)
Pro forma balance, March 31, 2017	47,012,257	5,617,711

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