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NEW ISSUE

December 27, 2017

PROSPECTUS

**NETWORK EXPLORATION LTD.
(to be renamed “Ynvisible Interactive Inc.”)**

Minimum Offering of CDN\$3,000,000 (10,000,000 post-Consolidation Common Shares)

Maximum Offering of CDN\$4,000,000 (13,333,333 post-Consolidation Common Shares)

Offering Price: CDN\$0.30 per post-Consolidation Share

This Prospectus is being filed by Network Exploration Limited (“**Network**” or the “**Company**”) to qualify the distribution (the “**Offering**”) on a commercially reasonable efforts basis of a minimum of 10,000,000 post-Consolidation Common Shares (as defined herein) and a maximum of 13,333,333 post-Consolidation Common Shares in the share capital of the Company for minimum total gross proceeds of CDN\$3,000,000 (the “**Minimum Offering**”) up to a maximum total gross proceeds to the Company of CDN\$4,000,000 (the “**Maximum Offering**”), such common shares of the Company being the “**Offered Shares**”, at a price of CDN\$0.30 per Offered Share (the “**Offering Price**”) pursuant to the terms of an agency agreement (the “**Agency Agreement**”) between Haywood Securities Inc. (the “**Agent**”) and the Company.

The Offering is being carried out in connection with the Company’s proposed acquisition of 94.19% of the issued and outstanding shares of YD Ynvisible, S.A., a corporation existing under the laws of Portugal, with a registered office located at Rua Mouzinho de Albuquerque, n.º 7, civil parish of Cartaxo, municipality of Cartaxo, Portugal, with the registration and tax payer number 509233023 (“**Ynvisible**”), which will be exchanged for post-Consolidation Common Shares of the Company (the “**Transaction**”). The Transaction constitutes a Reverse Takeover (“**RTO**”) as defined in the policies of the TSX Venture Exchange (the “**Exchange**” or “**TSXV**”). See “The Transaction” for additional information on the RTO. The closing of the Offering is conditional upon the concurrent closing of the RTO.

Neither the Exchange nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover described in this Prospectus.

	Price to Public	Agent’s Commission⁽¹⁾	Net Proceeds⁽²⁾
Per Offered Share	CDN\$0.30	CDN\$0.0225	CDN\$0.2775
Minimum Offering	CDN\$3,000,000	CDN\$225,000	CDN\$2,775,000
Maximum Offering ⁽³⁾	CDN\$4,600,000	CDN\$345,000	CDN\$4,255,000

Notes:

- (1) The Company will pay to the Agent a cash commission equal to 7.5% of the gross proceeds from the sale of the Offered Shares (the “**Agent’s Commission**”) provisioning for any subscriptions on a list of eligible purchasers for the Offering (the “**President’s List**”) will only have a cash commission equal to 2.5% of the gross proceeds from the sale of the Offered Shares. In addition, the Agent will receive a finance fee (the “**Finance Fee**”) of CDN\$25,000 plus applicable taxes in cash, and CDN\$25,000 payable in Common Shares at the issue price of the Offering (the “**Corporate Finance Shares**”) upon Closing. The Company will also pay the reasonable costs and expenses of the Agent related to the Offering and has provided the Agent a retainer of CDN\$25,000 for its legal expenses. The Company also paid the Agent a non-refundable work fee of CDN\$20,000 (the “**Work Fee**”).
- (2) Before deducting expenses of the Offering, estimated to be CDN\$88,120 (exclusive of the Agent’s Commission and Finance Fee), which expenses will be paid from the proceeds of the Offering.
- (3) The Maximum Offering is increased from CDN\$4,000,000 to CDN\$4,600,000 assuming exercise of the over-allotment option granted to the Agent (“**Agent’s Option**”) to sell up to an additional CDN\$600,000 of Offered Shares, exercisable up to 48 hours prior to Closing of the Offering. This Prospectus also qualifies the Agent’s Option and the 2,000,000 additional Offered Shares which may be issued upon exercise of the Agent’s Option.

The Common Shares (as defined herein) are listed on the TSXV under the symbol “NET”. On April 28, 2016, the most recent date on which there was any trading activity in the Common Shares prior to the announcement on May 3, 2016 of the letter of intent in connection with the Transaction, the closing price on the Exchange of the Common Shares was CDN\$0.17. Trading in the Common Shares has been halted since April 28, 2016 and has not resumed as of the date of this Prospectus. The Transaction does not constitute a Non-Arm’s Length Transaction as such term is defined in the Exchange Policies and is not a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction*.

An investment in the securities of the Company is subject to certain risks that should be considered by prospective purchasers. An investment in the Offered Shares is suitable only for purchasers who are aware of such risks and who have the ability and willingness to accept the risk of total loss of their invested capital. See “Risk Factors”.

No person is authorized by the Company to provide any information or to make any representation other than those contained in this Prospectus in connection with the issue and sale of the securities offered pursuant to this Prospectus.

The Agent, on its behalf, conditionally offers the Offered Shares on a commercially reasonable efforts basis in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” and subject to approval of certain legal matters relating to the Offering on behalf of the Company by McMillan LLP, on behalf of Ynvisible by Sociedade Rebelo de Sousa e Advogados Associados, RL and on behalf of the Agent by Miller Thomson LLP. The closing of the Transaction is a condition of Closing of this Offering. The Offered Shares may only be sold in those jurisdictions where offers and sales are permitted. This Prospectus is not an offer to sell or a solicitation of an offer to buy the Offered Shares in any jurisdiction where it is unlawful to do so. See “Plan of Distribution”.

If subscriptions representing the Minimum Offering are not received within 90 days of the issuance of a receipt for the final prospectus, or if a receipt has been issued for an amendment to the final prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the final prospectus, the Offering will cease. The Agent, pending closing of the Offering, will hold in trust all subscription funds received pursuant to the provisions of the Agency Agreement. If the Minimum Offering is not completed, the subscription proceeds received by the Agent in connection with the Offering will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. See “Plan of Distribution.”

The following table sets out the number of securities that may be issued by the Company to the Agent:

	Number of Securities	Exercise Period	Exercise Price
Corporate Finance Shares	83,333	N/A	N/A
Total Securities Issuable to Agent	83,333	N/A	N/A

This Prospectus also qualifies the distribution of 83,333 Corporate Finance Shares. No additional funds are to be received by the Company from the distribution of the Corporate Finance Shares.

In accordance with applicable laws and policies, the Agent may effect transactions that stabilize or maintain the market price of the Common Shares at a level other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution.”

Other than in respect of the Offered Shares sold to purchasers in the United States, which will be represented by individual certificates, and other than pursuant to certain exceptions, the Offered Shares will be available for delivery in the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and will be deposited with CDS on the Closing Date. A purchaser of Offered Shares (other than purchasers of Offered Shares in the United States) will receive only a customer confirmation from the Agent or other registered dealer who is a CDS participant (a “**CDS Participant**”) through which the Offered Shares are purchased. Purchasers who are not issued a certificate evidencing the Common Shares which are subscribed for by them at Closing are entitled, under the Business Corporations Act (British Columbia), to request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request.

The individual certificate(s) evidencing Offered Shares issued to persons within the United States who are acquiring Offered Shares pursuant to an exemption from the registration requirements under the U.S. Securities Act will contain legends to the effect that the Offered Shares represented thereby have not been registered under the U.S. Securities Act and may only be resold or transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws of the United States. See “Plan of Distribution”.

Ynvisible, and certain directors and officers of Ynvisible, specifically Jani-Mikael Kuusisto, Inês Henriques, Carlos Pinheiro, and Duarte Mineiro, reside outside of Canada. It may not be possible for investors to enforce judgments obtained in Canada against a person that resides outside of Canada, even if such person has appointed an agent for service of process. The aforementioned Persons have appointed the following agent for service of process:

Name of Person or Company	Name and Address of Agent
Ynvisible	McMillan LLP c/o Desmond Balakrishnan Royal Centre, 1055 W. Georgia Street, Suite 1500 PO Box 11117 Vancouver, BC V6E 4N7
Jani-Mikael Kuusisto	
Inês Henriques	
Carlos Pinheiro	
Duarte Mineiro	

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates evidencing the Common Shares in definitive form will be available for delivery at the Closing.

Haywood Securities Inc.
Bay Wellington Tower, Brookfield Place
181 Bay Street, Suite 2910
Toronto, ON M5J 2T3

Telephone: 416-507-2300
Facsimile: 416-507-2350

TABLE OF CONTENTS

GLOSSARY	6	RISK FACTORS	74
NOTE REGARDING FORWARD-LOOKING INFORMATION.....	11	CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	81
INFORMATION CONCERNING YNVISIBLE	12	PROMOTERS.....	83
MARKET AND INDUSTRY DATA.....	12	LEGAL PROCEEDINGS	83
REPORTING CURRENCY AND EXCHANGE RATE INFORMATION.....	12	REGULATORY ACTIONS.....	84
ELIGIBILITY FOR INVESTMENT	13	INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	84
PROSPECTUS SUMMARY	14	AUDITORS	84
CORPORATE STRUCTURE	18	REGISTRAR AND TRANSFER AGENT	84
TRANSACTION.....	18	MATERIAL CONTRACTS	84
GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY.....	21	EXPERTS AND INTERESTS OF EXPERTS ...	85
GENERAL DEVELOPMENT OF THE BUSINESS OF YNVISIBLE.....	22	SPONSORSHIP	85
USE OF PROCEEDS	33	OTHER MATERIAL FACTS	86
DIVIDENDS OR DISTRIBUTIONS	37	PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION	86
SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS	38	EXHIBIT A – AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED NOVEMBER 30, 2016	
PLAN OF DISTRIBUTION	44	EXHIBIT B – UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF THE COMPANY FOR THE NINE MONTHS ENDED AUGUST 31, 2017	
LISTING APPROVAL.....	46	EXHIBIT C – PRO FORMA FINANCIAL STATEMENTS OF THE COMPANY YEAR ENDED DECEMBER 31, 2016	
CONSOLIDATED CAPITALIZATION.....	46	EXHIBIT D – PRO FORMA FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD ENDED SEPTEMBER 30, 2017	
OPTIONS TO PURCHASE SECURITIES.....	49	EXHIBIT E – MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY FOR THE YEAR ENDED NOVEMBER 30, 2016	
PRIOR SALES.....	49	EXHIBIT F – MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY FOR THE NINE MONTHS ENDED AUGUST 31, 2017	
ESCROWED SECURITIES AND RESALE RESTRICTIONS	51	EXHIBIT G – AUDITED FINANCIAL STATEMENTS OF YNVISIBLE FOR THE YEAR ENDED DECEMBER 31, 2016	
PRINCIPAL SHAREHOLDERS	52		
DIRECTORS AND OFFICERS.....	53		
EXECUTIVE COMPENSATION.....	59		
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	68		
AUDIT COMMITTEE.....	68		
CORPORATE GOVERNANCE OF NETWORK	70		
CORPORATE GOVERNANCE OF YNVISIBLE	72		

**EXHIBIT H – MANAGEMENT DISCUSSION
AND ANALYSIS OF YNVISIBLE FOR THE
YEAR ENDED DECEMBER 31, 2016**

**EXHIBIT I - UNAUDITED FINANCIAL
STATEMENTS OF YNVISIBLE FOR THE NINE
MONTHS ENDED SEPTEMBER 30, 2017**

**EXHIBIT J – MANAGEMENT DISCUSSION AND
ANALYSIS OF YNVISIBLE FOR THE NINE
MONTHS ENDED SEPTEMBER 30, 2017**

CERTIFICATES

GLOSSARY

“**Accent**” means Accent Marketing GMBH with which the Company has a finder’s fee agreement dated April 1, 2015.

“**Agency Agreement**” means the agency agreement between the Company and the Agent dated December 27, 2017 relating to the Offering.

“**Agent**” or “**Haywood**” means Haywood Securities Inc.

“**Agent’s Commission**” means the cash consideration payable to the Agent equal to 7.5% of the aggregate gross proceeds from the sale of the Offered Shares and 2.5% of the aggregate gross proceeds from the sale of the Offered Shares to purchasers listed on the President’s List.

“**Agent’s Expenses**” means the Agents’ reasonable expenses and fees, including the reasonable fees of legal counsel to the Agent (up to a maximum of \$85,000 plus taxes and disbursements, or such other amount as may be approved in writing by Network), plus taxes and disbursements, in connection with the Offering.

“**Agent’s Option**” means the option granted to the Agent by the Company to sell an additional \$600,000 of Offered Shares, being 2,000,000 Offered Shares, at \$0.30 over the maximum for the Offering of \$4,000,000 upon the provision of 48 hours notice of intention to exercise the Agent’s Option prior to Closing.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto.

“**Bridge Loan**” means the secured bridge loan in the amount of \$50,000, with an interest rate of 12% per annum, made by Network to Ynvisible pursuant to a loan agreement dated June 23, 2016.

“**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in the City of Vancouver, British Columbia.

“**Canadian Securities Authorities**” means the securities regulatory authorities in each of the other Provinces and Territories of Canada where Network is a reporting issuer, as applicable.

“**Canadian Securities Laws**” means the Securities Act and the equivalent legislation in the other provinces where Network is a reporting issuer, as amended from time to time, the rules, regulations and forms made or promulgated under any such statutes, and the published policies, bulletins and notices of the regulatory authorities administering such statutes.

“**CDS**” means CDS Clearing and Depository Services, Inc.

“**CEO**” means Chief Executive Officer.

“**CFO**” means Chief Financial Officer.

“**CTO**” means Chief Technology Officer.

“**Closing**” means the closing of the Offering.

“**Closing Date**” means such date as the Company, the Agent and Ynvisible agree, expected to be January 10, 2017, or such other date as agreed to by the Company, the Agent and Ynvisible.

“**Common Share**” means a Class A common share in the capital of the Company.

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

“**Company**” or “**Network**” means Network Exploration Ltd., a company organized under the laws of British Columbia.

“**Computershare**” means Computershare Investor Services Inc., in its capacity as registrar and transfer agent for the Common Shares.

“**Consolidation**” means the consolidation of the Common Shares on a one for two basis which was completed on December 4, 2017.

“**Corporate Finance Shares**” means the 83,333 Common Shares issued to the Agent at an issue price of \$0.30 in satisfaction of \$25,000 of the Finance Fee.

“**CPG**” means Consumer Packaged Goods.

“**CRA**” means the Canada Revenue Agency.

“**ECD**” means Electrochromic Display.

“**Effective Date**” means the date that is two Business Days following the satisfaction or waiver of all of the conditions to the completion of the Transaction (other than those conditions that, by their terms, cannot be satisfied until the Effective Date), as confirmed in writing by Ynvisible and Network, or such other date as Ynvisible and Network may agree in writing, acting reasonably.

“**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as Ynvisible and Network may agree in writing, acting reasonably.

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

“**Exchange Requirements**” means the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), and all applicable provisions of the Securities Laws of any other jurisdiction.

“**Final Exchange Bulletin**” means the Exchange bulletin which is issued after the submission of all required documentation to the Exchange and after the closing of the Transaction as required by TSXV Policy 5.2, and which evidences the final Exchange acceptance of the Transaction.

“**Finance Fee**” means the fee of \$50,000 payable to the Agent in connection with the Offering, with \$25,000 payable in cash and \$25,000 payable in Corporate Finance Shares.

“**GAAP**” means accounting principles generally accepted in Canada applicable to public companies at the relevant time.

“**Governmental Entity**” means any domestic or foreign legislative, regulatory, executive, judicial or administrative or quasi-governmental body or Person, including the Exchange and the Securities Regulators, having or purporting to have jurisdiction in the relevant circumstances.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board.

“**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 a 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.

“IoT” means the Internet of Things, being the internetworking of physical devices, vehicles, buildings and other items embedded with electronics, software, sensors, actuators, and network connectivity that enable these objects to collect and exchange data.

“MD&A” means management’s discussion and analysis of financial condition and operating results.

“Network Board” means the board of directors of Network.

“Network Finder’s Shares” means the 1,340,881 post-Consolidation Common Shares issued to Accent Marketing GMBH at an issue price of \$0.30 as consideration for being the finder for the Transaction.

“Network Options” means options to purchase Common Shares pursuant to an option granted under the Network Option Plan.

“Network Optionholders” means holders of Network Options.

“Network Option Plan” or **“Option Plan”** means the share option plan of Network approved by shareholders on May 28, 2004 and amended on May 27, 2009, July 20, 2010 and March 30, 2011.

“Network Securities” means the Common Shares, Network Warrants and Network Options.

“Network Securityholders” means Network Shareholders, Network Warrantholders and Network Optionholders.

“Network Shareholders” means holders of Common Shares.

“Network Warrantholders” means holders of Network Warrants.

“Network Warrants” means warrants to purchase Common Shares.

“NI 52-110” means National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators.

“Non-Brokered Private Placement” means the non-brokered private placement completed by Network on December 18, 2017, on the same terms as the Offering for aggregate gross proceeds of CDN\$1,762,620.

“Offered Shares” means the post-Consolidation Common Shares issuable pursuant to the Offering.

“Offering” means the distribution of a minimum of 10,000,000 post-Consolidation Common Shares for aggregate gross proceeds of CDN\$3,000,000, with a maximum of 13,333,333 post-Consolidation Common Shares for aggregate gross proceeds of CDN\$4,000,000, in addition to the Agent’s Option, to be closed concurrently with the RTO.

“Offering Jurisdictions” means each province of Canada, except Quebec.

“Offering Price” means CDN\$0.30 per Offered Share.

“PCT” means Patent Cooperation Treaty as described at: <http://www.wipo.int/pct/en/>.

“Person” means any individual, sole proprietorship, partnership, unlimited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Entity, and a natural person in such person’s capacity as trustee, executor, administrator or other legal representative and, when the context requires it, means Network or Ynvisible.

“**President’s List**” means a list of eligible purchasers for the Offering provided to the Agent by the Company, for which the Agent will only be eligible to receive a cash commission of 2.5% on any subscriptions thereof.

“**Principal**” has the meaning ascribed thereto in Policy 1.1 - *Interpretation* of the Exchange’s Corporate Finance Manual.

“**Printed Electronics**” means a set of printing methods, used to print electrically functional electronic or optical inks onto various substrates, such as plastic or paper, to create electronic devices and components.

“**R2R**” means Roll-to-Roll manufacturing.

“**Resulting Issuer**” means Network upon completion of the Transaction.

“**Resulting Issuer Board**” means the board of directors of the Resulting Issuer.

“**Resulting Issuer Options**” means options to purchase Resulting Issuer Common Shares.

“**Resulting Issuer Common Shares**” means common shares without par value in the capital of the Resulting Issuer.

“**Resulting Issuer Warrants**” means warrants to purchase Resulting Issuer Common Shares.

“**RTO**” or “**Transaction**” means the reverse takeover of Network by Ynvisible, which will be effectuated by the acquisition by Network of 94.19% of the outstanding common shares of Ynvisible in exchange for securities of Network pursuant to the Share Exchange Agreement.

“**S2S**” means Sheet-to-Sheet manufacturing.

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Act**” means the *Securities Act* (British Columbia), as amended.

“**Securities Commissions**” means each of the securities regulatory authorities in the Offering Jurisdictions.

“**Securities Laws**” means collectively, all applicable Canadian Securities Laws, U.S. Securities Laws, and any other applicable securities laws.

“**Securities Regulators**” means the Canadian Securities Authorities and the SEC.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators.

“**Share Exchange Agreement**” means the Share Exchange Agreement between Network, Ynvisible, and the holders of 94.19% of Ynvisible Shares, dated effective on July 19, 2016, as amended on September 30, 2016, December 31, 2016, February 28, 2017, June 30, 2017, and August 31, 2017 together with the schedules attached thereto, as further amended or supplemented from time to time.

“**Smart Labels**” means thin labels or packaging with electronic functionalities embedded in layers that offer critical information about the product; Smart Labels include labels for electronic article surveillance (“**EAS**”), radio frequency identification (“**RFID**”), brand enhancement and diagnostics.

“**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

“**Transaction**” means the transaction announced on May 3, 2016, and further evidenced by the Share Exchange Agreement, whereby Network will acquire 94.19% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of Network.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.

“**U.S. Securities Act**” or “**1933 Act**” means the United States *Securities Act of 1933*, as amended.

“**U.S. Securities Laws**” means the “blue sky” or securities law of any state or territory of the United States or the District of Columbia, together with the U.S. Exchange Act and the 1933 Act, and the rules and regulations of the SEC thereunder.

“**YDreams**” means YDreams – Informática, S.A., an Ynvisible Shareholder.

“**Ynvisible**” means YD Ynvisible, S.A., a company existing under the laws of Portugal.

“**Ynvisible Board**” means the board of directors of Ynvisible.

“**Ynvisible Selling Shareholders**” means the holders of 94.19% of the outstanding common shares of Ynvisible to be exchanged for securities of Network pursuant to the Share Exchange Agreement.

“**Ynvisible Shareholders**” means the holders of Ynvisible Shares.

“**Ynvisible Shares**” means the common shares in the capital of Ynvisible.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains statements and information that, to the extent that they are not historical facts, may constitute “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. In particular, forward-looking statements in this Prospectus include, but are not limited to, statements relating to the proposed Transaction, the timing of the various approvals for the proposed Transaction, the timing of the closing of the proposed Transaction, information concerning Ynvisible, Network, and the Resulting Issuer, projected revenues and other statements that are not historical facts. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including Network’s and Ynvisible’ experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of Network, Ynvisible or the Resulting Issuer, including but not limited to those statements under the headings “General Development of the Business of Ynvisible – Proposed Transaction”, “Use of Proceeds – Available Funds”, “Use of Proceeds – Principal Purposes of Funds”, “Use of Proceeds – Business Objectives and Milestones”, “Use of Proceeds – Summary of Pro Forma Financial Information”, “Earnings Coverage Ratios” and “Consolidated Capitalization”. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “pro forma”, “expects”, “anticipates”, “plans”, “believes”, “estimates”, “intends”, “targets”, “projects”, “forecasts”, “seeks”, “likely” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to: (i) Ynvisible will maintain its relationships with its business partners, who will perform the agreements between them; (ii) markets for Ynvisible’s products and services will grow as expected, (iii) Ynvisible’ revenue projections and ongoing capital requirements will not deviate materially from current forecasts and expectations, and (iv) Ynvisible and its affiliates will be able to maintain current and obtain additional financing.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of material factors, many of which are beyond control of both Network and Ynvisible, affect operations, business, financial condition, performance and results of Network or Ynvisible that may be expressed or implied by such forward-looking statements and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to the following: (i) general economic, industry and market segment conditions; (ii) changes in applicable taxation and other laws and regulations, as well as how such laws and regulations are interpreted and enforced; (iii) changes in operating risks, including risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; (iv) increased competition and participation in the industry; (v) stock market volatility; (vi) ability to maintain current and obtain additional financing; (vii) the execution of strategic growth plans; (viii) the possible termination, expiration or failure to renew one or more key contracts; (ix) the need for reliance on the board of directors of Ynvisible; (x) risks of foreign operations generally; (xi) risks relating to dependence on distributors and manufacturers; (xii) risks relating to the ability to recruit and retain management and other qualified personnel; (xiii) losses due to infringement; (xiv) management’s success in anticipating and managing the foregoing factors, as well as the risks described under “Risk Factors”. In making these statements, Network and Ynvisible have made assumptions with respect to expected cash provided by continuing operations, future capital expenditures, including the amount and nature thereof, trends and developments in the printed electronics industry, business strategy and outlook, expansion and growth of business and operations, accounting policies, credit risks, anticipated acquisitions, opportunities available to or pursued by the Resulting Issuer, and other matters.

The reader is cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Although the forward-looking statements contained in this Prospectus are based upon what management of Network and Ynvisible, as applicable, currently believes to be reasonable assumptions; actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits will be derived therefrom. These forward-looking statements are made as of the date of this Prospectus and, other than as specifically required by law, neither Network nor Ynvisible assumes any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

For a more detailed discussion of certain of these risk factors, see “Risk Factors”.

CAUTIONARY NOTE REGARDING DISCLOSURE STANDARDS

Prospective United States investors should be aware that the financial information contained in this short form prospectus or incorporated by reference herein has been prepared in accordance with accounting principles generally accepted in Canada. Accordingly, the Company’s financial statements may not be comparable to financial statements of United States companies prepared in accordance with U.S. generally accepted accounting principles. Canadian public companies are required to prepare financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board for financial years beginning on or after January 1, 2011. The Company’s Annual Financial Statements and Interim Financial Statements (each as defined below) have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board, and its interpretations.

INFORMATION CONCERNING YNVISIBLE

The information contained or referred to in this Prospectus with respect to Ynvisible and their related businesses has been provided by their respective management and is the responsibility of such entities. Network has reviewed information and documents provided by Ynvisible, including audited financial statements of Ynvisible. Management and the directors of Network have relied upon Ynvisible for the accuracy of the information provided by Ynvisible. Ynvisible, the acquirer in the RTO, has signed a certificate to this Prospectus certifying that it contains full, true and plain disclosure of all material facts relating to Ynvisible and its business.

MARKET AND INDUSTRY DATA

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications, as well as industry data prepared by Ynvisible’s management on the basis of its knowledge of and experience in the industry in which Ynvisible operates (including management’s estimates and assumptions relating to the industry based on that knowledge). Ynvisible believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, none of the Company, Ynvisible or management of Ynvisible has independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

REPORTING CURRENCY AND EXCHANGE RATE INFORMATION

Except as otherwise indicated in this Prospectus, references to “Canadian dollars”, “CDN\$” and “\$” are to the currency of Canada and references to “Euros” or “€” are to the currency of the euro area, inclusive of Portugal.

As of December 27, 2017, the Bank of Canada exchange rate for the purchase of one United States dollar using Canadian dollars was \$1.2641 (\$1.00 = US\$0.7911).

The following table reflects the low and high rates of exchange for one Euro, expressed in Canadian dollars, during the periods noted, the rates of exchange at the end of such periods and the average rates of exchange during such periods, based on the Bank of Canada noon spot rate of exchange.

	Year ended December 31, 2014 (\$)	Year ended December 31, 2015 (\$)	Year ended December 31, 2016 (\$)
Low for the period.....	1.3927	1.3111	1.3875
High for the period	1.5549	1.5298	1.5928
Rate at the end of the period.....	1.4038	1.5029	1.4169
Average noon spot rate for the period	1.4671	1.4182	1.4660

In this Prospectus, conversions of Euros to Canadian dollars have been made using the average Bank of Canada noon spot rate of exchange for the 11 months ended November 30, 2017 of €1,00 — \$1.4607 (or CDN\$1.00 — €0.6846) unless otherwise indicated.

ELIGIBILITY FOR INVESTMENT

In the opinion of McMillan LLP, Canadian counsel to the Company, subject to the provisions of any particular plan, if and provided that the Common Shares of the Company are listed on a “designated stock exchange” at the relevant time (which currently includes the TSXV), the Offered Shares offered hereby, if issued on the date hereof, would be, on such date, qualified investments under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder for a trust governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a registered education savings plan, a registered disability savings plan, a deferred profit sharing plan, or a tax-free savings account (“**TFSA**”).

Notwithstanding that the Offered Shares may be qualified investments as set out above, the annuitant under an RRSP or RRIF or the holder of a TFSA, as the case may be, may be subject to a penalty tax if such Offered Shares are “prohibited investments” for the RRSP, RRIF or TFSA within the meaning of the Tax Act. The Offered Shares will generally not be a “prohibited investment” provided that the annuitant under the RRSP or RRIF or the holder of the TFSA, as the case may be, deals at arm’s length with the Company for purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act) in the Company.

Prospective investors who intend to hold Offered Shares in their RRSP, RRIF or TFSA should consult their own tax advisors regarding whether the Offered Shares will be a prohibited investment in their particular circumstances.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company: Network Exploration Ltd. a corporation existing under the laws of the Province of British Columbia, having an office at 830 – 1100 Melville Street, Vancouver, BC V6E 4A6.

Ynvisible: YD Ynvisible, S.A., a corporation existing under the laws of Portugal, with a registered office located at Rua Mouzinho de Albuquerque, n.º 7, civil parish of Cartaxo, municipality of Cartaxo, Portugal, with the registration and tax payer number 509233023.

The Transaction: On August 2, 2016, Network announced that it had entered into the Share Exchange Agreement dated July 19, 2016, and amended as at September 30, 2016, December 31, 2016, February 28, 2017, June 30, 2017, and August 31, 2017 with Ynvisible and certain Ynvisible Shareholders pursuant to which Network will acquire 94.19% of the issued and outstanding shares of Ynvisible in exchange for 24,650,950 post-Consolidation Common Shares of Network, exchanged on a one-for-one basis for the Ynvisible Shares being acquired by Network. Pursuant to the terms of the Share Exchange Agreement, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Reverse Takeover ("**RTO**") under the rules of the TSX Venture Exchange (the "**Exchange**"). Upon successful completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

Business of the Company: The Company previously engaged principally in the acquisition and exploration of mineral properties in South America. During the year ended November 30, 2013, the Company wrote off \$191,821 in accumulated exploration expenditures for the Pistala Property and \$675,410 for the Company's property in Picha, as management decided not to incur further expenditures on its properties. Since 2013, the Company has been looking for acquisition opportunities in any industry sector.

Following completion of the Transaction, the Company will continue the business of Ynvisible. Ynvisible's principal business operates within the Printed Electronics sector, specifically the use of proprietary electrochromic displays on plastic or paper. Ynvisible is primarily concerned with developing, manufacturing and commercializing electrochromic displays to be integrated into smart labels, smart indicators, smart products and Internet of Thing (IoT) applications.

The Offering: The Offering will consist of a Minimum Offering of 10,000,000 Offered Shares raising gross proceeds of at least CDN\$3,000,000 and a Maximum Offering of up to 13,333,333 Offered Shares raising gross proceeds of up to CDN\$4,000,000, in addition to the Agent's Option pursuant to which the Agent can accept subscriptions for up to an additional 2,000,000 Common Shares for maximum proceeds pursuant to the Agent's Option of CDN\$600,000. The Company closed the Non-Brokered Private Placement on the same terms as the Offering for aggregate gross proceeds of CDN\$1,762,620. See "Plan of Distribution".

Offering Price: CDN\$0.30 per Offered Share.

Agent's Compensation: The Company will pay the Agent the Agent's Commission equal to 7.5% of the gross proceeds of the Offering. In addition, the Company paid the Agent a Work Fee of \$20,000 and will pay a Finance Fee of CDN\$25,000 in cash and will issue to the Agent 83,333 Corporate Finance Shares at an issue price of \$0.30 in satisfaction of an additional CDN\$25,000 of the Finance Fee upon Closing. This Prospectus also qualifies the issuance of the Corporate Finance Shares. See "Plan of Distribution".

Listing on the TSXV The Company is listed on the TSX Venture Exchange under the symbol "NET" as a Tier 2 mining issuer. On the date immediately preceeding the announcement of the Transaction, the market price of

the securities of the Company was \$0.17. There is no public market for the securities of Ynvisible.

Available Funds:

The net proceeds available to the Resulting Issuer after giving effect to the Offering are estimated to be approximately CDN\$2,695,000 based on a minimum of \$3,000,000 raised pursuant to the Offering and CDN\$3,620,000 based on a maximum of \$4,000,000 raised pursuant to the Offering.

Source of Funds	Amount (CDN\$)	
	Minimum Offering	Maximum Offering
Estimated consolidated current working capital as at November 30, 2017 ⁽¹⁾	\$(1,295,079)	\$(1,295,079)
Net proceeds of the Offering ⁽²⁾	\$2,695,000	\$3,620,000
Net proceeds of the Non-Brokered Private Placement ⁽³⁾	\$1,674,528	\$1,674,528
Total Available Funds	\$3,074,449	\$3,999,449

Notes:

- (1) Using 11 months ended November 30, 2017 average exchange rate of CAD\$1.00 = €0.6846 and rounded to the nearest €1000.
- (2) Assuming completion of the Minimum Offering and no exercise of the Agent's Option, for gross aggregate proceeds of \$3,000,000, minus the Agent's Commission of \$225,000 and expenses related to the Offering estimated at \$80,000, and assuming completion of the Maximum Offering for gross aggregate proceeds of \$4,000,000 and no exercise of the Agent's Option, minus the Agent's Commission of \$300,000 and expenses related to the Offering estimated at \$80,000.
- (3) Includes net proceeds from the completion of \$1,762,620 in gross revenue from the sale of Common Shares in the capital of the Company pursuant to the Non-Brokered Private Placement which closed on December 18, 2017, less the cash commission paid to eligible finders under the private placement was \$88,092, or 6% of the eligible gross aggregate proceeds.

Principal Purposes of Funds:

The following table sets forth the proposed use of available funds by the Resulting Issuer upon completion of the Offering. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its business objectives.

Use of Available Funds after completion of the Offering	Amount (CDN\$)	
	Minimum Offering ⁽¹⁾⁽³⁾	Maximum Offering ⁽²⁾⁽³⁾
General and administrative expenses following completion of the Transaction ⁽⁴⁾	\$601,762	\$601,762
Remaining legal, audit and other expenses related to completion of the Transaction ⁽⁵⁾	\$100,000	\$100,000
Manufacturing equipment	\$659,589	\$659,589
Technology development ⁽⁶⁾	\$269,223	\$269,223
Sales and marketing ⁽⁷⁾	\$587,131	\$587,131
Unallocated Working Capital	\$856,744	\$1,781,744
TOTAL	\$3,074,449	\$3,999,449

Notes:

- (1) Assuming completion of the Minimum Offering for gross aggregate proceeds of \$3,000,000.
- (2) Assuming completion of the Maximum Offering for gross aggregate proceeds of \$4,000,000.
- (3) Using 11 months ending November 30, 2017 average exchange rate of CAD\$1.00 = €0.6846 and rounded to the

nearest €1,000.

- (4) The estimate of general and administrative expenses following Closing includes salaries and benefits of \$476,772, transfer agent and Exchange fees of \$61,954, office expenses and supplies of \$68,451, legal and audit fees of \$184,716, marketing, investor relations and travel expenses of \$110,434, insurance expenses of \$30,121, IT expenses of \$30,266, and equipment expenses of \$27,315. A portion of general and administrative expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.
- (5) The estimate of remaining legal and audit expenses includes \$10,000 for audit related expenses and \$90,000 for legal expenses.
- (6) The estimate of technology development includes salaries of \$236,845, chemistry and hardware supplies totaling \$54,630, and IP protection totaling \$60,619. A portion of technology development expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.
- (7) The estimate of sales and marketing includes salaries of \$457,573, professional services totaling \$38,747, travel expenses totaling \$88,272, rent and location costs totaling \$40,546, media and marketing services totaling \$74,801, and equipment and supplies totaling \$67,923. A portion of sales and marketing expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Resulting Issuer to achieve its stated business objectives.

Risk Factors: The current business of Ynvisible will be the business of the Company upon completion of the Transaction. Due to the nature of Ynvisible's business, Ynvisible is subject to certain risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to:

- the Share Exchange Agreement may be terminated in certain circumstances;
- there can be no certainty that all conditions precedent to the Transaction will be satisfied;
- the Resulting Issuer's operations may be adversely affected by changes in foreign government policies and legislation, foreign corporate or regulatory formalities, social instability and other factors which are not within its control;
- the Resulting Issuer may not continue to be successful in maintaining or advancing its relationships with manufacturers and distributors or its manufacturers and distributors may act in a manner that will undermine the success of the Resulting Issuer's products and services;
- the loss of any of the Resulting Issuer's executive officers or other key personnel, or an inability to recruit and retain key employees in the future, could have a Material Adverse Effect on its business, results of operations and financial condition;
- because the profitability of the Resulting Issuer's investments will be dependent, directly or indirectly, on the success of other technology businesses, the risks that those technology businesses typically face, such as general economic conditions, work stoppages, acts of terrorism and natural disasters, and technological risks, are incorporated into the risks faced by the Resulting Issuer;
- demand for the Resulting Issuer's products and services depends largely upon favorable conditions in the technology industry;
- the Resulting Issuer may not be able to scale production of its technology to volumes or price points that are acceptable to the market;
- there can be no assurance that regulatory conditions in jurisdictions in which the Resulting Issuer anticipates doing business, or may do business in the future, will remain favourable, including but not limited to regulations concerning disposal and recycling requirements of the products of the Resulting Issuer;

- if the technology of the Resulting Issuer were found to violate the intellectual property rights of others, the Resulting Issuer could suffer reduced cash flow or potentially be held liable for damages;
- fluctuations in the exchange rate between the Euro and the Canadian dollar may have an adverse effect on the Resulting Issuer's business, financial condition and operating results;
- if the Resulting Issuer does not effectively manage its growth, its ability to market its products could suffer, which could negatively affect its operating results;
- the termination, expiration or failure to renew one or more of the Resulting Issuer's contracts could cause it to lose substantial revenues and profits;
- the Resulting Issuer's ability to service or refinance its debt depends on its financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business, legal, regulatory and other factors beyond its control;
- the Resulting Issuer may be required to obtain the approval of the TSXV with respect to certain significant transactions, which delay could result in the loss of valuable opportunities, and such approval may not ultimately be granted; and
- if the Resulting Issuer is unable to obtain significant early market presence or it loses market share to the Resulting Issuer's competitors, it will materially affect its results of operations and future prospects.

For a detailed description of these and other risks see "Risk Factors".

Resulting Issuer:

The following table sets out the unaudited pro forma financial information of the Resulting Issuer as of September 30, 2017, and for the nine months then ended after giving effect to the Transaction and the Offering and should be read in conjunction with the unaudited pro forma consolidated financial statements of the Resulting Issuer attached as Appendix C. The unaudited pro forma financial statements give effect to the Transaction and the Offering on a pro forma basis and have been prepared on the basis of assumptions described in the notes thereto.

	Resulting Issuer Pro Forma as at September 30, 2017 and for the nine months then ended (CDN\$)⁽¹⁾⁽²⁾
Cash and cash equivalents	\$4,017,281
Total assets	\$4,359,897
Net assets	\$2,064,421
Interest expense and bank charges	\$41,709
Net loss for the period	(\$2,152,817)
Net loss per share	(\$0.049)

Notes:

(1) Using September 30, 2017 exchange rate of CAD\$1.00 = €0.6788 and rounded to the nearest €1000.

(2) Assuming completion of the Maximum Offering, being \$4,000,000.

CORPORATE STRUCTURE

The Company

The Company was incorporated under the *Business Corporations Act* (British Columbia). The Company is a reporting issuer in each of the Provinces of British Columbia and Alberta. The Company's head office address is Suite 830 – 1100 Melville Street, PO Box 43, Vancouver, British Columbia V6E 4A6. The registered and records office address is Suite 1500 – 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia, V6E 4N7.

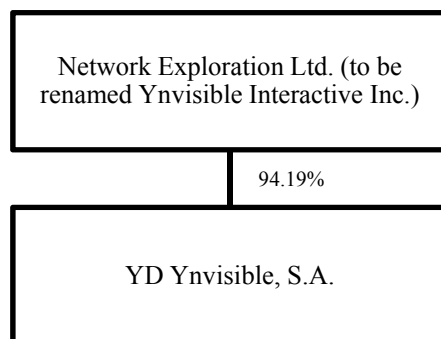
Ynvisible

Ynvisible was incorporated under the laws of Portugal, with a registered office located at Rua Mouzinho de Albuquerque, n.º 7, civil parish of Cartaxo, municipality of Cartaxo, Portugal, with the registration and tax payer number 509233023.

Resulting Issuer

Following completion of the Transaction, the Resulting Issuer, to be renamed Ynvisible Interactive Inc. or such other name as may be agreed by Ynvisible and Network, will indirectly, as the holding company, carry on the businesses of Ynvisible.

The organizational chart for the Resulting Issuer will be as follows:



The head office and the registered and records office of the Resulting Issuer will be located at Suite 1500 – 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia, V6E 4N7.

TRANSACTION

Overview

On August 2, 2016, Network announced that it entered into the Share Exchange Agreement dated July 19, 2016, as amended September 30, 2016, December 31, 2016, February 28, 2017, June 30, 2017, and August 31, 2017 with Ynvisible and certain Ynvisible Shareholders pursuant to which Network will acquire 94.19% of the issued and outstanding shares of Ynvisible in exchange for 24,650,950 post-Consolidation Common Shares of Network. Pursuant to the terms of the Share Exchange Agreement, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Reverse Takeover under the rules of the Exchange. The proposed Transaction constitutes an arm's length transaction. Upon successful completion of the RTO, Network will cease all operations as a mining exploration company and will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

The following is a summary description of the Transaction. A complete version of the Share Exchange Agreement is available at www.sedar.com under Network's profile.

The Transaction

The Name Change

In connection with the RTO, the Company will change its name to "Ynvisible Interactive Inc." or such other name as may be agreed to by Ynvisible and Network. Pursuant to Network's articles, the name change will be effected by way of a resolution of the Network Board.

The Consolidation

On December 4, 2017, the Company consolidated its Common Shares on the basis of one post-Consolidation Common Share for every two pre-Consolidation Common Shares held. Following completion of the Consolidation, the Company had 4,932,304 Common Shares issued and outstanding. All references to the number of Common Shares and per Common Share amounts in this Prospectus have been stated to reflect the Consolidation.

The RTO

Following completion of the Consolidation, Network will acquire Ynvisible pursuant to the RTO. The RTO is to be carried out pursuant to the Share Exchange Agreement.

Pursuant to the RTO, it is anticipated that Network will issue 24,650,950 post-Consolidation Common Shares in exchange for the 94.19% of the Ynvisible Shares issued and outstanding as at the date of this Prospectus at a deemed price of \$0.30 per Common Share for an aggregate purchase price of \$7,395,285. 1,521,865 common shares in the capital of Ynvisible are not subject to the Share Exchange Agreement, and will continue to be outstanding on Closing. Following the completion of the Transaction, the Resulting Issuer shall complete a squeeze out transaction pursuant to applicable Portuguese law whereby such 1,521,865 common shares in the capital of Ynvisible will be acquired by Network under similar conditions as those in the Share Exchange Agreement, allowing the Resulting Issuer to purchase such holdings and own all issued and outstanding securities in the capital of Ynvisible.

Summary of the Share Exchange Agreement

The Transaction is being effected pursuant to the Share Exchange Agreement. The Share Exchange Agreement contains covenants, representations and warranties of and from each of Network and Ynvisible and various conditions precedent, both mutual and with respect to both entities.

The Share Exchange Agreement provides that 94.19% of the Ynvisible Shares issued and outstanding immediately prior to the completion of the Transaction will be acquired by Network in exchange for post-Consolidation Common Shares.

Representations, Warranties and Covenants of Network

The Share Exchange Agreement contains customary representations and warranties for transactions of this nature on the part of Network in respect of matters pertaining to, among other things, its corporate existence and power, its capitalization, its authority to enter into and to perform its obligations under the Share Exchange Agreement, its status as a "reporting issuer" in the applicable jurisdictions, its financial books, records and accounts, certain consents and approvals, the absence of any defaults, the absence of undisclosed material changes since February 29, 2016, its financial statements, the absence of any undisclosed litigation matters, its compliance with applicable laws, the absence of restrictions on its business activities, and its licenses for carrying out its business.

The Share Exchange Agreement, includes, among other things, negative and affirmative covenants of Network customary for transactions of this nature, relating to the continuation of conduct of its business and corporate matters, cooperation and consultation with respect to the direction and control of its activities relating to

its properties and assets, the solicitation of acceptance of the Transaction from applicable regulatory authorities, the satisfaction of all conditions precedent in the Share Exchange Agreement, the maintenance of representations and warranties, and various other covenants relating to the closing of the Transaction. Network also covenants under the Share Exchange Agreement to complete the Consolidation.

Representations, Warranties and Covenants of Ynvisible

The Share Exchange Agreement contains customary representations and warranties for transactions of this nature on the part of Ynvisible in respect of matters pertaining to, among other things, its corporate existence and power, its capitalization, its authority to enter into and to perform its obligations under the Share Exchange Agreement, the non-violation of its constating documents, the non-violation of its contractual and other obligations in respect of its assets, its financial books, records and accounts, certain consents and approvals, certain employment matters, its financial statements, certain tax matters, its compliance with applicable laws, the absence of restrictions on its business activities, certain intellectual property, and its insurance policies.

The Share Exchange Agreement, includes, among other things, negative and affirmative covenants of Ynvisible customary for transactions of this nature, relating to the continuation of conduct of its business and corporate matters, cooperation and consultation with respect to the direction and control of its activities relating to its properties and assets, the satisfaction of all conditions precedent in the Share Exchange Agreement, the maintenance of representations and warranties, and various other covenants relating to the closing of the Transaction.

Conditions to the Share Exchange

The obligations of Network and Ynvisible to consummate the Share Exchange Agreement are subject to the satisfaction of certain mutual conditions relating to, among other things:

- (a) Network agrees to take all necessary steps to change its name to “Ynvisible Interactive Inc.” or such other name as Ynvisible and Network may mutually agree and which is acceptable to the Exchange and the registrar of companies for British Columbia to be effective on the Closing Date;
- (b) The board of directors of Network shall have approved the acquisition of Ynvisible;
- (c) The board of directors of Ynvisible shall have approved the acquisition of Ynvisible by Network;
- (d) The shareholders of Network shall have approved the RTO and related transactions prior to the Closing;
- (e) The Ynvisible Shareholders shall have approved the RTO and related transactions prior to the Closing;
- (f) Network shall have completed its due diligence review prior to the Closing; and
- (g) The board of directors of Network will approve certain management incentive milestone payments, pursuant to which bonuses shall be paid to management on the completion of certain milestones including but not limited to increases in production capacity, the achievement of set amounts of cumulative revenue, and the filing of additional patent applications.

The obligations of Network to consummate the Transaction are subject to the satisfaction of certain conditions relating to, among other things, the performance of all of Ynvisible’s covenants, the accuracy of each of Ynvisible’s representations and warranties, and Network’s receipt of all other documents or certificates reasonably required for the completion of the Transaction.

The obligations of Ynvisible to consummate the Transaction are subject to the satisfaction of certain conditions relating to, among other things, the performance of all of Network’s conditions, the accuracy of each of Network’s representations and warranties, the absence of any material adverse change in Network, certain

outstanding consents and approvals having been received by Network, Ynvisible's receipt of all other documents or certificates reasonably required for completion of the Transaction, and Network having completed a concurrent financing for aggregate gross proceeds of not less than CDN\$3,000,000. Network anticipates completing this concurrent financing amount by completing the Offering and the Non-Brokered Private Placement.

Termination

The Share Exchange Agreement may be terminated at any time prior to the Effective Date, whether before or after approval of the Transaction by the mutual written consent of Ynvisible and Network. The Share Exchange Agreement will terminate without further notice or agreement in the event that:

- (a) the acquisition of Ynvisible by Network is rejected by the Exchange and all recourse and rights of appeal in respect of such rejection have been exhausted;
- (b) any condition precedent is not satisfied, released or waived on or before the Closing or such earlier date indicated therein; or
- (c) the Closing has not occurred on or before August 31, 2017, or such later date as may be approved by Ynvisible, the Ynvisible Selling Shareholders and Network in writing, and one of the parties to the Share Exchange Agreement provided a written termination notice to the other parties pursuant to the requirements of the Share Exchange Agreement.

Approvals Required for the Transaction

Shareholder Approvals

Ynvisible Shareholders' approval is required to complete the Transaction. Ynvisible held a General Meeting to approve the Transaction on April 26, 2017 where the Ynvisible Shareholders approved the Transaction.

Regulatory and other Approvals

The completion of the Transaction is subject to the receipt of all regulatory, governmental and third-party approvals and consents.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

As of May 31, 2017 and for the year ending November 30, 2016, Network has had no employees and has been operating principally in Canada.

Overview

The Company is a public company listed on the TSX Venture Exchange under the trading symbol "NET". The Company is a junior exploration company focusing on the exploration of mineral properties in South America. Activities include the process of exploring its mineral properties, reviewing new mineral properties for potential acquisitions and conducting exploration programs to determine whether these properties contain ore reserves that are economically recoverable. The Company currently capitalizes all exploration costs and the recoverability of amounts shown for the mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production.

The address of the Company's head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7. The Company maintains a website at www.networkexploration.com.

Mineral Properties

The Company's mineral properties were previously located in Peru. The capitalized costs represent exploration and acquisition costs associated with the Company's mineral properties. The Company currently has no mineral properties, either owned or optioned.

Pistala – Peru

In February 2007, by way of a third party agreement, the Company staked the 1,600 hectare Pistala property in Southern Peru; and in July 2008, the Company staked an additional 1,300 hectares. The Company entered into a participation agreement with NETEXP.SAC Peru whereby Network Exploration Ltd. is entitled to 95% of the rights and benefits derived from the property. The Company wrote off \$191,822 in accumulated exploration expenditures, as management decided not to incur further expenditures. The property has since returned to the Ministry of Mines of Peru and the Company has no intentions of re-staking the project.

Proposed Acquisitions

On April 29, 2016, the Company entered into a letter of intent which sets out the basic terms and conditions pursuant to which the Company will acquire 94.19% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of the Company. Pursuant to the terms of the letter of intent, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Reverse Takeover under the rules of the Exchange.

On July 19, 2016, the Company entered into the Share Exchange Agreement with Ynvisible pursuant to which Network will acquire 95.53% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of Network. Subsequent to July 19, 2016, 1.34% of such issued and outstanding shares of Ynvisible were found to be encumbered, and as such Network will acquire 94.19% of the common shares of Ynvisible as at Closing pursuant to an amendment to the Share Exchange Agreement on February 28, 2017. Pursuant to the terms of the Share Exchange Agreement, as amended, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Reverse Takeover under the rules of the Exchange.

GENERAL DEVELOPMENT OF THE BUSINESS OF YNVISIBLE

Overview

YDreams - Informática, S.A., currently a shareholder in Ynvisible, was founded in Portugal in 2000. YDreams subsequently completed a series of spin-out transactions as part of its restructuring, which created a number of subsidiaries, each of which focused on a particular aspect of the technologies YDreams had developed or was developing. Pursuant to one spin-out, Ynvisible was formed in 2010 under the name "YDreams – Interactive Surfaces, Unipessoal Lda.". Ynvisible has no subsidiaries.

YD Ynvisible, S.A. is a private company existing under the laws of Portugal with a registered office located at Rua Mouzinho de Albuquerque, n.º 7, 2070-104 Cartaxo, Portugal, with the registration and tax payer number 509233023. The address of Ynvisible's principal place of business is Edifício YDreams, Madan Parque Sul, 2825-149 Caparica, Portugal. Ynvisible maintains a website at www.ynvisible.com.

History

Ynvisible commenced operations in 2010, prior to which, from 2006 to 2010, YDreams was conducting all research and development of the technology that would ultimately form part of the intangible property of Ynvisible and the basis of Ynvisible's business.

Ynvisible's predecessor entity and a number of organizations working on similar technological advances formed the Invisible Network Association in 2009. This association was dedicated to the development and integration of emerging technologies into conventional materials and substrates, such as paper, glass, concrete, cork, laminates and plastic/polymer films, with the goal of creating interactive and/or intelligent surfaces. Some of the entities belonging to the Invisible Network Association organized a research and development project co-funded by

the Portuguese Government, which was conducted between November 2011 and March 2015, known as the Invisible Network Project. This project aimed to develop a new generation of interactive products based on invisible computing and ubiquitous computing concepts, for example in products such as furniture and interior design elements. The results of Ynvisible's involvement in the Invisible Network Project included the development of intellectual property and several prototypes of functioning products, which Ynvisible and other project partners can exploit in a wide range of applications. Involvement in the Invisible Network Project has also provided Ynvisible with collaborative partnerships with entities operating in similar technological spaces.

In 2011, Ynvisible established a Sheet-to-Sheet ("S2S") pilot production and prototyping line for electrochromic (EC) displays and systems, at print house partner Guide – Artes Gráficas, Lda., based in Lisbon, Portugal. To date, the pilot line remains operational and is used for prototyping and for commercial supply of EC displays (ECDs) to Ynvisible's customer projects, including small to medium volume end use cases, such as specialty promotional print campaigns. Also in 2011, Ynvisible developed its first generation of a proprietary UV-curable transparent electrolyte material. In the same year, Ynvisible filled its first commercial order by the production of interactive conference badges for IDTechEx's Printed Electronics USA show, and delivered its first public project to a major global brand owner, L'Oréal; this case was later mentioned in an article in the Financial Times.

In 2012, Ynvisible demonstrated the first use of magenta-coloured electrochromic displays in interactive packages.

In 2013, Ynvisible had its first major contract for tailored development of electrochromic displays for a major consumer packaged goods company. In the same year, Ynvisible had a number of developments with respect to its intellectual property; it was granted US patent US2012/0182592 for a proprietary paper-based electrochromic device, and it developed 7 segment EC displays as well as ultra-thin EC displays.

In 2014, Ynvisible obtained its first major contract for tailored development of electrochromics for a chemical company, and in the same year developed EC displays with a horizontal architecture for high volume production. In 2014, Ynvisible was also granted US patent 8,907,918 for a proprietary touch-sensitive electrochromic device.

In 2015, Ynvisible continued to develop its technology and sell its products, obtaining a contract with a large consumer packaged goods company to provide EC display-based smart labels for consumer testing. Ynvisible was also featured in Wired Magazine in the same year. In the same year, Ynvisible continued to provide tailored development services for electrochromic systems to the major chemical company, having signed a new agreement with the client.

In 2016, Ynvisible achieved its first commercial deliveries of EC displays to electronics manufacturing services and consumer electronics companies' Internet of Things ("IoT") initiatives.

Since its inception, Ynvisible has focused on the development of its intellectual property and the registration of patents protecting such intellectual property. See "Intangible Property".

Description of Ynvisible's Business

Ynvisible currently sells interactive product design and prototyping services based on Printed Electronics, pilot production of electrochromic displays (ECDs), films and smart labels including ECDs, and tailored ECD solutions, which include research and development projects. The company is in an early market stage regarding

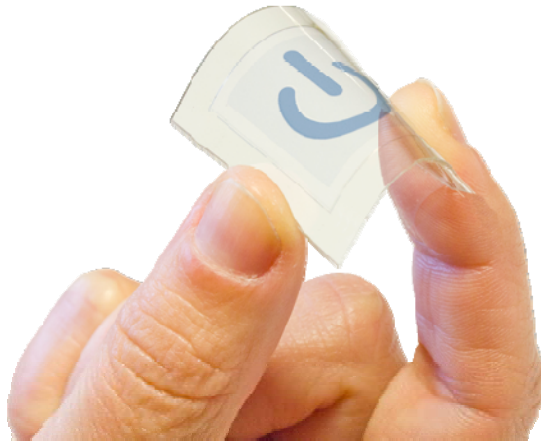


Figure 1 – flexible and thin electrochromic displays can be integrated into a wide range of end products.

sales of such products and services; however, it has sold over 40 prototyping and tailored research projects to a growing base of clients. Ynvisible has the capability to assist consumer products brand owners in their smart devices and IoT product developments, as described further below, and can also assist clients with more traditional branding and marketing needs

Ynvisible's primary focus is on the development and marketing of a proprietary platform of ultra-low power electrochromic displays and devices, which are printable onto plastics, paper and other flexible substrates, using widely available industrial printing and converting techniques. Working within the Printed Electronics sector, Ynvisible couples technology and manufacturing with design, to produce interactive products for its clients. Smart Labels with electronics embedded in layers offer useful information about a product and can serve to enhance the user experience of the product. Ynvisible has primarily sold ECDs for interactive printed graphics in different advertising and promotional uses. In the future, Ynvisible plans to expand its technology to clients for other uses beyond brand promotion and consumer engagement, specifically status indicator Smart Labels, and brand authentication and product security.



Shipping

- Fragile package monitoring
- Security envelopes and documents
- Track and Trace

Luxury Goods

- Anti-counterfeiting
- Point of Origin verification
- Brand Authenticity

Healthcare

- Pharmaceutical integrity
- Temperature maintenance
- Patient monitoring & tracking

Consumer Packaging

- Hi-tech boxes for global brands
- Sensors for consumer goods
- Temperature reporting

Printed Graphics

- Magazine inserts
- Mailers
- Advertising

Figure 2 - Applications.

Ynvisible expects that in the future there will be increased integration of everyday objects and environments with the internet, creating a hyper-connected world, which may result in an increased demand for Ynvisible's proprietary display technology. The IoT is the network of physical objects embedded with electronics, software, sensors, and/or network connectivity, which enable these objects to collect, exchange and display data and information. Ynvisible's proprietary technology is easily integrated with and designed into devices with internet connectivity. Through that integration, Ynvisible can bring visual interfaces and interactions into smart devices and IoT products, which Ynvisible describes as offering the "Face of the Internet of Things". Today, many smart devices with embedded intelligence (sensors, logic and/or radio chips) lack low power mass deployable visual displays and still require a separate read-out device, such as a smartphone, for the user to see and interact with its content. Electrochromic displays can be designed and integrated into these types of smart devices and/or IoT products, eliminating the need for an external read-out device.

Most of the sales of products Ynvisible has had to date have been in the brand promotion and consumer engagement space. For additional details, please see "Brand Promotion and Consumer Engagement" below. In the past three years, the largest revenue generating segment of Ynvisible has been the sale of services through customer tailored developments, specifically the provision of research and development, and prototyping services. In some of such projects, Ynvisible has provided services relating to status indicator Smart Labels. Such status indicator Smart Labels have not been launched for consumer use as at the date of this Prospectus, however Ynvisible anticipates being able to expand its offering in the Smart Labels space once it achieves systemic development of its production process.

Description of Ynvisible's Proprietary Technology

Ynvisible develops printed electrochromic displays (ECDs) for use in a wide range of smart products. When combined with sensors (e.g. to sense movement, touch, temperature, proximity, etc.) they bring functionality

and life to smart products. ECDs act as visual indicators of product state and or respond to human interaction with the product, thereby providing an interface to the Internet of Things.

Ynvisible has developed its proprietary electrochromic display technologies, including materials, based on a multi-layer architecture or “stack”. This device architecture/stack structure, also known as a vertical stack, is flexible and thin: today typically around 500 μm (i.e. 0.5 mm), but can be as thin as 100 μm . Ynvisible’s ECDs can be classified into two main categories, according to their architecture: vertical architecture and horizontal architecture. The main difference between these two categories is that on the vertical architecture the functional materials are deposited on two different substrates/planes, while in the horizontal architecture all the materials are laid down on the same substrate/plane.

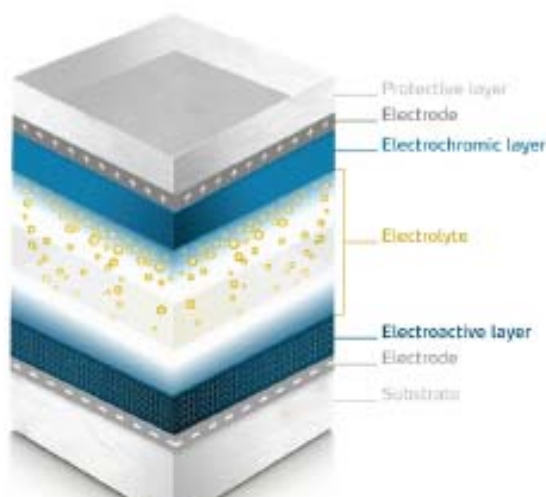


Figure 3 – diagram of material layers (the “stack”) in a sample electrochromic device.

Ynvisible’s ECDs are comprised of several functional materials layered on a substrate (plastic or paper). These layers include electrodes, electrochromic and/or electroactive materials and an electrolyte. All layers are applied to the substrate by means of printing, coating and/or lamination. The internal functional layers are protected by the substrate(s) and/or additional protective materials. The overall functionality of an ECD is a combination of the individual performances of each material layer and the synergies between them. Each ECD can be further developed for optimal performance and cost effective production for the final system in which it will be integrated. Ynvisible’s offering to customers combines industry know-how with patented technology that is at the leading edge of new and improved inks, device architecture and system integration.

When the electrochromic device is subject to an externally applied voltage, it changes its optical properties based on charge injection and extraction to and from the electrochromic layer. The different layers in the device carry out different functions in this process. Different electrochromic stack structures essentially contain the same elements but can in principle be laid out in a variety of manners.

The electrodes are responsible for injecting and extracting electrons to and from the electrochromic and/or electroactive layers. In the vertical stack, there are two electrode layers as the outermost layers, and at least one of these is transparent, allowing color changes to be seen within the device.

The controlled exchange of electrons between the electrochromic and electroactive layers will operate the color change of the electrochromic layer through its electrochemical oxidation and/or reduction process. Different materials can be used in the electrochromic layer to achieve different optical functions, e.g. different colors. The electroactive layer simply counter-balances the electrons that are exchanged with the electrochromic layer, however it can also be electrochromic. In reversible electrochromic displays, the electrochromic and electroactive layers can work in reverse by changing polarities of the applied voltage. This means the display can be activated (an image can be turned on and off) thousands of times. Ynvisible has also developed irreversible electrochromic displays, in which the electrochromic material irreversibly changes its color once current is applied to the system. Therefore, in irreversible ECDs, the image can only be turned on once and that status is retained indefinitely. Irreversible displays can be useful in applications where an event needs to be recorded and visually communicated permanently.

Electrolytes are one of the most challenging components in the development of reliable solid-state electrochemical devices, and, at the same time, are of extreme importance to the correct function of these devices, particularly of ECDs. The electrolyte material serves as an ion storage layer that exchanges charged species in the electrode–electrolyte interface and through the electrolyte layer, during the redox process. Therefore, the electrolyte has the role of storing ions that can move between the electrodes, to balance the charge build-up due to the

electrochemical polarization at the surface of the electrodes. The ideal electrolyte layer must be a good electrical insulator and at the same time a very good ionic conductor material. Ynvisible's electrolyte has been optimized to perform both functions. Ynvisible's secret electrolyte formula contains infinitely small ions that can rapidly diffuse across its solid matrix.

A system including an electrochromic component typically requires at least a small source of power (not necessarily a battery) and an activation mechanism (something managing the connection between the power source and the electrochromic element). Ynvisible's proprietary electrochromic displays use almost no power and, therefore, work well in low-power energy-self-sufficient smart devices, which are designed to work without wiring to power outlets or need for battery recharging/replacements. Ynvisible's ECDs are ultra-low weight, microscopically thin, flexible, transparent, yet robust.

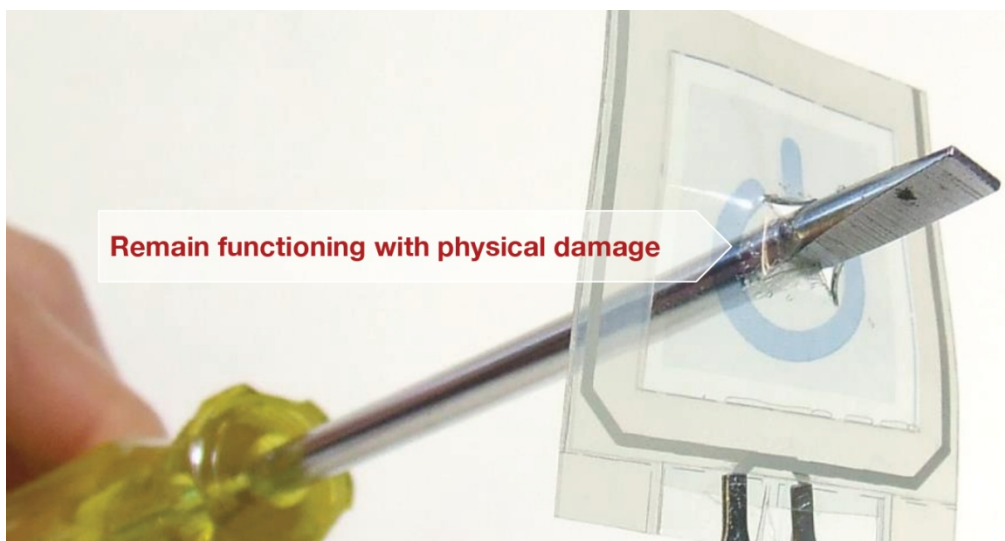


Figure 4 – a simple ECD remains functioning even with extreme damage.

A description of Ynvisible's intellectual property portfolio follows under the heading "Intangible Property".

Below is an analysis of the prospective areas for growth with respect to Ynvisible's technology. Ynvisible anticipates using the proceeds from the Offering to:

- develop its ECD production process at the industrial level, in order to increase supply capacity to customer requests,
- scale-up and improve its pilot production capacity to strengthen its ability to more rapidly respond to both prototyping, and small to medium volume customer projects,
- conduct technological upgrades and establish a new marketing and sales office in Toronto, Ontario, to allow for commercial application of its technology in the areas listed below.

With respect to the production scale-up planned by Ynvisible, the next stage of development requires investment in technology that will allow printing of ECDs and ultimately Smart Labels using both roll to roll (R2R) and sheet to sheet (S2S) processes. S2S processes can be used for production of ECDs with vertical or horizontal architectures (see above), while R2R processes are best suited for high volume production of ECDs with a horizontal architecture.

Because both display architectures have different visual and performance-related features and are best suited to different applications, both R2R and S2S processes need to be considered in the scale-up strategy to be implemented by Ynvisible. S2S and R2R manufacturing processes serve different market needs (e.g. in terms of functionality, volume, price, and system integration needs), with R2R processes having the potential to scale-up to higher production capacities and manufacturing output speed.

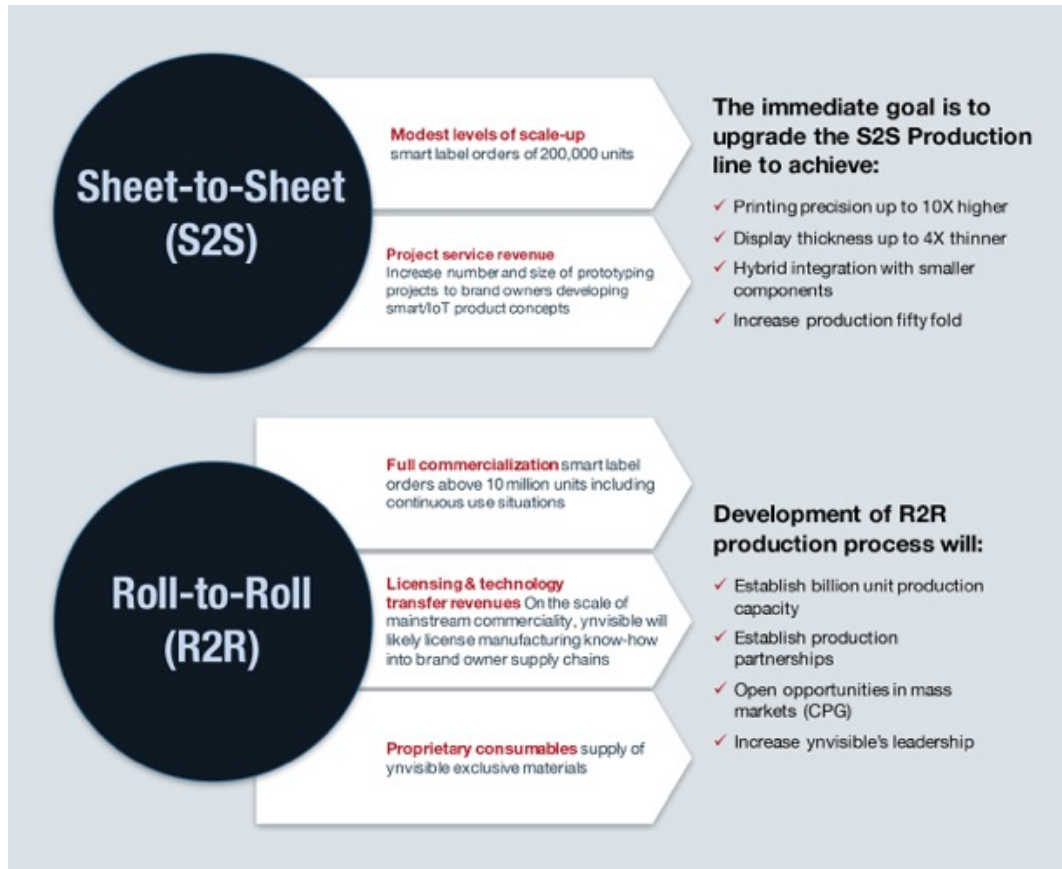


Figure 5 – targeted benefits of upscaling S2S and R2R manufacturing of ECDs.



Figure 6 – features of Ynvisible's ECDs.

Brand Promotion and Consumer Engagement

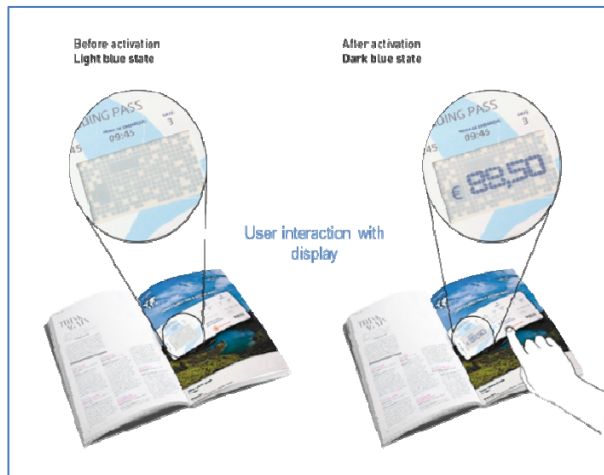


Figure 7 – diagram of promotional uses of Smart Labels.

means for useful product information and instructions. This also supports a wider trend of functional packaging, where the package has an ever increasing role in the product usage throughout its lifetime: for example timers, decision circuits, or environmental/product state indicators (temperature, light, moisture, etc.). These can be used to both enhance the consumer's experience when using the product, and provide valuable functionality for use in the product supply and retail chains.

Status Indicator Smart Labels

The need for EC displays for status indicator Smart Labels has been validated through Ynvisible's services to certain customers, through which Ynvisible was able to design and prototype status indicator Smart Labels integrating ECDs, for various end uses and applications. To launch such status indicator Smart Labels as a consumer product will require further developments, especially in scaling-up the production process associated with these new products, which will require improved equipment and production facilities.

Ynvisible has identified a potential market for Smart Labels incorporating its ECDs in the online sale and global shipping market, as the need for quality control monitoring in logistics chains is significantly increasing. Further, as the receiver of the items is increasingly consumers, meaning non-professional buyers who are not used to international sourcing and handling quality complaints with suppliers around the world, there is an increasing need for improved and easy to interpret quality control mechanisms. Insurance companies and consumers increasingly need to verify if a shipped good was or was not mishandled in transit. Smart Labels with different sensor types can provide a way to measure and record important information such as package opening/tampering, excessive impacts, and temperature or humidity threshold crossings. Timely and clear visual indications (without room for interpretation) of any incidents are important both upon receipt of packages in different stages of the logistics process, and at final opening and consumption of the goods.

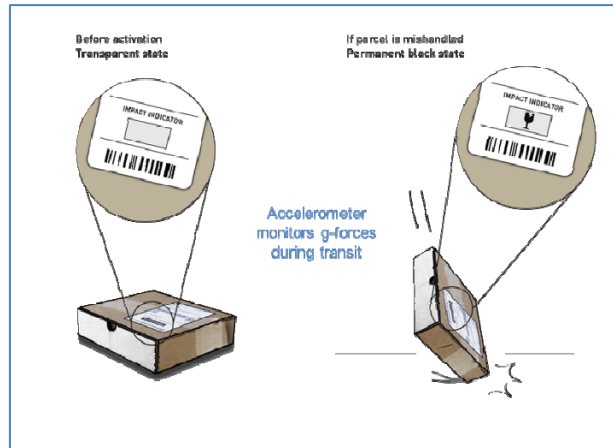


Figure 8 – diagram of impact indicator Smart Label.

A wide range of package-attachable electronic sensor types are emerging. The benefit with Smart Labels incorporating an irreversible EC display is that the indicators can be made thinner, more reliable (than e.g. many mechanical and chemical solutions), and with high visual contrasts (better interpreted by human eye and/or optical machine read-out devices), plus easy to understand printed graphic symbols or texts. Irreversible EC displays are also incorruptible and, in high volume, cheaper than other visual output technologies. Finally, EC displays have the lowest power requirements of the electronic display types for this purpose.

Temperature indication and cold chain quality control is an example of another market that may be receptive to Smart Labels incorporating Ynvisible's EC displays as visual indicators. Currently, companies from the RFID sector are entering this market by combining temperature loggers with RFID as the machine-readable communications interface. An EC display visual indicator can be introduced into such systems to provide quick visual readouts of the temperatures, which would assist in both logistics and ensuring proper product storage and handling, by providing more accurate spoil detection mechanisms.

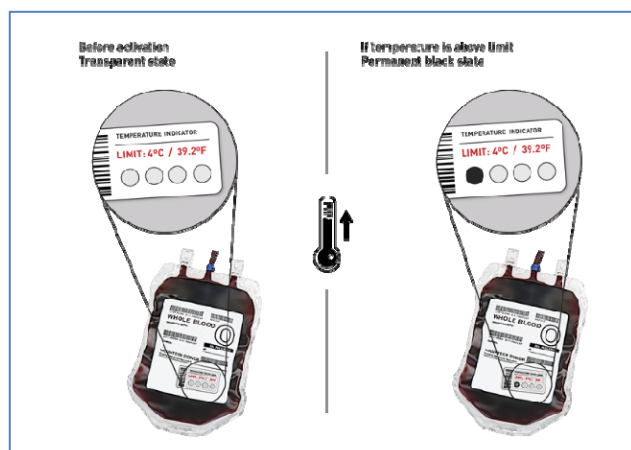


Figure 9 – diagram of temperature indicator Smart Label.

Brand Authentication and Product Security

There has been rapid growth in the sale of counterfeit and grey market goods, driven largely by the general growth of online sales, resulting in significant losses to the world economy¹. While there are various companies offering anti-counterfeiting solutions to brand owners and their supply chains, Ynvisible believes that its proprietary display technology allows for the entry into this sphere, due to the ease with which printed EC indicators can be used in the brand authentication process. Specifically, EC displays can be combined with NFC/RFID tags for readout at point-of-sale or by the consumer using their smartphone. This allows for clear visual brand authentication.

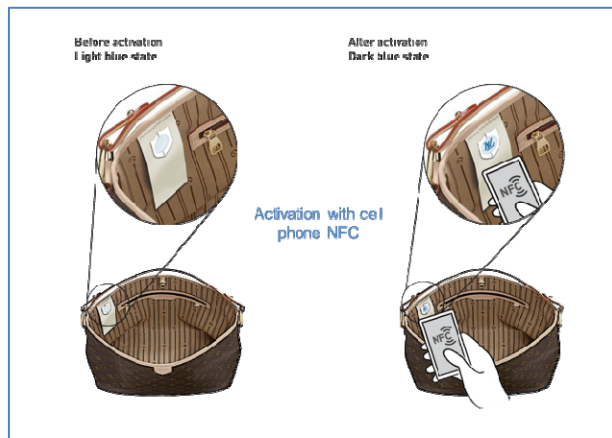


Figure 10 – diagram of brand authentication Smart Label.

To date, Ynvisible has used ECDs as an indicator in customer tailored projects for brand authentication and product security functions, demonstrating its viability in this use; however Ynvisible has yet to develop a product solely dedicated to brand authentication and product security. Ynvisible plans to target business in this sector and sell its products for this purpose in the future, through the establishment of partnerships with leading brand protection solution providers.

Intangible Property

Ynvisible's intellectual property rights portfolio includes patents, trademarks, device and process specific material databases, and secret material formulations. All intellectual property developed prior to the inception of Ynvisible as a corporate entity, by its predecessor entity, YDreams, has been assigned to Ynvisible.

¹ Vandagraf Brand Protection Conference; London June 21, 2016. 2nd Vandagraf Brand Protection Conference & The Internet of Things (IoT), NFC & Mobile Dates: June 21-22, 2016 Location: Institution of Mechanical Engineers, London, UK.

Certain of Ynvisible's intellectual property portfolio is in commercial use, either through the production and sale of electrochromic displays or by implementing specific proprietary technologies to carry out client tailored research and development services. Some portions of the portfolio continue to be investigated for commercialization or integration into the future products and services of Ynvisible.

Patents

Ynvisible's patent portfolio has a total of 18 patents and patent applications, with 7 granted patents and 11 pending patent applications, one of which is in the PCT stage; 2 additional patent applications are currently in draft form. 10 of the granted patents and patent applications are jointly owned by Ynvisible and third parties, as they resulted from joint research and development projects. In 7 of these processes, Ynvisible owns 60% or more of the ownership rights. References to FCT/UNL below are to Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa, a university in Lisbon, Portugal, that, pursuant to an agreement between the university and Ynvisible, jointly participated in the development of certain inventions. None of the technology developed pursuant to the relationship between FCT/UNL and Ynvisible currently forms part of the commercialized technology of Ynvisible; however it may form part of such technology in the future.

Ynvisible holds the following patents, in whole or in part, as outlined below. For further information as to the patented information, Ynvisible refers readers to the whole of the text of the patent or patent application, publicly available in each of the respective jurisdictions listed.

Patent	Status	Jurisdiction	Ownership	Expiry Date⁽¹⁾
PT103852	Granted	Portugal	70% Ynvisible 30% FCT/UNL	19 Oct 2027
PT104634	Granted	Portugal	70% Ynvisible 30% FCT/UNL	16 Jun 2029
PT104635	Pending	Portugal	70% Ynvisible 30% FCT/UNL	16 Jun 2029
PT104696	Pending	Portugal	100% Ynvisible	29 Jul 2029
PT105152	Granted	Portugal	70% Ynvisible 30% FCT/UNL	19 Oct 2027
PT105280	Granted	Portugal	60% Ynvisible 33.3% Solchemar 6.7% FCT/UNL	3 Sept 2030
PT106070	Pending	Portugal	100% Ynvisible	23 Dec 2031
PT106301	Pending	Portugal	100% Ynvisible	9 May 2032
PT108749	Pending	Portugal	Ynvisible and SECIL	3 Aug 2035
8,773,747 (US patent no.)	Granted	United States	90% Ynvisible 10% FCT/UNL	16 Jun 2030
8,907,918 (US patent no.)	Granted	United States	100% Ynvisible	29 Jul 2030
9,625,782 (US patent no.)	Granted	United States	100% Ynvisible	21 Dec 2032
GB1617742.0	Pending	United Kingdom	25% Ynvisible 75% other entities	20 Oct 2036
BR112014015346- 9	Pending	Brazil	100% Ynvisible	21 Mar 2032
EP2444840	Pending	Europe	90% Ynvisible 10% FCT/UNL	16 Jun 2030
EP2461231	Pending	Europe	100% Ynvisible	29 Jul 2030
EP2821458	Pending	Europe	100% Ynvisible	21 Dec 2032
PCT application for PT108749	Pending	World	Ynvisible and SECIL	(2)

PCT application for GB1617742.0	Pending	World	25% Ynvisible 75% other entities	(2)
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Notes: (1) Date at which the patent will expire if granted, according to the rules established for each jurisdiction. For pending processes, there is no guarantee that the patent will be granted.
(2) Patent expiry date will depend on the selected jurisdictions following the PCT process.

Trademarks

Ynvisible holds two trademarks. “Ynvisible” is a European and Portuguese trademark, registered (under no. 009616343 and no. 449010, respectively) on July 26, 2013 and June 8, 2009 in each respective region. “YnTouch” was registered as a European trademark (under no. 010083301) on August 4, 2013.

Locations and Operations

Ynvisible has its registered head office in Cartaxo, Portugal, with a research and development center in Caparica, Portugal. Upon closing of the RTO, the Resulting Issuer’s corporate head office will be based in Vancouver, Canada. Ynvisible’s design and pilot production center will operate in Caparica, Portugal. Research and development, production scale-up and technology transfer will occur in/from Freiburg, Germany, where Ynvisible will establish a research and development laboratory. A sales and marketing office is planned for Toronto, Ontario.

Employees

Ynvisible currently has 4 full-time employees, 1 part-time employee, 1 full-time scholar (*bolseiro*), 1 full-time trainee and 2 part-time trainees. At the end of 2016, Ynvisible had 6 full-time employees and 1 part-time employee.

Competitive Landscape

Electrochromics is an established field of technology. However, the printing of electrochromic devices is still a new and emerging field. The number of companies directly involved with printed electrochromic displays is limited. At the beginning of the century start-ups including Ntera and Aveso were most actively developing solutions for printed electrochromic displays. In recent years only a few companies have publicly demonstrated samples of printed ECDs. These include companies using technology developed by research institute RISE (earlier Acreo Swedish ICT); among these licensees is Thin Film Electronics. Some universities also have developments in printing of electrochromics, including e.g. TU Chemnitz. Chemnitz based start-up Saralon GmbH is a recent arrival to the field.

USE OF PROCEEDS

Available Funds

The net proceeds to the Resulting Issuer after giving effect to the Offering are estimated to be approximately CDN\$2,695,000 based on the Minimum Offering of CDN\$3,000,000 Offering and CDN\$3,620,000 based on the Maximum Offering of \$4,000,000.

Source of Funds	Amount (CDN\$)	
	Minimum Offering	Maximum Offering
Estimated consolidated current working capital as at November 30, 2017 ⁽¹⁾	\$(1,295,079)	\$(1,295,079)
Net proceeds of the Offering ⁽²⁾	\$2,695,000	\$3,620,000
Net proceeds of the Non-Brokered Private Placement ⁽³⁾	\$1,674,528	\$1,674,528
Total Available Funds	\$3,074,449	\$3,999,449

Notes:

- (1) Using 11 months ended November 30, 2017 average exchange rate of CAD\$1.00 = €0.6846 and rounded to the nearest €1000.
- (2) Assuming completion of the Minimum Offering and no exercise of the Agent's Option, for gross aggregate proceeds of \$3,000,000, minus the Agent's Commission of \$225,000 and expenses related to the Offering estimated at \$80,000, and assuming completion of the Maximum Offering for gross aggregate proceeds of \$4,000,000 and no exercise of the Agent's Option, minus the Agent's Commission of \$300,000 and expenses related to the Offering estimated at \$80,000.
- (3) Includes net proceeds from the completion of \$1,762,620 in gross revenue from the sale of Common Shares in the capital of the Company pursuant to the Non-Brokered Private Placement which closed on December 18, 2017, less the cash commission paid to eligible finders under the private placement was \$88,092, or 6% of the eligible gross aggregate proceeds. See "Principal Purposes of Funds".

The following table sets forth the proposed use of available funds by the Resulting Issuer upon completion of the Offering. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its business objectives.

It is anticipated that the Resulting Issuer will require CDN\$2,217,705 to fund its expenses for the 12 months following completion of the Offering, assuming completion of the Minimum Offering, being CDN\$3,000,000. Based on the Minimum Offering, the Resulting Issuer will have approximately CDN\$3,074,449 of available funds, which will be sufficient to fund the Resulting Issuer's expenses for the 12 months following completion of the Offering.

In the event that operating cash flows are not sufficient to cover such expenses, or in the event that the Resulting Issuer requires additional funds to meet its objectives and capitalize on new business opportunities, the Resulting Issuer will be required to either issue additional shares or incur indebtedness. There is no assurance that additional funding required by the Resulting Issuer would be available if required, or such financing may be highly dilutive to shareholders of the Resulting Issuer. See "Risk Factors".

Use of Available Funds after completion of the Offering	Amount (CDN\$)	
	Minimum Offering ⁽¹⁾⁽³⁾	Maximum Offering ⁽²⁾⁽³⁾
General and administrative expenses following completion of the Transaction ⁽⁴⁾	\$601,762	\$601,762
Remaining legal, audit and other expenses related to completion of the Transaction ⁽⁵⁾	\$100,000	\$100,000
Manufacturing equipment	\$659,589	\$659,589
Technology development ⁽⁶⁾	\$269,223	\$269,223
Sales and marketing ⁽⁷⁾	\$587,131	\$587,131
Unallocated Working Capital	\$856,744	\$1,781,744

TOTAL	\$3,074,449	\$3,999,449
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Notes:

- (1) Assuming completion of the Minimum Offering for gross aggregate proceeds of \$3,000,000.
- (2) Assuming completion of the Maximum Offering for gross aggregate proceeds of \$4,000,000.
- (3) Using eleven months ended November 30, 2017 average exchange rate of CAD\$1.00 = €0.6846 and rounded to the nearest €1,000.
- (4) The estimate of general and administrative expenses following Closing includes salaries and benefits of \$476,772, transfer agent and Exchange fees of \$61,954, office expenses and supplies of \$68,451, legal and audit fees of \$184,716, marketing, investor relations and travel expenses of \$110,434, insurance expenses of \$30,121, IT expenses of \$30,266, and equipment expenses of \$27,315. A portion of general and administrative expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.
- (5) The estimate of remaining legal and audit includes \$10,000 for audit related expenses and \$90,000 for legal expenses.
- (6) The estimate of technology development includes salaries of \$236,845, chemistry and hardware supplies totaling \$54,630, and IP protection totaling \$60,619. A portion of technology development expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.
- (7) The estimate of sales and marketing includes salaries of \$457,573, professional services totaling \$38,747, travel expenses totaling \$88,272, rent and location costs totaling \$40,546, media and marketing services totaling \$74,801, and equipment and supplies totaling \$67,923. A portion of sales and marketing expenses are covered from funds generated through current operations and therefore only a portion of the use of proceeds is allocated to these expenses.

The Resulting Issuer projects revenues to be approximately \$650,000 within its first year of operations that will be used towards its operating expenses during that time. The projection of future revenues depends upon assumptions regarding market acceptance, competition, changes in technology and other factors which affect the Resulting Issuer's revenues and costs. Actual results could differ from those estimates. In the event these projected revenues are lower than anticipated, the Resulting Issuer may have to delay plans for growth or equipment purchases, alter its business plan or engage in additional financing. If the Resulting Issuer is not able to earn revenues as projected, changes in the Resulting Issuer's business plan may have an adverse effect on the Resulting Issuer's operations and future prospects. See "Risk Factors – Risk Factors Relating to the Business of the Resulting Issuer – Projection of Future Revenues".

While the Resulting Issuer currently anticipates that it will use the net proceeds of the Offering as set forth above, there may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Resulting Issuer to achieve its stated business objectives. For example, Ynvisible continues to have negative operating cash flow. For the year ended December 31, 2016 and the nine-month period ended September 30, 2017, Ynvisible had negative cash flow from operating activities. If this negative cash flow from operating activities continues in the future, the net proceeds of the Offering may be allocated to fund this negative cash flow. See "Risk Factors - Risk Factors Relating to the Business of the Resulting Issuer – Negative Cash Flows from Operations".

Business Objectives and Milestones

Ynvisible intends to improve its S2S production line to a level sufficient for prototyping and producing meaningful quantities of ECDs, Smart Labels and films for commercial purposes.

Business Objective	Significant Event	Time Period	Costs related to Event
Improve S2S production infrastructure	Install a semi-automatic screen printing unit to improve the registration process between printing passes and layers, and increase printing accuracy.	Q1/2018	35-40K€
	Acquire coating machine to increase sheet size, and allow for greater layer thickness precision and improved control of motor speed, to increase ECD production yields.	Q1/2018	20-25K€

	Acquire sheet-fed drying tunnel to reduce ECDs thickness.	Q1/2018	20-25K€
	Acquire flatbed lamination machine to allow for use of thinner substrates in ECD production.	Q1/2018	10-15K€
	Acquire laser machine to advance production schedules and conduct screen production in-house.	Q2/2018	50-60K€
	Acquire pick & place system, manual crimping machine and 3D printer.	Q3/2018	50-60K€
Begin developments in Roll-to-Roll printing of ECDs		2018-2019	300-350K€
Increase sales and marketing activities	Open sales and marketing office in Toronto, Ontario.	Q1/2018	10-15K€

Unallocated Funds

Unallocated funds from the Offering will be deposited in the Company's bank account and added to the working capital of the Company. The Chief Financial Officer of the Company is responsible for the supervision of all financial assets of the Company. Based on the Company's cash flow requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

Summary of Pro Forma Financial Information

The following table sets out the unaudited pro forma financial information of the Resulting Issuer as of September 30, 2017 and for the nine months then ended after giving effect to the Transaction and the Offering and should be read in conjunction with the unaudited pro forma consolidated financial statements of the Resulting Issuer attached as Appendix C. The unaudited pro forma financial statements give effect to the Transaction, and the Offering on a pro forma basis and have been prepared on the basis of assumptions described in the notes thereto.

	Resulting Issuer Pro Forma as at September 30, 2017 and for the nine months then ended (CDN\$)⁽¹⁾⁽²⁾
Cash and cash equivalents	\$4,017,281
Total assets	\$4,359,897
Net assets	\$2,064,421
Interest expense and bank charges	\$41,709
Net loss for the period	(\$2,152,817)
Net loss per share	(\$0.049)

Notes:

- (1) Using September 30, 2017 Bank of Canada exchange rate of CAD\$1.00 = €0.6788 and rounded to the nearest €1000.
- (2) Assuming completion of the Maximum Offering, being \$4,000,000.

DIVIDENDS OR DISTRIBUTIONS

Neither the Company nor Ynvisible have declared or paid any dividends to securityholders and there is no intended change in the dividend or distribution policy of either the Company or Ynvisible.

It is not currently intended that the Resulting Issuer will pay any cash dividends on Resulting Issuer Common Shares in the foreseeable future and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The Resulting Issuer's dividend policy will be reviewed from time to time by the Resulting Issuer Board in the context of its earnings, financial condition and other relevant factors. Until the Resulting Issuer pays dividends, which it may never do, its shareholders will not be able to receive a return on Resulting Issuer Common Shares unless they sell them.

There will be no restrictions in the Resulting Issuer's articles or elsewhere, other than customary general solvency requirements, which would prevent the Resulting Issuer from paying dividends following the completion of the Transaction. All of the Resulting Issuer Common Shares will be entitled to an equal share in any dividends declared and paid. It is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business and accordingly it is not contemplated that any dividends will be paid on the Resulting Issuer Common Shares in the immediate or foreseeable future. The directors of the Resulting Issuer will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial statements of Network for the years ended November 30, 2016 and 2015 and the interim period ended August 31, 2017 have been prepared in accordance with IFRS. The financial statements of the Company are attached to this Prospectus as Exhibits A and B. All amounts in this section are stated in Canadian dollars unless otherwise indicated.

The Company's Management's Discussion and Analysis provides an analysis of Network's financial results for the year ended November 30, 2016 and the nine month interim period ended August 31, 2017, and should be read in conjunction with the financial statements of the Company for the respective period. The Company's Management's Discussion and Analysis for each respective period are attached to this Prospectus as Exhibits E and F.

Certain information included in Network's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See 'Caution Regarding Forward-Looking Statements' for further details.

The financial statements of Ynvisible for the years ended December 31, 2016 and 2015 and the interim period ended September 30, 2017 have been prepared in accordance with IFRS. The financial statements of Ynvisible are attached to this Prospectus as Exhibits G and I. Ynvisible's Management's Discussion and Analysis provides an analysis of Ynvisible's financial results for the year ended December 31, 2016 and the nine month interim period ended September 30, 2017, and should be read in conjunction with the financial statements of Ynvisible for the respective period. Ynvisible's Management's Discussion and Analysis for each respective period are attached to this Prospectus as Exhibits H and J.

Selected Financial Information and Management's Discussion and Analysis of the Company for the Year Ended November 30, 2016

Selected Annual Information

The table below sets forth selected financial data, in Canadian dollars, relating to the Company's last three fiscal years presented in accordance with IFRS.

	Year Ended November 30, 2016	Year Ended November 30, 2015	Year Ended November 30, 2014
Total revenue	-	-	-
Net loss and comprehensive loss for the year	(216,964)	(199,215)	(191,851)
Basic and diluted loss per share	(0.03)	(0.04)	(0.02)
Total assets	225,598	34,093	50,818
Total current liabilities	155,709	264,935	107,445
Total non-current liabilities	-	-	-
Cash dividends	-	-	-

Summary of Quarterly Results

Three months ended	Total Revenues	Net Loss	Loss Per Share (basic and diluted) ⁽¹⁾
November 30, 2016	\$Nil	\$16,099	\$0.002
August 31, 2016	\$Nil	\$62,955	\$0.01
May 31, 2016	\$Nil	\$100,780	\$0.01
February 28, 2016	\$Nil	\$37,135	\$0.01
November 30, 2015	\$Nil	\$63,568	\$0.01
August 31, 2015	\$Nil	\$45,736	\$0.01
May 31, 2015	\$Nil	\$53,562	\$0.01
February 28, 2015	\$Nil	\$36,349	\$0.01
November 30, 2014 ⁽²⁾	\$Nil	\$68,928	\$0.01

Notes:

(1) Restated from 10: 1 share consolidation completed April 2, 2014 and 4:1 consolidation completed January 20, 2016

(2) Net loss for period not including finance expense of \$900

Off-Balance Sheet Arrangements

The Company did not have any material off-balance sheet arrangements as at November 30, 2016.

Transactions between Related Parties

As at November 30, 2016, the Company incurred charges from directors and senior management, or companies controlled by them, for management fees and consulting fees in the amount of \$24,500 (2015 - \$38,000). Such amounts are interest free and unsecured, and are payable on demand.

As at November 30, 2016, trade and other payables include \$25,725 (2015 - \$70,309) due to related parties. Amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the year ended November 30, 2016, the Company paid \$113,869 (2015 - \$121,558) in total rent, of which \$18,000 (2015 - \$16,500) were recovered from companies with a common director and \$93,267 (2015 - \$68,386) were recovered from other companies.

Loans payable includes \$20,000 (2015 - \$Nil) owed to an officer of the Company. The loan is unsecured, due on demand and bears interest at 1% per month.

Management Discussion and Analysis for the Nine Months Ended August 31, 2017

Overall Performance

Highlights of the Company's activities during and subsequent to the period ended August 31, 2017:

- On April 29, 2016, the Company entered into a binding letter of intent which sets out the basic terms and conditions pursuant to which the Company will acquire 95.53% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of the Company. Pursuant to the terms of the letter of intent, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the

Company will issue sufficient securities such that the transaction will constitute an RTO under the rules of the TSX Venture Exchange.

- On July 19, 2016, the Company entered into the Share Exchange Agreement with Ynvisible pursuant to which Network will acquire 95.53% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of Network. Pursuant to the terms of the Share Exchange Agreement, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a RTO under the rules of the TSX Venture Exchange. On September 30, 2016, December 31, 2016, February 28, 2017 and June 30, 2017 the Share Exchange Agreement was amended and Network will now acquire 94.19% of the issued and outstanding shares of Ynvisible in exchange for Common Shares of Network.

Results of Operations

The Company is in the exploration and development stage and does not generate any revenue. To date the Company has not earned any significant revenues.

The Company's expenses during the nine months ended August 31, 2017 were significantly less than those of the nine months ended August 31, 2016. Loss from operations decreased by \$106,549 to \$94,321 (2016 - \$200,870).

The Company's expenses during the three months ended August 31, 2017 were slightly lower than those of the three months ended August 31, 2016. Loss from operations decreased by \$2,882 to \$60,133 (2016 - \$62,955).

Summary of Quarterly Results

The table below summarizes selected unaudited financial data for the Company's eight most recently completed quarters in Canadian dollars.

	Three Months Ended August 31, 2017	Three Months Ended May 31, 2017	Three Months Ended February 28, 2017	Three Months Ended November 30, 2016	Three Months Ended August 31, 2016	Three Months Ended May 31, 2016	Three Months Ended February 28, 2016	Three Months Ended November 30, 2015
Total Revenue	-	-	-	-	-	-	-	-
Net loss and comprehensive loss for the period	\$60,133	\$13,879	\$20,309	\$16,099	\$62,955	\$100,780	\$37,135	\$63,568
Basic and diluted loss per share	\$0.01	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01

Capital Resources

At August 31, 2017, the current assets of the Company consist of cash in the bank, prepaid expenses, and GST recoverable totaling \$30,412 and the Company has working capital of (\$258,317).

Net cash used in operating activities for the nine months ended August 31, 2017 was (\$90,181), in 2016 it was (\$501,306).

During the nine months ended August 31, 2017, cash used in financing activities was \$102,917 (2016: \$500,200). Financing related cash transactions consisted of deferred financing costs (\$25,000) and proceeds from loans totaling \$127,917.

Off-Balance Sheet Arrangements

As At August 31, 2017, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company..

Transactions between Related Parties

The Company has incurred charges during the nine months ended August 31, 2017 from directors and senior management, or companies controlled by them, for management fees and consulting fees in the amount of \$5,000 (2016 - \$21,500). Amounts due to related parties are interest free and unsecured, and are payable on demand. See Note 7 in the accompanying financial statements for further detail.

As at August 31, 2017, trade and other payables include \$31,203 (November 30, 2016 - \$25,725) due to the CEO (\$15,750) and the CFO (\$15,453). Amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the nine months ended August 31, 2017, the Company paid \$86,903 (Aug 31, 2016 - \$84,444) in total rent, of which \$Nil (August 31, 2016 - \$10,500) were recovered from companies with a common director and \$77,350 (August 31, 2016 - \$73,717) were recovered from other companies.

At August 31, 2017, loans totaling \$21,300 (November 30, 2016 - \$20,000) were due to the CEO (\$1,300) and the CFO (\$20,000) of the Company. Loans payable are unsecured and payable on demand. All loans payable bear interest at rates of 1% or 1.5% per month.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Additional information relating to the Company is on SEDAR at www.sedar.com.

Selected Financial Information and Management's Discussion and Analysis of Ynvisible for the Year Ended December 31, 2016

Selected Annual Information

The table below sets forth selected financial data, in Euros, relating to Ynvisible's last three fiscal years presented in accordance with IFRS.

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total revenue	212,399.76€	403,367.95€	477,909.74€
Net loss and comprehensive loss for the year	(177,513.39)€	(200,965.04)€	(655,132.35)€
Basic and diluted loss per share	(0.01)€	(0.02)€	(0.06)€
Total assets	351,218.84 €	580,292.02€	721,308.13€
Total non-current liabilities	196,931.17 €	212,002.19€	50,082.90€
Cash dividends	-	-	-

Summary of Quarterly Results

Three months ended	Total Revenues	Net Loss	Loss Per Share (basic and diluted) ⁽¹⁾
December 31, 2016	212,399.76€	(177,513.39)€	(0.007)€
September 30, 2016	149,301.45€	(125,600.02)€	(0.005)€
June 30, 2016	109,180.14€	(70,506.86)€	(0.003)€
March 31, 2016	63,276.21€	(23,183.02)€	(0.001)€
December 31, 2015	403,367.95€	(200,965.04)€	(0.01)€
December 31, 2014 ⁽²⁾	477,909.74€	(655,132.35)€	(0.06)€

Ynvisible did not have any material off-balance sheet arrangements as at December 31, 2016.

Transactions between Related Parties

In 2016, Ynvisible did not incur charges during the period from directors and senior management, or companies controlled by them, for management fees and/or consulting fees. Amounts due to related parties in 2016 were 24,000€ to the parent company for office space rent and administrative/financial and IT services provided by the parent company to Ynvisible. In 2015, Ynvisible paid 54,000€ in management fees and 32,000€ in rent and administrative fees to the parent company.

As of December 31, 2016, trade and other payables include 48,696.13€ (2015 – 60,909.04€) due to related parties. Amounts due to related parties are related to management fees and services provided by the parent company to Ynvisible.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Ynvisible's Management Discussion and Analysis for the Nine Months Ended September 30, 2017

Overall Performance

- During the first nine months of 2017, Ynvisible continued to develop and strengthen its relationships with customers and partners. Ynvisible delivered small and medium volume display production projects and prototyping projects of new products/concepts, and carried out projects for developing and optimizing new features for electrochromic display technologies. Ynvisible expects to benefit from the relationships established in the past few years, with the adoption, on a large scale, of its display technology in applications, products and solutions that have been explored in the past..
- Two project proposals for development initiatives with a focus on printed electrochromics, one for the medical sector and one for the decorations and interior design markets, were submitted for second stage and final approval by the European Commission, within the context of the Horizon 2020 Research and Innovation funding program. Both project proposals were successfully approved by the European Commission and in Q3 these projects were in contract negotiations. Aimed start of these projects is Q1/2018.

- In summary, in the first nine months of 2017 Ynvisible continued its activities focused mostly on the commercial demonstration of its technology, through the establishment of contacts and relationships with clients and partners, the design and production of tailored displays and products, and the development of further features of its technology and its production process..

Results of Operations

Total revenue for the nine months ended September 30, 2017 was 149,938.20€. When compared with the same period in 2016, the total revenue from the first nine months of 2017 was approximately the same as in the first nine months of 2016 which had total revenue of 149,301.45€.

When compared with the same period in 2016, costs increased in the first nine months of 2017 mainly due to an increase in supplies and external services expenses (increase of 44,098.87€) and personnel costs (increase of 80,799.25€).

Summary of Quarterly Results

The table below summarizes selected unaudited financial data for Ynvisible's eight most recently completed quarters in Euros.

	Three Months Ended September 30, 2017	Three Months Ended June 30, 2017	Three Months Ended March 31, 2017	Three Months Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended June 30, 2016	Three Months Ended March 31, 2016	Three Months Ended December 31, 2015
Total Revenue	149,938.20€	127,949.08€	37,092.67€	212,399.76 €	149,301.45 €	109,180.14€	63,276.21€	403,367.95 €
Net loss and comprehensive loss for the period	(270,734.40) €	(155,117.26) €	(107,782.88) €	(177,513.39) €	(125,600.02) €	(70,506.86) €	(23,183.02) €	(200,965.04) €
Basic and diluted loss per share	(0.010)€	(0.0059)€	(0.0041)€	(0.0068)€	(0.0048)€	(0.0027)€	(0.0009)€	(0.018)€

Capital Resources

At September 30, 2017 the current assets of Ynvisible consist of Trade and Other Receivables in the amount of 13,962.34€, Other Accounts Receivable in the amount of 92,460.59€ and Bank Deposits and Cash in the amount of 16.37€. Ynvisible had working capital of (1,064,644.54)€.

Off-Balance Sheet Arrangements

At September 30, 2017, Ynvisible had no material off-balance sheet arrangements.

Transactions between Related Parties

In the nine months ended September 30, 2017, the Company has not incurred charges during the period from directors, or companies controlled by them, for management fees and/or consulting fees. Amounts due to related parties in the nine months ended September 30, 2017 (18,000€) to the parent company) were related with office space rent, and administrative/financial and IT services provided by the parent company to Ynvisible.

In the nine months ended September 30, 2017, senior management members (Inês Henriques, Carlos Pinheiro and Jani-Mikael Kuusisto) were paid according to the employment contracts in place with Ynvisible.

As at September 30, 2017, trade and other payables include 69,119.52€ due to related parties. Amounts due to related parties are related with management fees and services provided by the parent company to Ynvisible.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of the Offered Shares issued to purchasers upon completion of the Offering, and the Corporate Finance Shares to be issued as compensation to the Agent upon completion of the Offering. For greater certainty, this Prospectus also qualifies any additional Offered Shares which may be issued on exercise of the Agent's Option.

The Offered Shares are being offered to the public in each of the provinces of Canada except for Québec. Subject to applicable laws and the terms of the Agency Agreement, the Agent may offer to sell the Offered Shares in the United States and other jurisdictions outside of Canada and the United States where such offer and sale will not require the qualification or registration of the Offered Shares.

Pursuant to the Agency Agreement the Company has appointed the Agent to act as its agent to conduct the Offering in the Offering Jurisdictions, on a commercially reasonable efforts basis, of a minimum of 10,000,000 Offered Shares at a price of CDN\$0.30 per Offered Share for gross proceeds of a minimum of CDN\$3,000,000 and a maximum of 13,333,333 Offered Shares at a price of CDN\$0.30 per Offered Share for gross proceeds of a maximum of \$4,000,000, with the Agent's Option being 15% of the Maximum Offering amount, allowing for the issue of an additional 2,000,000 Shares for an aggregate raise of up to \$4,600,000. The Agent has agreed to assist with the Offering on an agency basis, but is not obligated to purchase any of the Offered Shares for their own account.

In addition to the Offering, on December 18, 2017 the Company completed the Non-Brokered Private Placement of Common Shares at a price of CDN\$0.30 per Common Share, for gross proceeds of CDN\$1,762,620, with aggregate finder's fees paid in the amount of CDN\$88,092, representing a 6% cash commission on eligible subscriptions.

In accordance with applicable laws and policies, the Agent may effect transactions that stabilize or maintain the market price of the post-Consolidation Common Shares at a level other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Agent may terminate its obligations under the Agency Agreement, without any liability on the agent's part if, on the basis of its assessment of the state of financial markets or the market for the Offered Shares, the Offered Shares cannot be marketed profitably or upon the occurrence of certain other stated events.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering other than the payments to be made to the Agent in accordance with the terms of the Agency Agreement, and the finder's fee, as outlined below.

In accordance with Policy 5.1 of the TSXV Corporate Finance Manual, and subject to the approval of the TSXV, the Company has agreed to issue a finder's fee comprised of the issuance of 1,340,881 Network Finder's Shares to Accent Marketing GMBH ("Accent") in connection with the Closing, which is equal to approximately 5.4% of the consideration shares to be issued in connection with the Transaction. Accent is not a non-arm's length party with respect to either Network or Ynvisible.

The Company has agreed to ensure that the directors and officers of the Company will agree not to sell, or agree to sell, or announce any intention to sell, any Common Shares of the Company or securities exchangeable or convertible into Common Shares of the Company prior to Closing and for a period of 120 days from Closing without the prior written consent of the Agent, such consent not to be unreasonably withheld.

Pursuant to the Agency Agreement, the Company has granted the Agent a right of first refusal for a five day period to lead manage (with a minimum of 55% economic interest) as agent, underwriter, or exclusive financial advisor, if the Company within six months of Closing: (a) proposes to issue debt or equity securities, (b) proposes to acquire or dispose of any assets or securities out of the ordinary course of business, (c) proposes a material corporate transaction such as an amalgamation, recapitalization, merger, take-over bid, joint venture, plan of arrangement or reorganization, or (d) receives an unsolicited take-over bid or merger proposal, subject to the Company and the Agent agreeing on mutually acceptable fee arrangements and provided that the terms and conditions of such engagement will be no more favourable on the whole to such other financial institution than the terms and conditions offered by the Company to the Agent.

The Company's directors, officers and other insiders may purchase post-Consolidation Common Shares pursuant to the Offering.

The Offering Price was determined by negotiation between the Company and the Agent and bears no relationship to earnings, book value or other valuation criteria.

Completion of the Transaction is a condition of Closing the Offering.

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Agent's Compensation

The Company has agreed to pay to the Agent a cash commission (the "Agent's Commission") equal to 7.5% of the gross proceeds from the sale of the Offered Shares provisioning for any subscriptions on a list of eligible purchasers for the Offering (the "**President's List**") will only have a cash commission equal to 2.5% of the gross proceeds from the sale of the Offered Shares. In addition, the Agent will receive a Finance Fee of CDN\$25,000 plus applicable taxes in cash, and CDN\$25,000 payable in Corporate Finance Shares at the issue price of the Offering upon Closing. The Company will also pay the reasonable costs and expenses of the Agent, including the Agent's legal fees plus taxes and disbursements, related to the Offering and a non-refundable Work Fee.

United States Securities Law Compliance

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. The Offered Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and may not be offered, sold or delivered within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Agent has agreed that, except as permitted by the Agency Agreement and as expressly permitted by applicable laws of the United States, they will not offer or sell the Offered Shares at any time within the United States. The Agency Agreement permits the Agent to offer and sell the Offered Shares within the United States through their registered U.S. broker-dealer affiliates in transactions that comply with exemptions from the registration requirements of the U.S. Securities Act, in particular pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act. Moreover, the Agency Agreement provides that the Agent will offer and sell the Offered Shares outside the United States in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Offered Shares that are sold in the United States will be restricted securities within the meaning of Rule 144 under the U.S. Securities Act and will be subject to the resale and transfer restrictions thereunder.

Other than in respect of the Offered Shares sold to Accredited Investors in the United States, which will be represented by individual certificates, it is expected that the Offered Shares will be available for delivery in the book-based system through CDS or its nominee and will be deposited with CDS on the Closing Date, and no certificate evidencing the Offered Shares will be issued under this Prospectus, and registration will be made in the depositary services of CDS. Purchasers of Offered Shares under this Prospectus will receive only a customer confirmation from the Agent or other registered dealer who is a CDS Participant and from or through whom a beneficial interest in the Offered Shares is purchased. Purchasers who are not issued a certificate evidencing the

Offered Shares on the Closing Date are entitled, under the BCBCA, to request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities are held at the time of the request. The individual certificate(s) evidencing Offered Shares issued to Accredited Investors who are acquiring Offered Shares pursuant to a registration exemption under the U.S. Securities Act will bear legends and may only be resold or transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws of the United States.

Until 40 days after the commencement of the Offering, any offer or sale of the Offered Shares, within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption under the U.S. Securities Act.

LISTING APPROVAL

The Company has applied to list the securities distributed under this Prospectus on the TSX Venture Exchange. The listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

CONSOLIDATED CAPITALIZATION

The Company

Authorized and Issued Share Capital

The authorized share capital of Network consists of an unlimited number of Class A and Class B non-voting Common Shares without par value.

Common Shares

As of the date of this Prospectus, there were 10,807,704 Class A Common Shares issued and outstanding on a post-Consolidation basis and after completion of the Non-Brokered Private Placement. Each Common Share entitles the holder thereof to one vote at all meetings of Network Shareholders. As of the date of this Prospectus, there were 8 Class B non-voting Common Shares issued and outstanding.

The holders of Class A Common Shares are entitled to dividends, if, as and when declared by the Network Board, to one vote per Common Share at meetings of the shareholders of Network and, upon liquidation, to participate equally in such assets of the Company as are distributable to the holders of Common Shares. All Common Shares currently issued and outstanding are fully paid and non-assessable.

Convertible Securities

As of the date of this Prospectus, there were no Network Options outstanding and no Network Warrants outstanding. Common Shares outstanding at the date of this Prospectus are as follows:

Pre-Consolidation Securities	Expiration Date	Exercise Price (CDN\$)	Securities Outstanding (Post-Consolidation)
Class A Common Shares	n/a	n/a	10,807,704
Class B Common Shares	n/a	n/a	8

Consolidated Capitalization

The following table sets forth Network's consolidated capitalization as at the dates indicated. This table should be read in conjunction with:

- Network's annual financial statements for the year ended November 30, 2016, together with the notes thereto and the auditors' report thereon and the related management's discussion and analysis thereof; and
- Network's unaudited interim financial statements for the nine month period ended August 31, 2017 and the management's discussion and analysis thereof,

which are attached as schedules to this Prospectus.

Description	As at November 30, 2016 (CDN\$)	As at November 30, 2015 (CDN\$)
Shareholders' equity		
Capital Stock	17,039,080	16,531,236
Deficit.....	(17,766,260)	(17,549,291)
Share subscriptions received	-	25,000
Share based payment reserves ...	762,213	762,213
Total.....	69,889	(230,842)

Resulting Issuer

The authorized capital of the Resulting Issuer will consist of an unlimited number of common shares and an unlimited number of preferred shares.

Upon completion of the Transaction and the Consolidation, the Resulting Issuer expects to have a minimum of 46,882,868 issued and outstanding Resulting Issuer Common Shares, including eight Class B Shares, the Common Shares issued pursuant to the Non-Brokered Private Placement, the Corporate Finance Shares and the Network Finder's Shares, and 2,200,000 Resulting Issuer Options. See "Pro Forma Consolidated Capitalization – Fully Diluted Share Capital," below.

Common Shares

The holders of Resulting Issuer Common Shares will be entitled to vote at all meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Resulting Issuer Common Shares, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Resulting Issuer.

Warrants

There will be no outstanding Resulting Issuer Warrants on completion of the Transaction.

Options

The following table sets forth all Resulting Issuer Options that will be held upon completion of the Transaction:

Optionholders (as a group)	Number of Options	Exercise Price (CDN\$)	Expiration Date
Executive Officers	1,325,000	\$0.30	5 years from issuance

Directors (who are not also executive officers)	500,000	\$0.30	5 years from issuance
Others	375,000	\$0.30	5 years from issuance
Total	2,200,000		

Pro Forma Consolidated Capitalization

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the Transaction, and the Offering:

Designation of Security	Amount Authorized	Outstanding After Giving Effect to the Transaction and the Offering⁽¹⁾⁽²⁾
Common Shares	Unlimited	50,216,201

Notes:

- (1) This figure is equal to the sum of (i) 10,807,704 Resulting Issuer Common Shares representing the Common Shares issued and outstanding as at the date of this Prospectus; (ii) 24,650,950 Resulting Issuer Common Shares to be issued in exchange for 94.19% of the Ynvisible Shares issued and outstanding as at the date of this Prospectus; (iii) a maximum of 13,333,333 Resulting Issuer Common Shares to be issued under the Offering; (iv) 83,333 Corporate Finance Shares; and (v) 1,340,881 Network Finder's Shares.
- (2) This figure does not include the 8 Class B Common Shares issued and outstanding as they are not trading on the Exchange.

Fully Diluted Share Capital

Network will raise a minimum of CDN\$3,000,000 by issuing at least 10,000,000 Offered Shares and a maximum of CDN\$4,000,000 by issuing up to 13,333,333 Offered Shares.

The following table sets out the anticipated fully diluted share capital of the Resulting Issuer after giving effect to the Transaction and the Offering assuming the Maximum Offering (not including the Agent's Option) is raised:

Designation of Security	Outstanding Common Shares (fully diluted) After Giving Effect to the Transaction and the Offering	
	Number⁽¹⁾	Percentage
Common Shares ⁽²⁾⁽³⁾	50,216,201	95.80%
Options	2,200,000	4.20%
Warrants	0	0%
Fully-diluted Share Capital of the Resulting Issuer	52,416,201	100%

Notes:

- (1) All figures are presented on a post-Consolidation basis and assume completion of the Transaction.
- (2) This figure is equal to the sum of (i) 10,807,704 Resulting Issuer Common Shares representing the Common Shares issued and outstanding as at the date of this Prospectus, on a post-Consolidation basis; (ii) 24,650,950 Resulting Issuer Common Shares to be issued in exchange for 94.19% of the Ynvisible Shares issued and outstanding as at the date of this Prospectus; (iii) a maximum of 13,333,333 Resulting Issuer Common Shares to be issued under the Offering; (iv) 83,333 Corporate Finance Shares; and (v) 1,340,881 Network Finder's Shares.
- (3) This figure does not include the 8 Class B Common Shares issued and outstanding as they are not trading on the Exchange.

OPTIONS TO PURCHASE SECURITIES

The Company

The Company currently has in place the Network Option Plan approved by shareholders on May 28, 2004 and amended on May 27, 2009, July 20, 2010 and March 30, 2011. The Network Option Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Network Option Plan is administered by the directors of the Company and provides that options will be issued to directors, officers, employees or consultants of the Company. The Network Option Plan provides that the number of Common Shares issuable under the Network Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares at the time of reservation of such Common Shares for issuance. Under the Network Option Plan, an exercise price of an option is set by the Network Board at the time such Network Option is allocated under the Network Option Plan, and cannot be less than the Discounted Market Price, as such term is defined in Policy 1.1 of the TSX Venture Policies. Stock options are granted taking into account a number of factors, including the amount and term of previously granted stock options, base salary and bonuses and competitive factors. All Network Options expire on a date not later than ten years after the date of grant of such Network Option.

The Network Option Plan also contains provisions relating to the effect of a change of control, which the Network Option Plan defines as situations where, after giving effect to a contemplated transaction: (a) any one person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company; or (b) any combination of persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor.

As at the information date of this Prospectus, there are no Network Options outstanding.

Ynvisible

Ynvisible has no options currently issued and outstanding.

Resulting Issuer

Additional Options to be Granted Upon Completion of the Offering and Transaction

Upon completion of the Transaction, it is anticipated that the Resulting Issuer's Named Executive Officers ("NEOs") will be granted an aggregate of 1,325,000 Resulting Issuer Options, as outlined in the table above. The options will be exercisable for five years from the date of grant at an exercise price of \$0.30 per share. Stock options will vest 100% upon grant.

Upon completion of the Transaction, it is anticipated that the Resulting Issuer's directors who are not NEOs will be granted an aggregate of 500,000 Resulting Issuer Options upon completion of the Transaction, as outlined in the table above. The options will be exercisable for five years from the date of grant at an exercise price of \$0.30 per share, and will vest 100% upon grant. The Resulting Issuer may, in the discretion of the Resulting Issuer Board, grant additional options from time to time to current or incoming directors.

The Resulting Issuer will also grant 375,000 Resulting Issuer Options to persons that are not Resulting Issuer's NEOs or directors on the same terms as above.

PRIOR SALES

The Company

During the 12-month period prior to the date of this Prospectus, Network did not issue any Common Shares other than the following:

Date of Issue	Description	Number of Securities	Price per Security	Total Issue Price
December 18, 2017	Private Placement ⁽¹⁾	5,875,400 Common Shares	\$0.30	\$1,762,620

Notes:

(1) Issued pursuant to the Non-Brokered Private Placement.

Stock Exchange Price

The Common Shares are listed on the Exchange under the symbol “NET”. The following table sets forth, for the periods indicated, the high and low trading price and the aggregate trading volume of Common Shares on the Exchange.

The trading price of the Common Shares of the Company as traded on the Exchange on April 28, 2016, being the last day the Common Shares traded prior to the announcement of the Company entering into a letter of intent in connection with the RTO, was \$0.17.

The following table sets the daily high and low closing trading prices and the volume of the trading of the Common Shares of the Company, on days in which there was trading activity, on the Exchange for the periods indicated.

	TSXV Price Range		
	High (CDN\$)	Low (CDN\$)	Total Volume
September 1 to November 30, 2015.....	0.03	0.02	96,085
December 1, 2015 to February 29, 2016 ⁽¹⁾	0.15	0.005	313,353
March 1 to May 31, 2016 ⁽²⁾	0.215	0.14	123,979
June 1 to August 31, 2016 ⁽²⁾	—	—	—
September 1 to November 30, 2016 ⁽²⁾	—	—	—
December 1 to February 28, 2017 ⁽²⁾	—	—	—
March 1 to May 31, 2017 ⁽²⁾	—	—	—
June 1 to June 28, 2017 ⁽²⁾	—	—	—
July 1 to July 31, 2017 ⁽²⁾	—	—	—
August 1 to August 31, 2017 ⁽²⁾	—	—	—
September 1 to September 30, 2017 ⁽²⁾	—	—	—
October 1 to October 31, 2017 ⁽²⁾	—	—	—
November 1 to November 30, 2017 ⁽²⁾	—	—	—
December 1 to December 27, 2017 ⁽²⁾	—	—	—

Notes:

(1) On January 20, 2016 the Company completed a consolidation pursuant to which one post-consolidation Common Share was outstanding for every four pre-consolidation Common Shares.

- (2) Trading in Common Shares was halted on May 2, 2016 in connection with the announcement of the Transaction and remains halted as of the date hereof.

Ynvisible

During the 12-month period prior to the date of this Prospectus Ynvisible did not issue any shares. On July 12, 2016, Ynvisible exchanged all outstanding Category A shares (125,000) for Ordinary Shares (125,000).

ESCROWED SECURITIES AND RESALE RESTRICTIONS

Principal Escrow Securities

The following table lists the holders of Resulting Issuer Common Shares held by Principals of the Resulting Issuer that are expected to be held in escrow in accordance with the policies of the TSXV (the “**Principal Escrow Securities**”), the number of Principal Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of Principal Escrow Securities before and after the completion of the Transaction. The table includes securities which will be released from escrow concurrently with the completion of the Transaction and the Offerings, as described below.

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to Giving Effect to the Offering		After Giving Effect to the Transaction and the Offering	
		Number of Securities held in Escrow ⁽¹⁾	Percentage of Class ⁽²⁾	Number of Securities held in Escrow	Percentage of Class ⁽³⁾
YDreams – Informática, S.A., Almada, Portugal	Common	10,169,878	27.65%	10,169,878	19.40%
Inês Henriques, Oeiras, Portugal	Common	1,951,472	5.30%	1,951,472	3.72%
Carlos Pinheiro Freiburg, Germany	Common	1,545,174	4.20%	1,545,174	2.95%
Jani-Mikael Kuusisto, Almada, Portugal	Common	1,258,810	3.42%	1,258,810	2.40%
Alexander Helmel West Vancouver, BC	Common	62,173	0.17%	62,173	0.12%
Darren Urquhart Vancouver, BC	Common	21,000	0.06%	21,000	0.04%
Total:		15,008,507	40.7840.80%	15,008,507	28.6328.63%

Notes:

- (1) Pursuant to the policies of the Exchange, 10% of these Principal Escrow Securities will be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction assuming that the Resulting Issuer qualifies as a Tier 2 issuer on the Exchange or 25% of these Principal Escrow Securities will be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction assuming that the Resulting Issuer qualifies as a Tier 1 issuer.

- (2) This calculation is based on the sum of (i) 10,807,704 Common Shares issued and outstanding as at the date of this Prospectus, on a post-Consolidation basis; (ii) 24,650,950 Resulting Issuer Common Shares to be issued in exchange for 94.19% of the Ynvisible Shares issued and outstanding as at the date of this Prospectus; and (iii) 1,340,881 Network Finder's Shares and, therefore, that the Resulting Issuer will have 36,779,535 shares outstanding.
- (3) This calculation is based on the assumption that the Maximum Offering will be raised and includes 83,333 Corporate Finance Shares, and therefore, that the Resulting Issuer will have 52,416,201 shares outstanding, on a fully diluted basis, after giving effect to the Transaction and, Offering.

The Resulting Issuer expects to qualify as a Tier 2 issuer on the Exchange and that the securities held by Principals, as such term is defined in the policies of the Exchange, will be determined to be Value Securities (as defined in Exchange policies). Accordingly, the Resulting Issuer Common Shares will be subject to the release schedule set out in "Schedule B(2) – Tier 2 Value Security Escrow Agreement" of Exchange Form 5D. It is anticipated that Computershare will act as escrow agent with regards to the escrow of the securities of Principals pursuant to Exchange policies.

Additionally, the Ynvisible Selling Shareholders will enter into a voluntary pooling agreement among the Company and the pooling agent, pursuant to which the Resulting Issuer Common Shares will be released to the Ynvisible Selling Shareholders in accordance with the following release schedule:

Release Date	Percentage of overall holdings in Resulting Issuer of each Ynvisible Selling Shareholder
6 months following the Closing Date	5%
12 months following the Closing Date	10%
18 months following the Closing Date	20%
24 months following the Closing Date	20%
30 months following the Closing Date	20%
36 months following the Closing Date	25%

Inês Henriques, Carlos Pinheiro and Jani-Mikael Kuusisto have agreed to have 50% of their Resulting Issuer Common Shares subject to a performance escrow (the "**Performance Escrow Shares**"), in addition to any hold periods or escrows required by the Exchange or applicable Securities Laws, as well as in addition to the voluntary pooling agreement discussed above that all Ynvisible Selling Shareholders shall be subject to, pursuant to which 50% of Performance Escrow Shares will be released upon the Company achieving gross revenue of \$2,000,000 after Closing, and 50% of Performance Escrow Shares will be released upon the Company achieving gross revenue of \$4,000,000 after Closing. Not inclusive of the Transaction, all Resulting Issuer Common Shares subject to this performance escrow will be released upon the occurrence of a change of control of the Resulting Issuer, in accordance with the terms of the agreement governing the performance escrow and the Share Exchange Agreement.

Seed Share Resale Restrictions

Certain securities of the Resulting Issuer may be subject to resale restrictions pursuant to the Exchange imposed seed share resale restrictions ("**SSRRs**"). SSRRs are Exchange escrow and hold periods of various lengths which apply where seed shares are issued by private companies prior to the completion of certain transactions and initial listings, such as the Share Exchange. The terms of SSRRs are based on the length of time such securities have been held and the price at which such securities were issued. It is anticipated that the following securities of the Resulting Issuer will be subject to SSRR: 4,331,400 Resulting Issuer Common Shares issued in exchange for Ynvisible Shares pursuant to the Share Exchange and held by non-Principals will be subject to Exchange value security escrow, on the same terms as the Principal Escrow Securities described above.

PRINCIPAL SHAREHOLDERS

Other than as disclosed below, to the knowledge of the directors and executive officers of Network and Ynvisible, no person is anticipated to beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of voting rights attached to any class of voting securities of the Resulting Issuer upon completion of the Transaction.

On completion of the Consolidation and the Transaction, YDreams will hold 10,169,878 Resulting Issuer Common Shares, which, assuming the Maximum Offering will be raised, is approximately 19.40% of the Resulting Issuer on a fully diluted basis. The principal securityholders of YDreams are Fundo de Capital de Risco Armilar Venture Partners II (“**FCR AVP II**”), António da Nóbrega de Sousa da Câmara and José Miguel Rodrigues Remédio.

In addition to the Resulting Issuer Common Shares which it will indirectly control through its’ share ownership in YDreams, on completion of the Consolidation and the Transaction, FCR AVP II will directly hold an additional 4,809,159 Resulting Issuer Common Shares, which, assuming the Minimum Offering will be raised, is approximately 10.26% of the Resulting Issuer on a non-diluted basis. Assuming the Maximum Offering will be raised, FCR AVP II will directly hold 4,809,159 Resulting Issuer Common Shares, which is approximately 9.17% of the Resulting Issuer on a fully diluted basis. FCR AVP II is an investment fund which is managed by Armilar Venture Partners SCR, S.A. The principal securityholder of FCR AVP II is Sonae Investment Management - Software and Technology, SGPS, S.A.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The Resulting Issuer Board upon completion of the Transaction will be comprised of the following persons: Duarte Mineiro, Jani-Mikael Kuusisto, Martin Burian, and Alexander Helm. The term of office for each proposed director of the Resulting Issuer will be from the date of completion of the Transaction until the next annual meeting of the shareholders of the Resulting Issuer or until his successor is elected or appointed. The officers of the Resulting Issuer after completion of the Transaction will consist of Jani-Mikael Kuusisto (Chief Executive Officer), Inês Henriques (Chief Operating Officer), Carlos Pinheiro (Chief Technology Officer), Darren Urquhart (Chief Financial Officer), and Desmond Balakrishnan (Secretary).

The names, municipalities of residence, the number of voting securities anticipated to be beneficially owned, directly or indirectly, or over which each exercises control or direction, following the successful completion of the Transaction, and the offices anticipated to be held by each in the Resulting Issuer are set forth in the following table and notes below:

Name, Age and Municipality of Residence and Proposed Position with Resulting Issuer	Principal Occupation During Last Five Years	Director of Network or Ynvisible since	Number and Percentage of Resulting Issuer Common Shares expected to be held upon completion of the Transaction and the Offering⁽¹⁾
Duarte Mineiro ⁽²⁾⁽³⁾ , 44 Lisbon, Portugal Director	Director of Armilar Venture Partners SCR, S.A.	N/A	Nil
Jani-Mikael Kuusisto ⁽²⁾⁽³⁾ , 42 Almada, Portugal Director and Chief Executive Officer	Chief Business Development Officer (“CBDO”) at Ynvisible (August 2011 to July 2014); CBDO at The Active Paper Company Oy (August 2014 to March 2015); Senior Scientist (Digital Systems & Services) at VTT Technical Research Centre of Finland (March 2015 to August 2016) Current: General Manager at Ynvisible	N/A	1,258,810 (2.40%)

Name, Age and Municipality of Residence and Proposed Position with Resulting Issuer	Principal Occupation During Last Five Years	Director of Network or Ynvisible since	Number and Percentage of Resulting Issuer Common Shares expected to be held upon completion of the Transaction and the Offering⁽¹⁾
Inês Henriques, 42 Oeiras, Portugal Chief Operating Officer	CEO of Ynvisible	January 2010 to November 2014	1,951,472 (3.72%)
Alexander Helm, 47 West Vancouver, BC Director	Self-employed business consultant	March 2006 CEO since August 2006	62,173 (0.12%)
Martin Burian ⁽²⁾⁽³⁾ , 54 Vancouver, BC Director	Currently CFO of ML Gold; CFO of Heffel Gallery Ltd.; Former CFO and Director of Tinkerine Studios Ltd. (TSX-V:TTD); Former Managing Director of Investment Banking for Haywood Securities Inc. (2010 – mid 2013); Former President of Bolder Investment Partners (2009 until its merger with Haywood Securities Inc. in 2010)	N/A	Nil
Carlos Pinheiro, 37 Freiburg, Germany Chief Technology Officer	CTO and R&D Director of Ynvisible	N/A	1,545,174 (2.95%)
Darren Urquhart, 45 Vancouver, BC Chief Financial Officer	Chartered Professional Accountant; Former Director of Good Life Ventures Inc. (2002 to 2012)	CFO of Network since May 2013	21,000 (0.04%)
Desmond Balakrishnan, 46 Vancouver, BC Corporate Secretary	Lawyer at the Vancouver office of McMillan LLP	N/A	Nil

Notes:

- (1) Assuming completion of the Maximum Offering of 13,333,333 Offered Shares and the Resulting Issuer will have 52,416,201 shares outstanding, on a fully diluted basis.
- (2) Member of the audit committee.
- (3) Member of compensation committee.

All of the Resulting Issuer's directors' terms of office will expire at the earliest of their resignation, the close of the next annual shareholder meeting called for the election of directors, or on such other date as they may be removed according to the BCBCA. Each director will devote the amount of time as is required to fulfill his obligations to the Resulting Issuer. The Resulting Issuer's officers will be appointed by and serve at the discretion of the Resulting Issuer Board.

Following completion of the Transaction and the Offering, it is anticipated that all of the directors and officers of the Resulting Issuer, as a group, will own or control an aggregate of 4,838,628 Resulting Issuer Common Shares, representing approximately 9.23% of the issued and outstanding Resulting Issuer Common Shares assuming the completion of the Maximum Offering of 13,333,333 Offered Shares issued for aggregate gross proceeds of \$4,000,000.

Resulting Issuer Directors and Officers – Biographies

The following is a brief description of each individual proposed to be a director or involved in the senior management of the Resulting Issuer, along with other biographical information. Jani-Mikael Kuusisto, Inês

Henriques, and Carlos Pinheiro, will enter into full-time employment agreements with the Resulting Issuer, which provide for, among other things, confidentiality, non-solicitation and non-competition covenants in favour of the Resulting Issuer. Darren Urquhart will enter into an independent contractor agreement with the Resulting Issuer, and anticipates devoting approximately 25% of his time to the business of the Resulting Issuer in his capacity as Chief Financial Officer. Duarte Mineiro, Martin Burian, and Alexander Helm, who will be directors of the Resulting Issuer, are not parties to employment or independent contractor agreements with the Resulting Issuer.

Jani-Mikael Kuusisto (Age 42) – Director and Chief Executive Officer

With nearly 15 years of experience in the field of Printed Electronics and Consumer Packaged Goods (“CPG”), Jani-Mikael Kuusisto brings extensive international experience of working with the Printed Electronics customer and supply value chains to his position as CEO of the Resulting Issuer. Previously, he was Ynvisible’s Chief Business Development Officer, between 2011 and 2014.

Jani-Mikael has a M.Sc. in Economics and Business Administration from the Helsinki School of Economics and Business Administration (now a part of Aalto University). He graduated in 2000 with a major in International Business and minors in Finance and Multimedia.

Prior to rejoining Ynvisible in August 2016, Jani-Mikael Kuusisto worked in business development for VTT Technical Research Centre of Finland, as Senior Scientist, where he consulted for numerous rapidly growing IoT companies.

Inês Henriques (Age 42) – Chief Operating Officer

Inês Henriques was the leader of the research initiative, which resulted in Ynvisible in 2010, after which she acted as CEO of Ynvisible. She developed a competent team, with high levels of expertise in all strategic areas, and initiated senior management recruitment for Ynvisible. She has also been actively involved in the development of the company’s core IP portfolio, and was responsible for initiating Ynvisible’s first manufacturing partnership and establishing R&D partner networks to develop future interactive surfaces technologies.

Inês has a degree in Environmental Engineering from the New University of Lisbon, Portugal and a PhD from Virginia Tech, USA.

Carlos Pinheiro (Age 37) – Chief Technology Officer

Carlos Pinheiro is Ynvisible’s CTO. He leads Ynvisible’s technological vision and strategy and is generally responsible for development, transfer of technology, production and contract R&D services to Ynvisible’s clients. Carlos headed the process to set up Ynvisible’s first pilot production site in Lisbon and is currently working to develop an R&D facility in Freiburg, Germany. It was his PhD thesis that laid the crucial foundation for Ynvisible’s electrochromic display technology.

Mr. Pinheiro is the author of several scientific papers and patents and received his PhD in Physical Chemistry at the New University of Lisbon, Portugal in 2010.

Duarte Mineiro (Age 44) – Director

Duarte Mineiro is a Director of Armilar Venture Partners, previously Espírito Santo Ventures, and he is a Board member/observer of several Armilar portfolio companies. Prior to joining Espírito Santo Ventures in 2010, Duarte worked for over 10 years in The Boston Consulting Group, mainly in the healthcare and financial sectors. He joined the Lisbon office in 1998, but was also a member of the Paris (joined 2003) and London (joined 2009) offices.

Mr. Mineiro holds an MBA from the Tuck School of Business at Dartmouth College (2003), and a degree in Industrial Engineering and Management from the Technical University of Lisbon (1998), a leading Engineering school in Portugal.

Duarte Mineiro anticipates devoting approximately 10% of his time to the business of the Resulting Issuer.

Alexander Helmhel (Age 48) – Director

Mr. Helmhel has been President and a director of the Company since March 1, 2006 and also its Chief Executive Officer since August 27, 2007. He brings over 15 years of experience working with private and publicly traded companies. Mr. Helmhel has served as a director and/or officer for numerous private and listed CSE and TSX-V companies.

Mr. Helmhel obtained his Bachelor of Science degree from the University of British Columbia in 1994 and obtained his Certified Information Systems Auditor (CISA) designation in 2006 that is not currently active.

Alexander Helmhel anticipates devoting approximately 10% of his time to the business of the Resulting Issuer.

Martin Burian (Age 54) – Director

Mr. Burian has over eighteen years of investment banking experience. He brings a wealth of knowledge and expertise in finance, management, administration and business planning for growth companies. Within investment banking, Martin was most recently Managing Director of Investment Banking at Haywood Securities Inc. from 2010 until mid-2013, prior to which he served as President of Bolder Investment Partners from 2005 until its merger with Haywood Securities in 2010. Prior to Bolder he served as Vice President of Investment Banking with Canaccord Capital and predecessor firms from 1998 to 2005. Mr. Burian obtained his Chartered Accountant (1990) and Chartered Business Valuator (1992) designations while at KPMG and obtained his Bachelor of Commerce from the University of British Columbia in 1986. He is currently an officer or director of the following public companies: Atlas Cloud Enterprises Inc., a co-locations services company; Elysee Development Corp., an investment issuer; ML Gold Corp., a resource issuer; and Canarc Resource Corp., a resource issuer listed on the Toronto Stock Exchange. Mr. Burian is currently CFO of Heffel Fine Art Auction House, Canada's leading national firm in that sector, and has served on several not for profit associations in the education sector.

Mr. Burian will devote approximately 5% of his time to the business of the Resulting Issuer.

Darren Urquhart, CPA, CA (Age 45) – Chief Financial Officer

Mr. Urquhart is a chartered professional accountant with more than 15 years of experience working in both public practice and industry. Mr. Urquhart acts as chief financial officer to various TSX Venture Exchange-listed companies in the Vancouver area through his own licensed public practice accounting firm. Mr. Urquhart obtained his chartered accountant designation in 2001 and is a member of the Chartered Professional Accountants of British Columbia (CPABC).

In 1995, Mr. Urquhart obtained his Bachelor of Science (Electrical Engineering) from the University of British Columbia.

Desmond Balakrishnan (Age 46) – Corporate Secretary

Mr. Balakrishnan is a Vancouver lawyer and has practiced law as a partner at McMillan LLP since February 2002. As of May 2008, Mr. Balakrishnan has served as Corporate Secretary of Network. Mr. Balakrishnan was the Secretary of Yankee Hat Minerals Ltd., an Exchange-listed issuer, from January, 2005 to November, 2012. Mr. Balakrishnan has also been a director of Copacabana Capital Ltd., an Exchange-listed issuer, since June 2005. Since November, 2011, Mr. Balakrishnan has been the Corporate Secretary of Big Sky Petroleum Corporation (formerly, Fox Resources Ltd.), an Exchange listed issuer. Mr. Balakrishnan has been the Corporate Secretary of Electric Metals Inc. (formerly, Amerpro Resources Inc.), an Exchange-listed issuer, since June 2009. Mr. Balakrishnan has been a Director of Aroway Energy Inc. (formerly, Aroway Minerals Inc.), an Exchange-listed issuer, since July 2010. Mr. Balakrishnan has served as Corporate Secretary of a number of additional issuers, both listed on the Exchange and listed on the Toronto Stock Exchange.

Mr. Balakrishnan received his Law Degree from the University of Alberta in June 1997 and was called to the British Columbia Bar in May 1997. He received his Bachelor of Arts from Simon Fraser University in June 1994.

Mr. Balakrishnan is now, or has been in the last five years, a director or officer of 15 public companies or reporting issuers. Mr. Balakrishnan will devote approximately 5% of his time to the business of the Resulting Issuer.

Promoter Consideration

There have been no promoters of Network during the two years immediately preceding this Prospectus and there will be no consideration paid to any promoter of Network in connection with the Transaction.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, no proposed director, officer or promoter of the Resulting Issuer or a securityholder anticipated to hold a sufficient amount of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, within the 10 years preceding the date hereof, has been a director, officer or promoter of any person or company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under securities legislation, that was issued while that director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Ynvisible previously traded on the Open Market/First Quotation Board of the Frankfurt Stock Exchange, and was delisted as a result of Ynvisible's designated market maker being terminated by the Frankfurt Stock Exchange. Ynvisible did not retain a replacement market maker. At the time of delisting, Inês Henriques was an officer and director of Ynvisible and Jani-Mikael Kuusisto was an officer of Ynvisible.

Penalties or Sanctions

To the knowledge of each of Network and Ynvisible, no proposed director, officer or promoter of the Resulting Issuer or securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) 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 securityholder making an investment decision.

Individual Bankruptcies

Other than as described below, to the knowledge of each of Network and Ynvisible, no proposed director, officer or promoter of the Resulting Issuer or a securityholder anticipated to hold a sufficient amount of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date hereof:

- (a) been a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, 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; or

- (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or 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 the individual.

YDreams is a promoter of Ynvisible and will be a promoter of the Resulting Issuer. On completion of the Consolidation and the Transaction, YDreams will hold approximately 20.74% of the Resulting Issuer Common Shares. YDreams is the subject of a court ratified payment plan (the “**Recovery Plan**”) dated April 20, 2015, arrived at in Portugal through a “Special Revitalization Process” under Portuguese law, pursuant to which YDreams engaged in an extra-judicial negotiation process with its creditors. The Recovery Plan was initiated under Special Revitalization Process Number 1458/14.6T8BRR, and was ratified by a court pursuant to the requirements under Portuguese law, on April 20, 2015.

Conflicts of Interest

As set forth herein, certain senior officers and directors of the Resulting Issuer will own or control a substantial percentage of the outstanding Resulting Issuer Common Shares upon completion of the Transaction. Certain conflicts may arise between such individuals’ interests as members of the management team and their interests as shareholders. Such conflicts could arise, for example, with respect to the payment of salaries and bonuses and other similar matters. The Resulting Issuer’s directors and officers are subject to fiduciary obligations to act in the best interest of the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies of the BCBCA or other applicable corporate legislation.

Other Reporting Issuer Experience

The following table sets out the proposed directors and officers of the Resulting Issuer that are, or have been within the last five years, directors of other reporting issuers:

Name	Reporting Issuer and Jurisdiction	Name of Exchange	Position	From	To
Alexander Helm	Windfire Capital Corp., British Columbia	TSXV	Director	April 2015	Present
	Rara Terra Capital Corp. (previously Echelon Petroleum Corp. and now Trenchant Capital Corp.), British Columbia	TSXV (now, NEX)	President, Chief Executive Officer, and Director	December 2009	May 2014
	Kombat Copper Inc., British Columbia	TSXV	President, Chief Executive Officer, and Director	October 2011	October 2013
	Lions Gate Metals, British Columbia	CSE	Director	February 2014	October 2015
	Fandom Sports Media Corp., British Columbia	CSE	Chief Financial Officer	September 2015	Present
	Fundamental Applications Corp., British Columbia	CSE	Director and Interim Chief Financial Officer	May 2015 October 2015	Present Present

Name	Reporting Issuer and Jurisdiction	Name of Exchange	Position	From	To
	Lateral Gold Corp., British Columbia	TSXV	Director	December 2014	October 2016
	Giyani Gold Corp., Ontario	TSXV	Director, President and Chief Executive Officer	April 2010 June 2010	June 2013 July 2011
	Tasca Resources Ltd., British Columbia	TSXV	Director and Chief Financial Officer	May 2017	Present
Martin Burian	Tinkerine Studios Ltd., British Columbia	TSXV	Director and Chief Financial Officer	April 2014	February 2016
	Canarc Resource Corp., British Columbia	TSX	Director	November 2013	Present
	ML Gold Corp., British Columbia	TSXV	Director and Chief Financial Officer	July 2013	Present
	Elysee Development Corp., British Columbia	TSXV	Director	June 2013	Present
	Atlas Cloud Enterprises, British Columbia	CSE	Director	July 2014	Present

EXECUTIVE COMPENSATION

In this section “Named Executive Officer” (an “**NEO**”) means each individual who acted as chief executive officer, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CEO**”), each individual who acted as chief financial officer, or acted in a similar capacity, for any part of the most recently completed financial year (a “**CFO**”) and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN\$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer at the end of the most recently completed financial year.

The Company

Compensation Discussion and Analysis

None of the executive officers of the Company have earned more than CDN\$150,000 from the Company in the most recently completed financial year. Alexander Helmelt (President and Chief Executive Officer) and Darren Urquhart (Chief Financial Officer) are the NEOs of the Company for the purposes of the following disclosure.

The Compensation Committee is responsible for executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based

compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives. The Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Compensation Committee reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity. The Compensation Committee consists of Alexander Helm, Robert Friesen, and Richard Vaive. Mr. Friesen and Mr. Vaive are independent members of the Compensation Committee. Each of Mr. Vaive and Mr. Friesen have numerous years of experience on various boards and committees and are capable of analyzing, comparing, and recommending compensation programs as required by the Compensation Committee.

The Compensation Committee has not considered the implications of risks associated with the Company's compensation program, and intends to formalize its compensation policies and practices, and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Option Plan. Recommendations for senior management compensation are presented to the Network Board for review.

The Company currently does not have in place any formal policies to prevent a director or NEO from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held directly or indirectly by such director or NEO.

Elements of Compensation

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Option Plan. Recommendations for senior management compensation are presented to the Network Board for review.

Base Salary

In the Network Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of shareholders. Equity participation is accomplished through the Company's Option Plan. Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Compensation Committee based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasizes the provisions of option grants to maintain executive motivation.

Network Option Plan

The Company has a share option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing associations with the Company. The Compensation Committee proposes share option grants to the Network Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Network Board. The Network Option Plan is administered by the Compensation Committee and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The following table sets out equity compensation plan information as at the end of the financial year ended November 30, 2016.

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders (the Network Option Plan)	Nil	N/A	443,755
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	0	N/A	443,755

Summary Compensation Table – NEOs

Alexander Helm, President and Chief Executive Officer and Darren Urquhart, Chief Financial Officer, are NEOs of the Company for the purposes of the following disclosure. The compensation paid to the NEOs during the Company's three most recently completed financial years is set out below:

Name and Principal Position	Year	Salary (CDN\$)	Share-based Awards (CDN\$)	Option-based Awards (CDN\$)	Non-equity Incentive Plan Compensation (CDN\$)		Pension Value (CDN\$)	All other Compensation (CDN\$)	Total Compensation (CDN\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Alexander Helm, President and CEO	2016	15,000	Nil	Nil	Nil	Nil	Nil	Nil	15,000 ⁽¹⁾
	2015	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000 ⁽¹⁾
	2014	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000 ⁽¹⁾
Darren Urquhart, CFO	2016	9,500	Nil	Nil	Nil	Nil	Nil	Nil	9,500 ⁽²⁾
	2015	8,000	Nil	Nil	Nil	Nil	Nil	Nil	8,000 ⁽²⁾
	2014	8,000	Nil	Nil	Nil	Nil	Nil	Nil	8,000 ⁽²⁾

Notes:

(1) These funds were paid to Redonda Drive Management ("Redonda") for management services. Mr. Helm is a controlling director of Redonda.

(2) These funds were paid to Darren Urquhart Chartered Accountant Inc. ("Duca"). Mr. Urquhart is a controlling director of Duca.

Incentive Plan Awards – NEOs

Outstanding Share-based and Option-based Awards

For a discussion of the Company's Option Plan, see "The Company – Elements of Compensation".

No share-based awards were granted to the NEOs of the Company. The following table sets out all option-based awards granted to the NEOs that were outstanding as at November 30, 2016. All such options have since expired and were unexercised.

Option-based Awards					Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration Date	Value of unexercised in- the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Robert Friesen	12,500	\$1.00	July 28, 2015	Nil	Nil	Nil	Nil
Alexander Helmelt	20,000	\$1.00	July 28, 2015	Nil	Nil	Nil	Nil

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

There was no value vested or earned by any NEO under the Company's incentive plan during the year ended November 30, 2016.

Consulting Agreements, Termination and Change of Control Benefits

There are no termination or change of control benefits due to any of the directors or NEOs of the Company.

Director and Officer Compensation

The compensation provided to the directors, excluding a director who is included in disclosure for an NEO, for the Company's most recent completed financial year of November 30, 2016 is:

Name and Principal Position	Fees Earned (CDN\$)	Share-based Awards (CDN\$)	Option-based Awards (CDN\$)	Non-equity Incentive Plan Compensation (CDN\$)		Pension Value (CDN\$)	All other Compensation (CDN\$)	Total Compensation (CDN\$)
				Annual Incentive Plans	Long-term Incentive Plans			
Robert Friesen	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Vaive	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Incentive Plan Awards

Outstanding Share-based and Option-based Awards

For a discussion of the Company's Option Plan see "Options to Purchase Securities – the Company".

No share-based awards were granted to directors of the Company during the year ended November 30, 2016.

Ynvisible

Compensation Discussion and Analysis

The Ynvisible Board oversees Ynvisible's compensation practices and makes compensation-related decisions regarding compensation and incentive plans for the executive officers of Ynvisible. Broadly speaking, Ynvisible's compensation objectives are to provide appropriate rewards for past performance, align and motivate future performance towards corporate objectives, and maximize retention.

Executive compensation and levels thereof is reviewed annually by the Ynvisible Board, which determines compensation for executive officers each year.

The Ynvisible Board's assessment of corporate performance is based on a number of qualitative and/or quantitative factors, including achievement of financial targets, execution of on-going projects and transactions, operational performance and progress on key growth initiatives. The Ynvisible Board's decisions with respect to compensation for NEO's for the fiscal year ended December 31, 2016 are noted below under the heading "*Summary Compensation Table*".

Executive Compensation Principles

Ynvisible's compensation program works from a performance philosophy which supports Ynvisible's commitment to delivering results to its shareholders. The compensation program also considers Ynvisible's cash resources. The compensation program is designed to address the following objectives:

- (a) attract and retain qualified management and executives;
- (b) focus on performance by linking compensation to the achievement of business objectives; and
- (c) align executive compensation with shareholders' interests.

When determining executive compensation, the Ynvisible Board reviews the compensation practices of certain companies in its selected peer group. These companies compete with Ynvisible for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Ynvisible Board has not conducted a formal evaluation of the implications or risk associated with Ynvisible's compensation practices or policies. The Ynvisible Board intends to review the risks, if any, associated with Ynvisible's compensation policies and practices, at least once annually, commencing upon completion of the Transaction.

Elements of Compensation

Ynvisible's executive compensation currently consists mainly of base salary.

Base Salary

The Ynvisible Board has determined that base salaries which are reasonable in relation to the level of service expected and competitive in the markets in which the company functions, are the primary method of attracting and retaining qualified and effective executives.

Summary Compensation Table – NEOs

Jani-Mikael Kuusisto, General Manager, Inês Henriques, Chief Executive Officer, and Carlos Pinheiro, Chief Technology Officer, are NEOs of Ynvisible for the purposes of the following disclosure. The compensation paid to the NEOs during Ynvisible's three most recently completed financial years is set out below:

Name and Principal Position	Year	Salary (CDN\$) (2)	Share-based Awards (CDN\$)	Option-based Awards (CDN\$)	Non-equity Incentive Plan Compensation (CDN\$)		Pension Value (CDN\$) (1)	All other Compensation (CDN\$)	Total Compensation (CDN\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Jani-Mikael Kuusisto, General Manager (3)	2016 ⁽⁴⁾	29,462	27,728	Nil	Nil	Nil	Nil	Nil	57,190
	2015 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014 ⁽⁴⁾	69,502	Nil	Nil	Nil	Nil	Nil	Nil	69,502
Inês Henriques, CEO	2016	51,706	20,116	Nil	Nil	Nil	Nil	Nil	71,822
	2015	41,338	Nil	Nil	Nil	Nil	Nil	Nil	41,338
	2014	51,098	Nil	Nil	Nil	Nil	Nil	Nil	51,098
Carlos Pinheiro, CTO	2016	28,581	22,762	Nil	Nil	Nil	Nil	Nil	51,343
	2015	39,025	Nil	Nil	Nil	Nil	Nil	Nil	39,025
	2014	50,018	Nil	Nil	Nil	Nil	Nil	Nil	50,018

Notes:

- (1) Mandatory Social Security contributions were made according to Portuguese law, which partially contribute to a future pension.
- (2) Using September 30, 2017 exchange rate of CDN\$1.00 = €0.6788.
- (3) Jani-Mikael Kuusisto was Ynvisible's Chief Business Development Officer between August 2011 and July 2014. The compensation values indicated in the table refer to this period and role.
- (4) Jani-Mikael Kuusisto left the employment of Ynvisible from August 2014 to August 2016.

Consulting Agreements, Termination and Change of Control Benefits

There are no termination or change of control benefits due to any of the directors or NEOs of Ynvisible.

Director and Officer Compensation

With the exception of Inês Henriques, who has been CEO of Ynvisible since October 2010, and was a director of the company until November 2014, all other directors of Ynvisible have historically not received any compensation.

Resulting Issuer

This section sets forth the proposed compensation to be paid by the Resulting Issuer to Jani-Mikael Kuusisto, Inês Henriques, Carlos Pinheiro and Darren Urquhart, who are anticipated to be the only NEOs of the Resulting Issuer.

Compensation Discussion and Analysis

The Compensation Committee of the Resulting Issuer will be responsible for executive and director compensation, including reviewing and recommending director compensation, overseeing base compensation, reviewing equity compensation, recommending officer and employee compensation, and evaluating the ongoing performance of the Resulting Issuer's officers.

The Compensation Committee will assume responsibility for reviewing and monitoring the long-range compensation strategy for senior management regularly within the context of comparative compensation programs paid by issuers of similar size and activity. The Compensation Committee will consist of Jani-Mikael Kuusisto, Martin Burian and Duarte Mineiro.

Summary Compensation Table

The following table outlines the anticipated compensation to be paid to each of the NEOs for the 12 month period after giving effect to the Transaction.

Name and principal position	Salary (CDN\$)	Share-based awards (CDN\$)	Option-based awards ⁽¹⁾⁽³⁾ (CDN\$)	Non-equity incentive plan compensation (CDN\$)		Pension Value ⁽²⁾ (CDN\$)	All other compensation (CDN\$)	Total compensation (CDN\$)
				Annual incentive plans	Long-term incentive plans			
Jani-Mikael Kuusisto, CEO	\$154,675	-	\$100,251	-	-	-	-	\$254,926
Inês Henriques	\$94,352	-	\$66,834	-	-	-	-	\$161,186
Carlos Pinheiro	\$94,352	-	\$83,542	-	-	-	-	\$177,894
Darren Urquhart, CFO	\$30,000	-	\$22,278	-	-	-	-	\$52,278

Notes:

- (1) Upon completion of the Transaction, it is anticipated that the Resulting Issuer's NEOs will be granted an aggregate of 1,325,000 Resulting Issuer Options, as outlined above.
- (2) Under Portuguese law, companies are required to contribute 23.75% of the gross salary of each employee to Social Security, which provides several benefits to employees, including a pension plan. It is not possible to distinguish which portion of this contribution is allocated to a pension plan versus other benefits. These payments do not indicate the presence or anticipated presence of a company retirement or pension plan.
- (3) The options were fair valued using the Black-Scholes option pricing model with the following assumptions: Dividend yield: Nil, Annualized volatility: 100%, Risk-free interest rate: 0.94, Expected life: 5.00 years.

Performance Based Compensation

Management will be awarded bonus compensation based on the delivery of certain performance milestones. Payment will be paid in the month following the completion of the milestone and will be paid as a one-time payment as a certain percentage of annual salary. Milestones and related bonus will be paid as outlined in the following table:

Milestone	% Bonus (as percentage of annual salary)
Bring production capacity to 250K ECDs/month	2
Bring production capacity to 1M ECDs/month	3
Sign 2 meaningful contracts with companies/consultants with access to clients	2
Sign 2 meaningful contracts with companies with complementing supply and possible end client relationships	2
Achieve CDN\$400K cumulative revenue	2
Achieve CDN\$800K cumulative revenue	3
Achieve CDN\$1.2M cumulative revenue	3
Sign and announce jointly funded research project	3
Sign and announce 2nd jointly funded research project	4
File 2 new patent applications	2
File a further 2 new patent applications (4 total)	2
File a further 2 new patent applications (6 total)	2
Have a patent granted	1
Have a second patent granted	1
Make 2 invited speeches at industry conferences	2
Make a further 3 invited speeches at industry conferences	3
Achieve 10 meaningful mentions in the media	3
Total Achievable:	40%

Incentive Plan Awards

Stock option grants will be used to align executive interests with those of shareholders and will be based on the executive's performance, level of responsibility, as well as the number and exercise price of options previously issued to the executive as part of his overall aggregate total compensation package. Resulting Issuer Options may be

granted on an annual basis in connection with the review of executives' compensation packages, or upon hire or promotion and as special recognition for extraordinary performance.

The Resulting Issuer expects to maintain the Network Option Plan following the Closing.

The table below outlines the number of Resulting Issuer Options expected to be held by directors and officers of the Resulting Issuer after giving effect to the Transaction. Network and Ynvisible expect that, following the Closing, new Resulting Issuer Options may be granted to directors and officers of the Resulting Issuer, on terms to be determined by the Resulting Issuer Board and/or the Compensation Committee, as applicable.

Optionholders (as a group)	Number of Options	Exercise Price (CDN\$)	Expiration Date
Executive Officers	1,325,000	\$0.30	5 years from issuance
Directors (who are not also executive officers)	500,000	\$0.30	5 years from issuance
Others	375,000	\$0.30	5 years from issuance
Total	2,200,000		

Pension Plan Benefits

Other than as required by Portuguese law, on Closing, the Resulting Issuer will not have a pension or retirement plan.

Termination of Employment and Change of Control Benefits

It is anticipated that there will be no termination or change of control provisions in any of the Resulting Issuer's agreements with the directors or NEOs of the Resulting Issuer.

Director Compensation

Directors of the Resulting Issuer are expected to be compensated by way of annual fees and meeting fees, which will be paid in cash or as otherwise determined by the Resulting Issuer Board or its Compensation Committee. The following table sets forth the total compensation expected to be paid to or earned by the non-NEO directors of the Resulting Issuer for the 12-month period after giving effect to the Transaction:

Name and principal position	Fees earned (CDN\$)	Share- based awards (CDN\$)	Option- based awards⁽¹⁾ (CDN\$)	All other compen- sation (CDN\$)	Total compensation (CDN\$)
Duarte Mineiro	Nil	-	\$44,556	-	\$44,556
Alexander Helm	Nil	-	\$44,556	-	44,556
Martin Burian	Nil	-	\$22,278	-	22,278

Notes:

- (1) The options were fair valued using the Black-Scholes option pricing model with the following assumptions: Dividend yield: Nil, Annualized volatility: 100%, Risk-free interest rate: 0.94, Expected life: 5.00 years.

Investor Relations Agreements

Other than as provided herein, no written or oral agreement or understanding has yet been reached with any Person to provide any promotional or investor relations services for the Resulting Issuer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of Network or Ynvisible, proposed director or officer of the Resulting Issuer, or individual who at any time during the most recently completed financial year of Network or Ynvisible was a director or officer of Network or Ynvisible, or any Associate of any such director or officer is indebted to Network or Ynvisible or a subsidiary thereof nor has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Network or Ynvisible or a subsidiary thereof.

AUDIT COMMITTEE

The Audit Committee's Mandate

The mandate of the Audit Committee is to ensure the Company effectively maintains the necessary management systems and controls to allow for timely and accurate reporting of financial information to safeguard shareholder value, to meet all relevant regulatory requirements and to provide recommendations to the Network Board in the areas of management systems and controls. The Board adopted a new Audit Committee Charter on May 27, 2008, a copy of which is attached as Schedule "A" to the Information Circular for the 2009 annual general meeting and filed on www.sedar.com on May 26, 2009. A copy of the Audit Committee Charter is available to any securityholder of the Company upon request free of charge.

Composition of the Audit Committee

The members of the Company's Audit Committee are Alexander Helm, Robert Friesen, and Richard Vaive. Robert Friesen and Richard Vaive are independent members of the Audit Committee. Alexander Helm is a non-independent member of the Audit Committee by virtue of his being the President and Chief Executive Officer of the Company.

The Audit Committee of the Resulting Issuer following completion of the Transaction is expected to consist of Duarte Mineiro, Jani-Mikael Kuusisto and Martin Burian. Duarte Mineiro and Martin Burian will be independent members of the Audit Committee.

Exemption

The Company is a "venture issuer" as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

Relevant Education and Experience

All the current and proposed members of the Audit Committee are considered to be financially literate as required by section 1.6 of NI 52-110. A summary of the experience and education of the proposed Audit Committee members of the Resulting Issuer is provided below.

Duarte Mineiro: Duarte is a Director of Armilar Venture Partners, previously Espírito Santo Ventures, and he is a Board member/observer of several Armilar portfolio companies. Prior to joining Espírito Santo Ventures in 2010, Duarte worked for over 10 years in The Boston Consulting Group, mainly in the healthcare and financial sectors. He joined the Lisbon office in 1998, but was also a member of the Paris (joined 2003) and London (joined 2009) offices.

Mr. Mineiro holds an MBA from the Tuck School of Business at Dartmouth College (2003), and a degree in Industrial Engineering and Management from the Technical University of Lisbon (1998), a leading Engineering school in Portugal.

Martin Burian: Mr. Burian has over eighteen years of investment banking experience with Haywood Securities and Bolder Investment Partners. He brings a wealth of knowledge and expertise in finance, business planning and execution for growth companies. Martin is a CPA, CA and a Chartered Business Valuator and is on the board of several public companies.

Jani-Mikael Kuusisto: With nearly 15 years of experience in the field of Printed Electronics and Consumer Packaged Goods, Jani-Mikael Kuusisto brings extensive international experience of working with the Printed Electronics customer and supply value chains to his position as CEO of the Resulting Issuer. Previously, he was Ynvisible's Chief Business Development Officer, between 2011 and 2014.

Jani-Mikael has a M.Sc. in Economics and Business Administration from the Helsinki School of Economics and Business Administration (now a part of Aalto University). He graduated in 2000 with a major in International Business and minors in Finance and Multimedia.

The experiences of the members of the Audit Committee have given each member:

- an understanding of the accounting principles used by the Resulting Issuer to prepare its financial statements;
- the ability to assess the general application of accounting principles in connection with accounting estimates, accruals and reserves;
- experience analyzing and evaluating financial statements similar to those of the Resulting Issuer; and
- an understanding of internal controls and procedures for financial reporting pertinent to the Resulting Issuer.

For a more detailed summary of the experience and education of the proposed members of the Audit Committee see "Directors and Officers – Biographies". A summary of the experience and education of the Company's current Audit Committee members is provided below.

Alexander Helm: Mr. Helm has been President and a director of the Company since March 1, 2006 and also its Chief Executive Officer since August 27, 2007. He brings over 15 years of experience working with private and publicly traded companies and has specific expertise working with venture companies within the Canadian Capital Markets. Mr. Helm has served as a director and/or officer for numerous private and listed CSE and TSXV companies. Mr. Helm obtained his Bachelor of Science degree in mathematics from the University of British Columbia in 1994.

Robert Friesen: Mr. Friesen is a Professional Geologist, has over 40 years of mining and exploration experience and serves as Senior Mining Advisor at the Company. He has been a director of the Company since July 26, 2007. He held senior management and directorship roles of public companies for many years and as a result Mr. Friesen has a solid understanding of financial statements, their preparation, analysis, and interpretation. He has completed an in-house financial analysis course with Noranda Inc.

Richard Vaive: Mr. Richard Vaive has been a director of the Company since August 20, 2012. He has served as a director of Giyani Gold Corp., Kombat Copper Inc. and a non executive director of Forsys Metals Corp. Mr. Vaive has served as Head Coach, General Manager and Director of Hockey Operations of the East Coast Hockey League; Head Coach of the Ontario Hockey League; Player, Coach and Head Coach in the American Hockey League.

Audit Committee Oversight

The Audit Committee has not made any recommendations to the Network Board to nominate or compensate any auditor other than Morgan & Company LLP, Chartered Professional Accountants.

Reliance on Certain Exemptions

The Company's auditor, Morgan & Company LLP, Chartered Professional Accountants, has not provided any material non-audited services.

Pre-Approval Policies and Procedures

See Audit Committee Charter concerning adoption of specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Morgan & Company LLP, Chartered Professional Accountants, to the Company to ensure auditor independence. Fees billed by Morgan & Company LLP, Chartered Professional Accountants for audit and non-audit services in the last three fiscal years are outlined in the following table:

Nature of Services	Fees Invoiced by Auditor in Year Ended November 30, 2016 (CDN\$)	Fees Invoiced by Auditor in Year Ended November 30, 2015 (CDN\$)	Fees Invoiced by Auditor in Year Ended November 30, 2014 (CDN\$)
Audit Fees ⁽¹⁾	\$10,000	\$8,160	\$15,300
Audit-Related Fees ⁽²⁾	Nil	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil	Nil
Total	\$10,000	\$8,160	\$15,300

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

CORPORATE GOVERNANCE OF NETWORK

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the corporation. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The board of directors of the Company is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Network Board, be reasonably expected to interfere with the exercise of a director's independent judgment. There are no special structures or processes in place to facilitate the functioning of the directors of the Company independently of management. However, the independent directors are given full access to management so that they can develop an independent perspective and express their views and communicate their expectations of management. The independent members of the Network Board are Robert Friesen and Richard Vaive. The non-independent director is Alexander Helmél,

President and Chief Executive Officer of the Company. The Company adopted the Board Mandate and Corporate Governance Guidelines on May 27, 2008, a copy of which is available for review on the Company's website at www.networkexploration.com.

Directorships

The directors of the Company are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Robert Friesen	Oroco Resource Corp.	TSXV
Alexander Helm	Fundamental Applications Corp.	CSE
	Windfire Capital Corp.	TSXV
	Tasca Resources Ltd.	TSXV

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Network Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

The Network Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Network Board in which the director has an interest have been sufficient to ensure that the Network Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Network Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Network Board's duties effectively and to maintain a diversity of views and experience.

The Network Board does not have a nominating committee, and these functions are currently performed by the Network Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Compensation Committee determines compensation and incentive awards for the directors and senior officers of the Company. The Compensation Committee members are Richard Vaive (Chairman), Robert Friesen and Alexander Helm. Mr. Vaive (Chairman) and Mr. Friesen are the independent members of the Compensation Committee. The Compensation Committee Charter was adopted by the Board on May 27, 2008 and is available for review on the Company's website at www.networkexploration.com.

Other Committees of the Board of Directors

The only committee of the Network Board other than the Audit Committee and the Compensation Committee is the Corporate Governance Committee which oversees the drafting of the various corporate governance policies of the Network Board. Members of the Corporate Governance Committee are Robert Friesen (Chairman), Alexander Helm and Richard Vaive. The Network Board adopted a charter for the Corporate Governance Committee on May 27, 2008. The charter and the corporate disclosure policy for the Corporate Governance Committee are available for review on the Company's website at www.networkexploration.com.

Assessments

The Network Board monitors the adequacy of information given to directors, communication between the Network Board and management and the strategic direction and processes of the Network Board and committees.

CORPORATE GOVERNANCE OF YNVISIBLE

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the corporation. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The board of directors of Ynvisible is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

There are no special structures or processes in place to facilitate the functioning of the directors of Ynvisible independently of management. However, directors are given full access to management so that they can develop an independent perspective and express their views and communicate their expectations of management. The members of the Ynvisible Board are António Câmara, Edmundo Nobre and José Miguel Remédio.

Directorships

The directors of Ynvisible are not directors in any reporting companies, except for José Miguel Remédio, who is a director of YDreams Global Interactive Technologies Inc. (TSXV).

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on Ynvisible's business, technology and industry and on the responsibilities of directors. Ynvisible Board meetings may also include presentations by Ynvisible's management and employees to give the directors additional insight into the company's business.

Ethical Business Conduct

The Ynvisible Board has found that the fiduciary duties placed on individual directors by the company's governing articles of incorporation and corporate legislation, and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Ynvisible Board in which the director has an interest, have been sufficient to ensure that the Ynvisible Board operates in the best interests of the company.

Nomination of Directors

The board of directors of Ynvisible is composed of two to five members, who may or may not be shareholders, elected by the general assembly for a period of three years, and re-electable for succeeding mandates without any limitation. The administration of the company can also be carried out by a sole director, elected by the general assembly in the same manner as a board of directors.

Compensation

It is the duty of the general assembly to define the modality and the amount of the guarantee that must be paid by each of the directors or by the sole director, as applicable, or to decide to dismiss them from such payment, as well as to define if the directors are or are not paid for the exercise of their duties and in what amount.

Other Committees of the Board of Directors

Ynvisible has no additional committees.

Assessments

The Ynvisible Board monitors the adequacy of information given to directors, communication between the Ynvisible Board and management and the strategic direction and processes of the Ynvisible Board.

RISK FACTORS

The following risk factors assume the completion of the Transaction and the Offering. However, there can be no assurance that the Transaction will be accepted by the Exchange.

Upon completion of the Transaction, the business of the Company will be the business of Ynvisible. Due to the nature of Ynvisible's business, the Resulting Issuer may be subject to significant risks. Readers should carefully consider all such risks, including those set out in the discussion below. The Resulting Issuer's actual operating results may be very different from those expected as at the date of this Prospectus.

Risk Factors Related to the Transaction

The Share Exchange Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Change

Each of Network and Ynvisible have the right to terminate the Share Exchange Agreement in certain circumstances. Accordingly, there is no certainty, nor can Network provide any assurance, that the Share Exchange Agreement will not be terminated by either Network or Ynvisible before the completion of the Transaction.

There can be no certainty that all conditions precedent to the Transaction will be satisfied

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of Network, including Network completing the Offering for aggregate gross proceeds not less than \$3,000,000 and the receipt of all required material consents, waivers, permits, orders and approvals. There can be no certainty, nor can Network provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. These conditions include approval of the Transaction by the Network Shareholders. If, for any reason, the conditions to the Transaction are not satisfied or waived and the Transaction is not completed, the market price of the Common Shares may be adversely affected.

The Offering may not be completed

The Offering may not be completed on terms agreed upon by the parties or at all. There can be no assurance that additional financing will be available on terms favourable to Network or Ynvisible, if at all.

The market price for the Common Shares may decline

If the Transaction is not approved by the Network Shareholders, the market price of the Common Shares may decline to the extent that the current market price of the Common Shares reflects a market assumption that the Transaction will be completed. If the Transaction with Ynvisible is not approved by the Network Shareholders and the Network Board decides to seek another merger or business combination, there can be no assurance that it will be on terms equivalent or more favourable to the Transaction.

Information related to Ynvisible's securities may not be complete

Ynvisible previously traded on the Open Market/First Quotation Board of the Frankfurt Stock Exchange, and was delisted as a result of Ynvisible's designated market maker being terminated by the Frankfurt Stock Exchange. As a result, Ynvisible does not have a central securities register or database comprising of the information as it relates to each shareholder, which means Network has been unable to ascertain and confirm the full extent of share ownership, or any existent charges or encumbrances over Ynvisible's shares, and is reliant on the information provided by Ynvisible and those shareholders of Ynvisible whose identity is known.

Risk Factors Relating to Network's Business

The following are certain risk factors to Network, and is a summary only and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Prospectus. Additional risks and uncertainties described below are not the only risks and uncertainties that Network faces. Additional risks and uncertainties not currently known to Network or that Network currently deems immaterial also may impair Network's business operations. If any of the following risks actually occur, Network's business, results of operations and financial condition could suffer.

Limited operating history

Network has no history of earnings and does not currently own an interest in any business or revenue generating assets.

No history of earnings or dividends

Network has no history of earnings, and there is no assurance that any of the properties it now or may hereafter acquire or obtain an interest in will generate earnings, operate profitably or provide a return on investment in the future.

Network has not paid dividends on the Common Shares since incorporation and does not anticipate doing so in the foreseeable future. Payment of any future dividends will be at the discretion of the Network Board after taking into account many factors, including operating results, financial condition and anticipated cash needs.

Management

The success of Network is currently largely dependent on the performance of its officers. The loss of the services of these persons could have a materially adverse effect on Network's business and prospects. There is no assurance Network can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a Material Adverse Effect on Network and its prospects.

Financial capability and additional financing

Network has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although Network has been successful in the past in financing its activities through the sale of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to finance its operations. The ability of Network to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of Network.

Dilution

If Network raises additional funds through the sale of equity securities, shareholders may have their investment further diluted.

Price volatility of publicly traded securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the Common Shares may be subject to market trends generally, notwithstanding any potential success of Network in creating revenues, cash flows or earnings.

Foreign currency exchange

Currency exchange rate fluctuations may adversely affect Network's financial position and results. Network does not currently have in place a formal policy for managing or controlling foreign currency risks.

Risk Factors Relating to the Business of the Resulting Issuer

The risk factors discussed below are risk factors currently applicable to the business of Ynvisible, which will become the business of the Resulting Issuer.

Operations and Technology

The Resulting Issuer's business can fluctuate as a result of a variety of factors, many of which are outside of the control of the Resulting Issuer. If revenues or results of operations do not meet or exceed the expectations of securities analysts or investors, the price of the Resulting Issuer Common Shares could decline substantially. In addition to the other risk factors set forth in this section, factors that can cause fluctuations in revenues or results of operations include: failure to increase sales to existing customers and attract new customers; failure to accurately estimate or control costs; revenue recognition policies related to timing of contract renewals, delivery of products and duration of contracts and the corresponding timing of revenue recognition; the impact on contract renewal rates caused by customers' budgetary constraints, competition, customer dissatisfaction or customers' actual or perceived lack of need for the products of the Resulting Issuer; potential loss of significant customers; amount and timing of capital expenditures and operating costs related to the maintenance and expansion of operations and infrastructure; effect of revenues generated from significant one-time projects; timing and success of new product introductions by the Resulting Issuer or its competitors; variations in the demand for products and the implementation cycles of the product by customers; changes in pricing and discounting policies or those of competitors; maintenance of appropriate staffing levels and capabilities relative to projected growth; adverse judgments or settlements in legal disputes; timing of costs related to the development or acquisition of technologies, services or businesses to support existing customer base and potential growth opportunities; and general economic, industry and market conditions.

Technological Feasibility

The Resulting Issuer's business performance depends heavily on revenues from new technologies, the industrial production and commercial acceptance of which remain unproven. The Resulting Issuer's resources, facilities and investments may not be adequate in order to achieve the targeted level of manufacturing and commercialization set out in the business plan. More specifically, the industrialization of the manufacturing process for ECDs and the manufacturing processes for system integration of different components into Smart Labels, may not be technically feasible, may require greater development and/or capital investments, or may not be cost-efficient enough to allow for mass production of ECDs and/or Smart Labels.

Regulatory Risks

Industry standards may not be established and, if they become established, the Resulting Issuer may not be able to conform to these new standards in a timely fashion or maintain a competitive position in the market. In addition, the Resulting Issuer may become subject to onerous government regulations affecting the industry, which could adversely affect the business. The laws and regulations applicable to the industries in which the Resulting Issuer will operate may evolve and could increase the costs of doing business or otherwise affect the business. There can be no assurance that new legislation will not impose significant additional costs on the Resulting Issuer's business or subject the Resulting Issuer to additional liabilities. The Resulting Issuer may be subject to claims that its operations violate these laws.

Ability to Recruit and Retain Management and other Qualified Personnel

The Resulting Issuer depends on the services of its executive officers and may in the future rely on sales, marketing and management personnel. The loss of any of these key persons could have a Material Adverse Effect on the Resulting Issuer's business, results of operations and financial condition. The Resulting Issuer does not maintain key man life insurance on any of their executives. The Resulting Issuer's success is also highly dependent on its continuing ability to identify, hire, train, motivate and retain qualified technical, sales, marketing and

management personnel. Competition for such personnel can be intense, and the Resulting Issuer cannot provide assurance that it will be able to attract or retain qualified technical sales, marketing and management personnel in the future. Stock options comprise a significant component of the Resulting Issuer's compensation of key employees, and if the Resulting Issuer's share price declines, it may be difficult to recruit and retain such individuals. Changes in the Resulting Issuer's share price may also hinder the Resulting Issuer's ability to recruit and retain key employees as they may elect to seek employment with other companies that they believe have better long-term prospects. The Resulting Issuer's inability to attract and retain the necessary technical sales, marketing and management personnel may adversely affect its future growth and profitability. It may be necessary for the Resulting Issuer to increase the level of compensation paid to existing or new employees to a degree that its operating expenses could be materially increased.

Customer Retention and Contract Fulfillment

The Reporting Issuer may lose customers or be liable to certain customers if it provides poor service or if its products do not comply with customer agreements. Failure to properly comply with agreements may result in liability for damages incurred resulting from such failure, such as loss of business, loss of future revenues, breach of contract or loss of goodwill to their business. Insurance may not be able to cover claims for damages and defending a lawsuit, regardless of its merit, could be costly and divert management's attention. Adequate insurance coverage may not be available in the future on acceptable terms, or at all. Any such developments could adversely affect the business of the Resulting Issuer and results of operations.

Contract Awards

There can be no assurance that the current contracts of the Resulting Issuer will be extended or that the Resulting Issuer will be awarded new contracts in the future. The termination, expiration or failure to renew one or more of the Resulting Issuer's contracts could cause the Resulting Issuer to lose substantial revenues and profits, which could have an adverse effect on the Resulting Issuer's ability to win or renew other contracts or pursue other growth initiatives.

Brand Development

The building of the Ynvisible brand and its portfolio of products in a cost-effective manner is important to achieving widespread acceptance of current and future products and is an important element in attracting new customers. Brand recognition will become more important as competition in the market increases. The success of the Resulting Issuer's brand will depend on the effectiveness of marketing efforts and on the ability to provide reliable and valuable products to customers at competitive prices. Brand marketing activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses incurred in attempting to build the brand. If the Resulting Issuer fails to successfully market its brand, it may fail to attract new customers, retain existing customers or attract media coverage to the extent necessary to realize a sufficient return on brand-building efforts, and the business and results of operations of the Resulting Issuer could suffer.

Failure to Expand Sales and Marketing

Failure to effectively expand sales and marketing capabilities could harm the ability of the Resulting Issuer to increase its customer base and achieve broader market acceptance of its products. The Resulting Issuer plans to expand its direct sales force and its marketing force. The ability of the Resulting Issuer to achieve significant growth in revenues in the future will depend, in large part, on its success in recruiting, training and retaining sufficient numbers of sales and marketing personnel. In general, new hires require significant training and substantial experience before becoming productive. Planned hires may not become as productive as required by the resulting issuer and the Resulting Issuer may be unable to hire or retain sufficient numbers of qualified individuals in the future in the markets where the Resulting Issuer operates or plans to operate. The business of the Resulting Issuer will be seriously harmed if the efforts to expand sales and marketing capabilities are not successful or if they do not generate a sufficient increase in revenues.

Variable Revenues/Earnings

The revenues and earnings of the Resulting Issuer may fluctuate from quarter to quarter, which could affect the market price of the Resulting Issuer's Common Shares. Revenues and earnings may vary quarter to quarter as a result of a number of factors, including the timing of releases of new products or services, the timing of substantial sales orders or deliveries, activities of the Resulting Issuer's competitors, cyclical fluctuations related to the evolution of wireless technologies, possible delays in the manufacture or shipment of current or new products, concentration in the Resulting Issuer's customer base, and possible delays or shortages in component supplies.

Availability of Capital

The Resulting Issuer may require additional capital to support business growth and this capital may not be available on acceptable terms or at all. The Resulting Issuer may need to make investments to support business growth and may require additional funds to respond to business challenges, including the need to develop new products or enhance existing products, enhance operating infrastructure and acquire complementary businesses and technologies. Accordingly, the Resulting Issuer may need to engage in equity or debt financings to secure additional funds. If the Resulting Issuer raises additional funds through further issuances of equity or convertible debt securities, its existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holdings of the Resulting Issuer Common Shares. Any debt financing secured by the Resulting Issuer in the future could include restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Resulting Issuer to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, the Resulting Issuer may not be able to obtain additional financing on terms favourable to it or at all. If the Resulting Issuer is unable to obtain adequate financing or financing on terms satisfactory to it when it is required, the ability of the Resulting Issuer to continue to support business growth and to respond to business challenges could be significantly limited. In addition, the terms of any additional equity or debt issuances may adversely affect the value and price of the Resulting Issuer Common Shares.

Refinancing Risks

The Resulting Issuer's ability to make scheduled payments on or to refinance its debt obligations and to make distributions to enable it to service its debt obligations depends on its financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business, legal, regulatory and other factors beyond the Resulting Issuer's control, including fluctuations in interest rates, market liquidity conditions, increased operating costs and trends in its industry. If the Resulting Issuer's cash flows and capital resources are insufficient to fund its debt service obligations, it may be forced to reduce or delay activities and capital expenditures, sell assets, seek additional capital, or restructure or refinance its indebtedness. Depending on the debt market conditions at the time, it is possible that such restructuring or refinancing could lead to a significant increase in debt service costs and interest expenses or result in additional restrictions being placed on the Resulting Issuer's operations. Furthermore, these alternative measures may not be successful and may not permit the Resulting Issuer to meet the Resulting Issuer's scheduled debt service obligations. In such circumstances, the Resulting Issuer could face substantial liquidity problems and might be required to dispose of material assets or operations to meet debt service and other obligations.

Impact of Currency Fluctuations May Adversely Affect the Resulting Issuer

A significant portion of Ynvisible's revenue is currently earned in Euros, and it is anticipated that the Resulting Issuer's revenue will continue to have a significant portion earned in Euros, but a portion of the Resulting Issuer's operating expenses will be incurred in Canadian dollars. Fluctuations in the exchange rate between the Euro and the Canadian dollar, may have an adverse effect on the Resulting Issuer's business, financial condition and operating results.

Technology

The Resulting Issuer will operate in a highly competitive environment where its hardware and other products and services are subject to rapid technological change and evolving industry standards. The Resulting Issuer's future success depends on its ability to design and produce new products and services, deliver enhancements to its existing products and services, accurately predict and anticipate evolving technology and respond to technological advances in its industry and its customers' increasingly sophisticated needs. The Resulting Issuer's

products embody complex technology that may not meet those standards, changes and preferences. If the Resulting Issuer is unable to respond to technological changes, fails or delays to develop products in a timely and cost-effective manner, its products and services may become obsolete, and the Resulting Issuer may be unable to recover its research and development expenses which could negatively impact sales, profitability and the continued viability of the business.

Losses due to Infringement

The technology to be utilized by the Resulting Issuer to make Smart Labels and similar products generally is protected, or is to be protected, by patents to be held by the Resulting Issuer. The Resulting Issuer cannot assure that any future patents will be issued with respect to pending or future applications. Further, adequate (or any) patent, trademark, copyright and trade secret protection may not be available in every country in which the services of the Resulting Issuer are available. Ynvisible currently has not registered any of its logotypes which limits the breadth of protection offered to such logotypes under applicable trademark law at the time of this Prospectus, and the Resulting Issuer may not register such logotypes in advance of any claims or disputes as it relates to the same. The Resulting Issuer cannot be certain that the steps taken to prevent unauthorized use of the technology or the reverse engineering of technology will be successful. Moreover, third parties might independently develop technologies that are competitive to those of the Resulting Issuer or that infringe upon the intellectual property of the Resulting Issuer. The protection of the intellectual property rights may depend on legal actions against infringers being successful. The Resulting Issuer cannot be sure any such actions will be successful.

Assertion that the Technology Infringes a Third Party's Intellectual Property

If any technology relied upon by the Resulting Issuer is asserted to violate the intellectual property rights of a third party, claims can be made against the Resulting Issuer. In such cases, the technologies may be found to infringe on the intellectual property rights of others. Additionally, many customer agreements may require the Resulting Issuer to indemnify the customers for third party intellectual property infringement claims, which would increase the costs of the Resulting Issuer if it had to defend such claims and may require that it pay damages and provide alternative services if there were an adverse ruling in any such claims. Intellectual property claims, regardless of merit, could harm the relationships the Resulting Issuer may have with its customers, deter future customers from using the products of the Resulting Issuer, or expose the Resulting Issuer to litigation. The Resulting Issuer could incur significant costs and diversion of resources with respect to the defence thereof, which could have a material adverse effect on its business. Any of these results could adversely affect the brand, business and results of operations of the Resulting Issuer.

Management of Growth

The Resulting Issuer may experience rapid growth in the Resulting Issuer's headcount and operations, placing significant demands on its operational and financial infrastructure. If the Resulting Issuer does not effectively manage its growth, its ability to market its products could suffer, which could negatively affect its operating results. To effectively manage the Resulting Issuer's expected growth, it must continue to improve its operational, financial and management controls and its reporting systems and procedures. These systems enhancements and improvements will require significant capital expenditures and allocation of valuable management resources. If required improvements are not implemented successfully, the Resulting Issuer's ability to manage its expected growth will be impaired and it may have to make significant additional expenditures to address these issues, which could harm its financial position.

Existing Liabilities of Ynvisible will be Assumed

The Resulting Issuer will be assuming the liabilities and debts of Ynvisible, which include funds owing to various creditors including applicable tax authorities, and certain debts arising out of settlement agreements with past employees of Ynvisible. If negotiated payments with such tax authorities, past employees, or any other creditor for whom there are scheduled payments due, are unpaid by the Resulting Issuer, it could have a detrimental impact on the financial position of the Resulting Issuer, and such creditors may opt to enforce their rights through courts or otherwise.

Negative Cash Flows from Operations

During the year ended December 31, 2016 and the six-month period ended June 30, 2017, Ynvisible had negative cash flow from operating activities. It is possible that the Resulting Issuer may have negative cash flow in any future period and as a result, certain of the proceeds of the Offering may be used to fund any such negative cash flow.

Projection of Future Revenues

The Resulting Issuer projects revenues to be approximately \$650,000 within its first year of operations that will be used towards its operating expenses during that time. The projection of future revenues depends upon assumptions regarding market acceptance, competition, changes in technology and other factors which affect the Resulting Issuer's revenues and costs. There is no guarantee that the actual revenues will be the same as the projected revenues, and as a result, the Resulting Issuer may have to delay plans for growth or equipment purchases, alter its business plan or engage in additional financing if the \$650,000 is not obtained. If the Resulting Issuer is not able to earn revenues as projected, changes in the Resulting Issuer's business plan may have an adverse effect on the Resulting Issuer's operations and future prospects.

Risks Related to the Offering

Fluctuation of Resulting Issuer's Common Share Price

The market price of the Resulting Issuer Common Shares may be volatile. The Resulting Issuer Common Shares could be subject to wide fluctuations due to a number of factors, including, without limitation:

- actual or anticipated fluctuations in the Resulting Issuer's results of operations;
- changes in estimates of the Resulting Issuer's future results of operations by it or securities analysts;
- changes affecting the Smart Label and Printed Electronics industry;
- dilution caused by the exercise of warrants and options issued after completion of the Transaction; or
- other events or factors.

In addition, the financial markets have experienced significant price and value fluctuations that have particularly affected the market prices of equity securities of many companies and that sometimes have been unrelated to the operating performance of these companies. Broad market fluctuations, as well as economic conditions generally and in the Printed Electronics industry specifically, may adversely affect the market price of the Resulting Issuer Common Shares.

Absence of Dividend in the Foreseeable Future

The Company has never declared or paid any dividend. The Resulting Issuer currently intends to retain any future earnings to fund the development and growth of its business and does not anticipate paying any dividend in the foreseeable future. Any future determination to pay dividend will be at the discretion of the board of directors and will depend upon many factors, including the Resulting Issuer's results of operations, capital requirements and other factors as the board of directors may deem relevant.

Impact of Future Sales by Existing Shareholders

If the Resulting Issuer's shareholders sell substantial amounts of the Resulting Issuer's securities in the public market, the market price of the Resulting Issuer's securities could fall. The perception among investors that these sales will occur could also produce this effect. Additional Resulting Issuer Common Shares issuable upon the exercise of stock options may also become available for sale in the public market.

Offering Price is Higher than Net Tangible Book Value per Share

The assumed Offering Price in this Offering is higher than the net tangible book value per share of the outstanding common shares immediately after the Offering. Accordingly, based on the Offering Price of CDN\$0.30 per share, purchasers of common shares in this Offering will experience immediate and substantial dilution of

approximately CDN\$0.25 per share in net tangible book value of the common shares after giving effect to this Offering.

The public Offering Price for the Offered Shares sold in this Offering was determined by negotiations between the Company, Ynvisible and the representatives of the Agent and may not be indicative of prices that will prevail in the trading market.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder who acquires as beneficial owner Offered Shares under the Offering and who, for purposes of the Tax Act and at all relevant times, deals at arm's length with, and is not affiliated with, the Company and the Agent, and acquires and holds the Offered Shares as capital property (a "**Holder**").

This summary does not apply to a Holder (i) that is a "financial institution" for purposes of the mark- to-market rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) an interest in which is a "tax shelter investment" as defined in the Tax Act; (iv) that reports its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian currency; (v) that has entered or will enter into, with respect to the Offered Shares, a "derivative forward agreement", as defined in the Tax Act, or (vi) that is otherwise of special status or in special circumstances. Any such Holders should consult their own tax advisors with respect to an investment in Offered Shares.

This summary is based on the facts set out in this Prospectus, the provisions of the Tax Act and the regulations (the "**Regulations**") to the Tax Act, and our understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing by the CRA and publicly available prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action. This summary is not exhaustive of all possible Canadian federal income tax considerations, and does not take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ materially from those described in this summary.

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. The tax consequences of acquiring, holding and disposing of Offered Shares will vary according to the Holder's particular circumstances. **All holders (including Holders as defined above) should consult their own tax advisors regarding the tax considerations applicable to them having regard to their particular circumstances.**

Taxation of Resident Holders

The following portion of the summary applies to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be resident solely in Canada at all relevant times (herein, a "**Resident Holder**").

Dividends on Offered Shares

Dividends received or deemed to be received on the Offered Shares by a Resident Holder who is an individual (other than certain trusts) will be included in the individual's income and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by individuals from "taxable Canadian Companys", as defined in the Tax Act, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by the Company as "eligible dividends" in accordance with the Tax Act (if any). **[There may be limits on the ability of the Company to so designate dividends as eligible dividends, and the Company**

has made no commitments in this regard.] Dividends received by individuals may give rise to alternative minimum tax under the Tax Act, depending on the individual's circumstances.

Dividends received or deemed to be received on the Offered Shares by a Resident Holder that is a corporation will be included in computing the corporation's income and will generally be deductible in computing its taxable income, subject to all rules and restrictions under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as a gain from the disposition of capital property or proceeds of disposition. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances. A Resident Holder that is a "private corporation" or a "subject corporation", each as defined in the Tax Act, will generally also be liable to pay a 38 1/3% tax (refundable in certain circumstances) under Part IV of the Tax Act on dividends received or deemed to be received on the Offered Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income. A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" as defined in the Tax Act, including any dividends or deemed dividends that are not deductible in computing the Resident Holder's taxable income.

Disposition of Offered Shares

Generally, upon a disposition (or a deemed disposition) of an Offered Share (other than in a disposition to the Company), a Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the Resident Holder's proceeds of disposition are greater (or less, respectively) than the Resident Holder's adjusted cost base of such share and any reasonable costs of the disposition. The adjusted cost base to the Resident Holder of an Offered Share acquired pursuant to this Offering will, at any particular time, be determined by averaging the cost of such share with the adjusted cost base of all Common Shares of the Company owned by the Resident Holder as capital property at that time, if any. The tax treatment of capital gains and capital losses is discussed below under "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year must be included in the Resident Holder's income for that year and one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year must be deducted against taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Resident Holder in such years, to the extent and in the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition (or deemed disposition) of an Offered Share may be reduced by the amount of any dividends received (or deemed to be received) by the Resident Holder on such share (or a share substituted for such share), to the extent and under the circumstances described in the Tax Act. Similar rules may apply where an Offered Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Affected Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable for a special tax (refundable in certain circumstances) on its "aggregate investment income", which is defined to include an amount in respect of taxable capital gains.

Capital gains realized by an individual may give rise to alternative minimum tax under the Tax Act.

Taxation of Non-Resident Holders

This portion of the summary is applicable to a Holder who, at all relevant times, is neither resident in Canada nor deemed to be resident in Canada for purposes of the Tax Act and any applicable income tax treaty or

convention, and who does not use or hold, (and is not deemed to use or hold) the Offered Shares in connection with carrying on a business in Canada (a “**Non-Resident Holder**”).

This summary does not address a Non-Resident Holder that is an insurer that carries on an insurance business in Canada.

Dividends

Dividends paid or credited (or deemed to be paid or credited) to a Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25%, subject to a reduction of such rate under the terms of any applicable income tax treaty or convention. Affected Non-Resident Holders should consult their own advisors to determine their entitlement to relief under an applicable income tax treaty or convention.

Disposition of Offered Shares

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of an Offered Share unless the Offered Share constitutes (or is deemed to constitute) “taxable Canadian property” of such Non-Resident Holder for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable income tax treaty or convention.

Provided the Offered Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV) at the time of disposition, the Offered Shares generally will not constitute taxable Canadian property of a Non-Resident Holder unless, at any time during the 60 month period immediately preceding the disposition, (a) at least 25% of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm’s length, and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships; and (b) more than 50% of the fair market value of such shares was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, Offered Shares may also be deemed to be taxable Canadian property in certain other circumstances specified in the Tax Act.

Non-Resident Holders whose Offered Shares may constitute taxable Canadian property should consult their own tax advisors with respect to the Canadian income tax consequences of the disposition of such shares and the related filing requirements in respect of the disposition in light of their particular circumstances.

PROMOTERS

Alex Helmelt is a promoter of the Company. Mr. Helmelt will beneficially own, or have control over, directly or indirectly 62,173 Resulting Issuer Shares being 0.12% of the issued and outstanding Resulting Issuer Shares on a partially diluted basis, assuming completion of the Maximum Offering.

YDreams has been a promoter of Ynvisible since its formation. YDreams will beneficially own or have control over, directly or indirectly 10,169,878 Resulting Issuer Common Shares being 20.25% of the issued and outstanding Resulting Issuer Shares on a partially diluted basis, assuming completion of the Maximum Offering.

LEGAL PROCEEDINGS

Neither of the Company nor Ynvisible is a party to any material legal proceedings and neither the Company nor Ynvisible know of any such proceedings that are contemplated.

REGULATORY ACTIONS

Within the three years preceding the date of this Prospectus, neither the Company nor Ynvisible know of any:

- (a) penalties or sanctions imposed against the Company or Ynvisible by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (b) any other penalties or sanctions imposed by a court or regulatory body against the Company or Ynvisible necessary for this Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and
- (c) settlement agreements the Company or Ynvisible entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer, a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the Company's issued and outstanding voting securities or any associate or affiliates of any of the foregoing persons or companies, had any material interest, direct or indirect, in any transactions of the Company within the three years before the date of this Prospectus that has materially affected or is reasonably expected to materially affect the Company or its subsidiary, except as set out below.

AUDITORS

The current auditor of the Company is Morgan & Company LLP, Chartered Professional Accountants. It is anticipated that following completion of the Transaction, the current auditor of the Company will continue to be the auditor of the Resulting Issuer.

REGISTRAR AND TRANSFER AGENT

The transfer agent and registrar for the Company is Computershare Investor Services Inc. at its Vancouver office located at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to Network and that were entered into by Network within the most recently completed financial year or were entered into since incorporation and are still in effect, other than as set out below:

- (a) Share Exchange Agreement among the Company, Ynvisible and Ynvisible Selling Shareholders dated July 19, 2016, as amended September 30, 2016, December 31, 2016, February 28, 2017, June 30, 2017, and August 31, 2017;
- (b) Finder's fee agreement between the Company and Accent Marketing GMBH dated April 1, 2015;
- (c) The Agency Agreement; and
- (d) Loan Agreement, General Security Agreement and Intellectual Property Pledge Agreement between the Company and Ynvisible dated June 23, 2016.

Copies of these agreements will be available for inspection at the offices of McMillan LLP, Suite 1500 - 1055 West Georgia Street, Vancouver, British Columbia, at any time during ordinary business hours until the completion of the Transaction and for a period of 30 days thereafter.

There are no contracts of Ynvisible, other than contracts entered into in the ordinary course of business, that are material to Ynvisible and that were entered into by Ynvisible within the most recently completed financial year or were entered into since incorporation and are still in effect, other than as set out below:

- (a) Share Exchange Agreement among the Company, Ynvisible and Ynvisible Selling Shareholders dated July 19, 2016, as amended September 30, 2016, December 31, 2016, February 28, 2017, June 30, 2017, and August 31, 2017;
- (b) Research and Development Contract between YDreams Interactive Surfaces, Unipessoal Lda. and Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa dated February 1, 2010;
- (c) Research and Development Contract between YDreams – Informática, S.A. and Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa dated October 1, 2008;
- (d) Contractual Position Assignment Agreement between YDreams – Informática, S.A. and Ynvisible dated January 30, 2016;
- (e) Payment Agreement between Ynvisible and Inês Domingues da Silva Henriques dated December 31, 2015;
- (f) Payment Agreement between Ynvisible and Carlos Pinheiro Baptista dated December 31, 2015;
- (g) Loan Agreement, General Security Agreement and Intellectual Property Pledge Agreement between the Company and Ynvisible dated June 23, 2016.

EXPERTS AND INTERESTS OF EXPERTS

Morgan & Company LLP, Chartered Professional Accountants, prepared an auditors' report on the financial statements of the Company as at and for the years ended November 30, 2016 and November 30, 2015. As of the date of this Prospectus, Morgan & Company LLP, Chartered Professional Accountants have reported that they are independent in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

Romão & Vicente – Sociedade de Revisores Oficiais de Contas, Lda. prepared an auditors' report on the financial statements of Ynvisible as at and for the year ended December 31, 2016. As of the date of this Prospectus, Romão & Vicente – Sociedade de Revisores Oficiais de Contas, Lda. have reported that they are independent with respect to Ynvisible within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Portugal and any applicable legislation or regulation.

Except as disclosed herein, there is no beneficial interest, direct or indirect, in any securities in excess of one percent of the Company's issued capital or property of the Company or of an associate or affiliate of the Company, held by any person listed above, or any partner of such persons or by any person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Prospectus or prepared or certified a report or valuation described or included in this Prospectus. Except as disclosed herein, no such person is or is expected to be elected, appointed or employed as a director or employee of the Company.

SPONSORSHIP

The Company does not have any sponsors and is seeking an exemption from sponsorship.

OTHER MATERIAL FACTS

There are no material facts about the Company, Ynvisible, the Offering or the Transaction which are not otherwise disclosed in this Prospectus.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

EXHIBIT A

**AUDITED FINANCIAL STATEMENTS OF THE COMPANY
FOR THE YEAR ENDED NOVEMBER 30, 2016**



NETWORK EXPLORATION LTD.

FINANCIAL STATEMENTS

YEARS ENDED NOVEMBER 30, 2016 and 2015

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Network Exploration Ltd.

Report on the financial statements

We have audited the accompanying financial statements of Network Exploration Ltd., which comprise the statements of financial position as at November 30, 2016 and 2015, and the statements of comprehensive loss, changes in shareholders' equity (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 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.

Auditor's 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 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 financial statements. The procedures selected depend on the auditor's 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 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 Network Exploration Ltd. as at November 30, 2016 and 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 1 in the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Vancouver, Canada

March 23, 2017

"Morgan & Company LLP"

Chartered Professional Accountants

NETWORK EXPLORATION LTD.

STATEMENTS OF FINANCIAL POSITION (Expressed in Canadian Dollars)

	As at November 30	
	2016	2015
ASSETS		
Current assets		
Cash	\$ 4,521	\$ 14,755
GST recoverable	890	5,242
Prepaid expenses	11,302	-
Total current assets	16,713	19,997
Non-current assets		
Deferred financing costs (Note 14)	45,000	-
Deposits (Note 14)	114,095	14,095
Loan receivable (Note 14)	49,790	-
Exploration and evaluation assets (Note 6)	-	1
Total non-current assets	208,885	14,096
Total assets	\$ 225,598	\$ 34,093
LIABILITIES		
Current liabilities		
Trade and other payables (Note 8)	\$ 104,055	\$ 231,481
Other accrued liabilities	15,954	15,954
Loans payable (Note 7)	35,700	17,500
Total liabilities	155,709	264,935
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (Note 9)	17,073,936	16,531,236
Share subscriptions received	-	25,000
Share-based payments reserve	762,213	762,213
Deficit	(17,766,260)	(17,549,291)
Total shareholders' equity (deficiency)	69,889	(230,842)
Total liabilities and shareholders' equity (deficiency)	\$ 225,598	\$ 34,093

Approved and authorized for issue on behalf of the Board of Directors on March 23, 2017:

"Alexander Helmelt"
Director

"Bob Friesen"
Director

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

NETWORK EXPLORATION LTD.

STATEMENTS OF COMPREHENSIVE LOSS (Expressed in Canadian Dollars)

	Years Ended November 30	
	2016	2015
Expenses		
Consulting and management fees (Note 8)	\$ 57,600	\$ 104,000
Exploration and evaluation assets written off	1	-
Interest and bank charges (Note 7)	2,680	2,000
Marketing and promotion	5,000	-
Office facilities and services (Note 8)	7,188	64,421
Professional fees	41,440	2,821
Transfer and listing fees	57,594	12,607
Travel and project investigation	45,466	13,366
Net loss and comprehensive loss for the year	\$ (216,969)	\$ (199,215)
Basic and diluted loss per share	\$ (0.03)	\$ (0.04)
Weighted average number of common shares outstanding	8,005,992	4,437,530

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

NETWORK EXPLORATION LTD.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (Expressed in Canadian Dollars)

	Class A Common Shares	Class B Common Shares	Class A Common Shares	Class B Common Shares					
	Number	Number	Amount	Amount	Share Subscriptions Received	Share-based Payments Reserve	Deficit	Total Shareholders' Equity (Deficiency)	
Balance, November 30, 2014	4,437,522	8	\$ 16,496,380	\$ 34,856	\$ -	\$ 762,213	\$ (17,350,076)	\$ (56,627)	
Share subscriptions received	-	-	-	-	25,000	-	-	25,000	
Net loss for the year	-	-	-	-	-	-	(199,215)	(199,215)	
Balance, November 30, 2015	4,437,522	8	16,496,380	34,856	25,000	762,213	(17,549,291)	(230,842)	
Shares issued for private placement	5,427,000	-	542,700	-	(25,000)	-	-	517,700	
Net loss for the year	-	-	-	-	-	-	(216,969)	(216,969)	
Balance, November 30, 2016	9,864,522	8	\$ 17,039,080	\$ 34,856	\$ -	\$ 762,213	\$ (17,766,260)	\$ 69,889	

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

NETWORK EXPLORATION LTD.

STATEMENTS OF CASH FLOWS (Expressed in Canadian Dollars)

	Year Ended November 30	
	2016	2015
Operating activities		
Net loss for the year	\$ (216,969)	\$ (199,215)
Items not involving the use of cash		
Exploration and evaluation assets written off	1	-
Interest on loans payable	-	2,000
Changes in working capital items:		
GST recoverable	4,352	5,481
Prepaid expenses	(11,302)	-
Trade and other payables	(127,426)	139,990
Cash used in operating activities	(351,344)	(51,744)
Financing activities		
Proceeds on issuance of shares, net of issue costs	517,700	-
Share subscriptions received	-	25,000
Deferred financing costs	(45,000)	-
Deposits and advances	(100,000)	6,030
Loan proceeds received	18,200	15,500
Loan receivable	(49,790)	-
Cash provided by financing activities	341,110	46,530
Decrease in cash	(10,234)	(5,214)
Cash, beginning of period	14,755	19,969
Cash, end of period	\$ 4,521	\$ 14,755

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

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

1. CORPORATE INFORMATION AND GOING CONCERN

Network Exploration Ltd. (the "Company") was incorporated on September 2, 1983 under the laws of British Columbia. The Company's principal business activity is the exploration and evaluation of minerals in its mineral properties.

The address of the Company's head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1005 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

These financial statements have been prepared by management on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. During the year ended November 30, 2016, the Company incurred a net loss of \$216,969 (2015 - \$199,215) and as at November 30, 2016, has an accumulated deficit of \$17,766,260 (2015 - \$17,549,291).

The Company's ability to continue as a going concern, to fund property acquisitions and work commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

These audited financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. STATEMENT OF COMPLIANCE

These audited financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies applied in these financial statements are based on IFRS issued and in effect as at year end.

These financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, unless specifically indicated otherwise, which is the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The audited financial statements have been prepared on the historical cost basis using the accrual basis of accounting, except for cash flow information and as otherwise specified, as set out in the accounting policies below.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Foreign Currency Translation

The functional currency of the Company is the Canadian dollar, being the currency of the primary economic environment of the parent entity. The functional currency is also the presentation currency.

Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. The Company translates monetary assets and liabilities denominated in foreign currencies at period-end rates. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates in effect during the period except for depreciation which is translated at historical rates. The resulting gains or losses are reflected in profit or loss in the period of translation.

At the entity level, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate in effect at the financial position date and non-monetary assets and liabilities are translated at the exchange rates in effect at the date of the transaction. Income and expenses are translated at rates approximating the exchange rates in effect at the time of the transactions. All exchange gains and losses are credited or charged to profit or loss in the period in which they arise.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term, highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As at November 30, 2016 and November 30, 2015, the Company did not have any cash equivalents.

c) Exploration and Evaluation Assets

Pre-exploration costs are expensed as incurred.

Once a license to explore an area has been acquired or an option agreement is signed and binding, exploration and evaluation costs, including the costs of acquiring claims, are capitalized as exploration and evaluation assets on an area of interest basis pending determination of the technical feasibility and the commercial viability of the project. Capitalized costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a claim is relinquished or a project is abandoned, the related costs are recognized in profit or loss at that time.

Exploration and evaluation assets are classified as tangible or intangible, depending on the nature of the expenditure. Capitalized exploration and evaluation costs that are tangible are classified as property and equipment.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments

The Company's financial instruments consist of cash, deposits, loan receivable, trade and other payables, and loans payable. Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired.

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as "fair value through profit or loss", "loans and receivable", "available-for-sale", "held-to-maturity", or "other financial liabilities measured at amortized cost" as defined by IAS 39, *Financial Instruments - Recognition and Measurement*.

Cash and deposits are designated as fair value through profit or loss and are carried at fair value with gains or losses recognized in profit or loss.

Loan receivable is designated as loans and receivable.

Trade and other payables, and loans payable are designated as other financial liabilities.

The Company has no derivative financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- i) Level 1 - Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- ii) Level 2 - Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly, such as quoted prices for similar assets or liabilities in active markets, or indirectly, such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- iii) Level 3 - Applies to assets or liabilities for which there are unobservable market data.

e) Impairment

Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. A financial asset or group of financial assets is considered impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment (continued)

Non-financial Assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount and upon reclassification of these costs to assets under development. Facts and circumstances giving rise to an impairment of exploration and evaluation assets include:

- The right to explore has, or will in the near future, expired and renewal is not expected;
- Further exploration and evaluation expenditure is not budgeted or planned;
- Activities have been discontinued due to lack of discovery; and
- Development is likely, but the recorded amount of exploration and evaluation asset is unlikely to be recovered in full.

For purposes of impairment testing, exploration and evaluation costs are allocated to cash-generating units ("CGU") based on their ability to generate largely independent cash flows. If indicators of impairment exist, the recorded cost of an asset or CGU is written down to the recoverable amount. The recoverable amount of an asset or CGU is the greater of its fair value less costs to sell and its value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss for the period.

f) Provision for Decommissioning Liabilities

A provision for decommissioning liabilities including a legal or constructive obligation to incur restoration, rehabilitation and environmental costs is recognized based on statutory, contractual or constructive obligations resulting from the acquisition, exploration and development of mineral properties. The net present value of the future decommissioning liabilities is capitalized to the related asset with a corresponding increase in the provision for decommissioning liabilities. The net present value is calculated using a pre-tax rate that reflects the time-value of money and the risks specific to the liability. The unwinding of the discount is classified as a finance cost in profit or loss.

As at November 30, 2016 and 2015, the Company had no provisions for decommissioning liabilities.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity, net of any tax effects.

h) Share-based Payments

The Company has a stock option plan under which it grants stock options to directors, employees and consultants.

Share-based payments are recorded as expenses for all options granted to employees, or to those providing similar services, at the fair value of the equity instruments over the vesting period, with a corresponding increase in share-based payments reserve. Each transfer in an award is considered separately with its own vesting date and grant date fair value. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option at the date of grant. For awards with vesting conditions, a forfeiture rate is recognized at the grant date and is adjusted to reflect the number of awards expected to vest. As the options are exercised, the consideration paid, together with the amount previously recognized in share-based payments reserve, is recorded as an increase in share capital.

For equity-settled stock-based payments to non-employees, the Company measures the value of the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.

The Company has no cash-settled share-based payment transactions.

i) Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences, and the carry forward of non-capital losses, can be utilized.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income Tax (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future profit will allow the deferred tax asset to be recovered and/or the carrying value of temporary differences exceed their tax basis.

j) Loss per Share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings/loss per share reflect the potential dilution of outstanding stock options and warrants that could share in the earnings of the Company. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive.

4. RECENT ACCOUNTING PRONOUNCEMENTS

The International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee continuously issue certain new standards and interpretations. The following standards have been issued but not effective until the annual period beginning on or after December 1, 2016. The Company has not adopted the following standards and is in the process of evaluating the impact that these standards will have on the financial statements:

a) IFRS 9 Financial Instruments

IFRS 9 Financial Instrument is part of the IASB's wider project of replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristic of the financial assets. This standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

b) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model for an entity to 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. This standard is effective for annual periods beginning on or after January 1, 2017. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

4. RECENT ACCOUNTING PRONOUNCEMENTS

c) IFRS 16 Leases

IFRS 16 replaces the previous leases standard, IAS 17 Leases, and interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, lessee and lessor. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15 Revenue from Contracts with Customers. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

5. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

- The amounts disclosed related to fair values of stock options and warrants issued and the resultant effects on profit or loss are based on estimates of future volatility of the Company's share price, expected lives of the options and expected dividends.
- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets and on the impact of future changes in legislation, tax rates and interpretations by taxation authorities.
- The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the year as the new information becomes available. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

6. EXPLORATION AND EVALUATION ASSETS

	Pistala Peru
Acquisition costs	
Balance, November 30, 2016 and 2015	\$ -
Exploration expenditures	
Balance, November 30, 2015	1
Write-off	(1)
Balance, November 30, 2016	-
Exploration and evaluation assets	
Balance, November 30, 2016	\$ -
Exploration and evaluation assets	
Balance, November 30, 2015	\$ 1

Pistala, Peru

In February 2007, by way of a third party agreement, the Company staked the 1,600 hectare Pistala property in Southern Peru; and in July 2008, the Company staked an additional 1,300 hectares. The Company entered into a participation agreement with NETEXP.SAC Peru whereby Network Exploration Ltd. is entitled to 95% of the rights and benefits derived from the property. The Company no longer has title to the Pistala project. During the year ended November 30, 2013, the Company wrote off \$191,821 in accumulated exploration expenditures. During the year ended November 30, 2016, the Company wrote off \$1 in accumulated exploration expenditures as management has decided not to incur further expenditures. The property has been returned to the ministry of mines in Peru and the Company has no intentions of re-staking the project.

7. LOANS PAYABLE

As at November 30, 2016, \$20,000 (2015 - \$Nil) was due to an officer and \$15,000 (2015 - \$15,500) was due to a third party. Loans payable are unsecured and payable on demand. All loans payable bear interest at rates of 1% per month.

During the year ended November 30, 2016, the Company recorded \$700 (2015 - \$2,000) in interest expense that is included in the loans payable balance.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

8. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and measured at the amounts established and agreed to by the related parties.

Key Management Compensation

	YEAR ENDED NOVEMBER 30,	
	2016	2015
Consulting and management fees	\$ 24,500	\$ 38,000

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

Other Related Party Transactions

In addition to those related party transactions disclosed elsewhere in the financial statements, the Company incurred the following transactions:

As at November 30, 2016, trade and other payables include \$25,725 (2015 - \$70,309) due to related parties. Amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the year ended November 30, 2016, the Company paid \$113,869 (2015 - \$121,558) in total rent, of which \$18,000 (2015 - \$16,500) were recovered from companies with a common director and \$93,267 (2015 - \$68,386) were recovered from other companies.

9. SHARE CAPITAL

a) Authorized

Unlimited number of Class A common shares without par value

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a 1 for 1 basis.

b) Issued

On April 4, 2016, the Company closed a non-brokered private placement ("the Offering") issuing 5,427,000 Class A common shares at a price of \$0.10 per share for gross proceeds of \$542,700. No finder's fees were paid in relation to this private placement. All securities issued under the Offering were subject to a statutory hold period that ended on August 5, 2016 in accordance with applicable Canadian securities laws. The proceeds of the Offering were used for general working capital.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

9. SHARE CAPITAL (continued)

b) Issued (continued)

On January 20, 2016, the Company consolidated its common shares (the "Shares") on the basis of one post-consolidated common share for every four pre-consolidated Shares held (the "Consolidation"). The Consolidation was approved by shareholders of the Company at the Company's Annual and Special Meeting held on December 17, 2015. The Company had 4,437,530 common shares issued and outstanding following the Consolidation. All references to the number of common shares and per common share amounts have been retroactively restated to reflect this common share consolidation.

The Company did not issue any common shares during the year ended November 30, 2015.

c) Escrow Shares

As at November 30, 2016 and 2015, no common shares were held in escrow.

d) Stock Options

The Company has a fixed stock option plan, which follows the policies of the TSX Venture Exchange ("TSXV") regarding stock option awards granted to employees, directors and consultants. According to the plan, the Company may grant incentive stock options up to a total of 10% of the Company's issued and outstanding common shares issued.

A summary of the changes in stock options is presented below:

	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE
Balance, November 30, 2014	14,375	\$ 4.00
Expired	<u>(14,375)</u>	4.00
Balance, November 30, 2016 and 2015	<u>-</u>	\$ -

As at November 30, 2016 and 2015, there were no stock options to purchase Class A common shares outstanding. The Company did not grant any stock options during the years ended November 30, 2016 and 2015.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

9. SHARE CAPITAL (continued)

e) Warrants

A summary of the changes in warrants is presented below:

	NUMBER OF WARRANTS	WEIGHTED AVERAGE EXERCISE PRICE
Balance, November 30, 2015 and 2014	670,251	\$ 0.40
Expired	(670,251)	0.40
Balance, November 30, 2016	-	\$ 0.40

As at November 30, 2016, the Company did not have any warrants outstanding.

10. FAIR VALUES AND RISK MANAGEMENT

The Company's financial instruments consist of cash, deposits, loan receivable, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of deposits, loan receivable, trade and other payables, and loans payable approximate their carrying values.

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

d) Foreign Currency Risk

The Company operates in Canada and is not exposed to currency risk.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

11. CAPITAL MANAGEMENT

The Company is in the business of mineral exploration in Canada and South America. Management determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors has not established quantitative return on capital criteria for capital management but rather relies upon the expertise of the management team to sustain the future development of the business.

As the Company does not generate any revenue, the Company is dependent upon external financing to fund both future projects and its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new projects and to seek to acquire an interest in additional projects, if management feels there is sufficient geologic or economic potential, provided it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company, is reasonable. There have been no changes in the Company's approach to capital management in the year ended November 30, 2016.

The Company is not subject to externally imposed capital requirements.

12. COMMITMENTS

a) Office Lease

The Company has an office lease agreement expiring June 30, 2021 and is committed to total monthly basic rental payments averaging \$4,292 from July 1, 2016 to June 30, 2021, of which a portion is recoverable from companies with a common director and other companies for sharing office space. Pursuant to the lease agreement, the Company has paid \$14,095 in a security deposit.

b) Pending Acquisition

See Note 14 – Subsequent events.

13. INCOME TAXES

Income tax expense varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss for the year before income taxes as follows:

A reconciliation of the expected income tax expense (benefit) to the actual income tax expense (benefit) is as follows:

	2016	2015
Recovery at statutory rate	\$ (56,000)	\$ (52,000)
Effect of tax rate differences	-	(48,000)
Other	44,000	36,000
Change in tax benefits not recognized	12,000	64,000
Income taxes expense (recovery)	\$ -	\$ -

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

13. INCOME TAXES (continued)

The components of deferred income taxes are:

	2016	2015
Mineral property expenditures	\$ 398,000	\$ 398,000
Property and equipment	8,000	8,000
Share issue costs	-	5,000
Non-capital losses	1,533,000	1,516,000
Tax benefits not recognized	(1,939,000)	(1,927,000)
Net deferred income tax asset (liability)	\$ -	\$ -

The Company has available Canadian tax losses of approximately \$4,705,000 (2015 - \$4,485,000), which may be offset against future Canadian taxable income. These losses expire as follows:

2026	259,000
2027	420,000
2028	694,000
2029	682,000
2030	759,000
2031	522,000
2032	477,000
2033	227,000
2034	223,000
2035	222,000
2036	220,000
	<u>\$ 4,705,000</u>

14. SUBSEQUENT EVENTS

a) Share Exchange Agreement

On July 19, 2016, the Company entered into a share exchange agreement (the "SEA") with YD Ynvisible S.A. ("Ynvisible") pursuant to which the Company will acquire 95.53% (and later amended to 94.18%) of the issued and outstanding shares of Ynvisible in exchange for common shares of the Company. In consideration for this acquisition, the Company will issue 24,648,950 common shares at a deemed price of \$0.30 per Class A common shares for an aggregate purchase price of \$7,394,685. The shares will be subject to various escrow provisions.

Pursuant to the terms of the SEA, the majority of the Company's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover ("RTO") under the rules of the TSX Venture Exchange (the "Exchange").

Upon successful completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

NETWORK EXPLORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED NOVEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars Unless Otherwise Noted)

14. SUBSEQUENT EVENTS (continued)

a) Share Exchange Agreement (continued)

In addition, the Company has agreed to pay a non-refundable deposit of \$100,000 to Ynvisible in connection with Ynvisible's up front audit, transaction and due diligence expenses (included within Deposits in the Company's statement of financial position).

The Company has also provided a bridge loan to Ynvisible in connection with the SEA in the amount of \$50,000 (included within loan receivable in the Company's statement of financial position). This loan bears interest at a rate of 12% per annum.

Concurrent with the SEA, the Company has agreed to arrange a financing for gross proceeds of no less than \$3,300,000 through the issuance of the Company's common shares at a price of \$0.30 per share.

To date, the Company has incurred \$45,000 in expenses relating to this RTO, which have been recorded as deferred financing costs in the Company's statement of financial position.

b) Financing

The Company has entered into an engagement letter with an agent (the "Agent") in respect of the proposed prospectus offering, which will be superseded by an agency agreement with respect to the offering, for gross proceeds of up to \$4,000,000 through the issuance of common shares of the Company at a price of \$0.30 per share (the "Offering").

The Company has granted the Agent an option (the "Over-Allotment Option"), exercisable in whole or in part, at any time and from time to time up to 48 hours prior to the closing of the Offering, to offer up to an additional 2,000,000 common shares of the Company at a price of \$0.30 per share for additional proceeds of a maximum of \$600,000 (15% of \$4,000,000) to cover over-allotments, if any.

EXHIBIT B

**UNAUDITED INTERIM FINANCIAL STATEMENTS OF THE COMPANY
FOR THE NINE MONTHS ENDED AUGUST 31, 2017**



NETWORK EXPLORATION LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

NINE MONTHS ENDED AUGUST 31, 2017

(UNAUDITED)

(Expressed in Canadian Dollars)

NETWORK EXPLORATION LTD.

INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited) (Expressed in Canadian Dollars)

	Aug 31, 2017	November 30, 2016 (Audited)
ASSETS		
Current assets		
Cash	\$ 17,257	\$ 4,521
GST recoverable	1,853	890
Prepaid expenses	11,302	11,302
Total current assets	30,412	16,713
Non-current assets		
Deferred financing costs (Note 11)	70,000	45,000
Deposits (Note 11)	114,095	114,095
Loan receivable (Note 11)	49,790	49,790
Total non-current assets	233,885	208,885
Total assets	\$ 264,297	\$ 225,598
LIABILITIES		
Current liabilities		
Trade and other payables (Note 7)	\$ 101,291	\$ 104,055
Other accrued liabilities	13,954	15,954
Loans payable (Note 6)	173,484	35,700
Total liabilities	288,729	155,709
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	17,073,936	17,073,936
Share-based payments reserve	762,213	762,213
Deficit	(17,860,581)	(17,766,260)
Total shareholders' equity	(24,432)	69,889
Total liabilities and shareholders' equity	\$ 264,297	\$ 225,598

Approved and authorized for issue on behalf of the Board of Directors on October 30, 2017:

"Alexander Helmelt"
Director

"Bob Friesen"
Director

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

NETWORK EXPLORATION LTD.

INTERIM STATEMENTS OF COMPREHENSIVE LOSS (Unaudited) (Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	Aug 31, 2017	Aug 31, 2016	Aug 31, 2017	Aug 31, 2016
Expenses				
Consulting and management fees (Note 7)	\$ 8,000	\$ 1,500	\$ 11,000	\$ 56,100
Exploration and Eval. assets written off	-	1	-	1
Interest and bank charges (Note 6)	5,250	294	11,117	1,924
Marketing and promotion	254	-	7,754	-
Office facilities and services (Note 7)	11,346	2,465	15,225	9,213
Professional fees	2,132	27,526	8,332	33,440
Transfer and listing fees	18,993	29,018	26,735	59,224
Travel and project investigation	14,158	2,151	14,158	40,968
Net loss and comprehensive loss for the period	\$ (60,133)	\$ (62,955)	\$ (94,321)	\$ (200,870)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.03)
Weighted average number of common shares outstanding	9,864,522	9,864,522	9,864,522	7,379,657

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

NETWORK EXPLORATION LTD.

INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (Unaudited) (Expressed in Canadian Dollars)

	Class A Common Shares	Class B Common Shares	Class A Common Shares	Class B Common Shares	Share Subscriptions Received	Share-based Payments Reserve	Deficit	Total Shareholders' Equity (Deficiency)
	Number	Number	Amount	Amount				
Balance, November 30, 2016	9,864,522	8	\$ 17,039,080	\$ 34,856	\$ -	\$ 762,213	\$ (17,766,260)	\$ 69,889
Net loss for the period	-	-	-	-	-	-	(94,321)	(94,321)
Balance, August 31, 2017	9,864,522	8	\$ 17,039,080	\$ 34,856	\$ -	\$ 762,213	\$ (17,860,581)	\$ (24,432)
Balance, November 30, 2015	4,437,522	8	\$ 16,496,380	\$ 34,856	\$ 25,000	\$ 762,213	\$ (17,549,291)	\$ (230,842)
Shares issued for private placement	5,427,000	-	542,700	-	(25,000)	-	-	517,700
Net loss for the period	-	-	-	-	-	-	(200,870)	(200,870)
Balance, August 31, 2016	9,864,522	8	\$ 17,039,080	\$ 34,856	\$ -	\$ 762,213	\$ (17,750,161)	\$ (85,988)

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

NETWORK EXPLORATION LTD.

INTERIM STATEMENTS OF CASH FLOWS (Unaudited) (Expressed in Canadian Dollars)

	Nine Months Ended	
	Aug 31, 2017	Aug 31, 2016
Operating activities		
Net loss for the period	\$ (94,321)	\$ (200,870)
Items not involving the use of cash		
Interest on loans payable	9,867	-
Changes in working capital items:		
Other accrued liabilities	(2,000)	(8,000)
GST recoverable	(963)	(2,951)
Prepaid expenses and deposits	-	(11,301)
Deposits	-	(100,000)
Loan Due	-	(49,791)
Exploration and evaluation assets written off	-	1
Trade and other payables	(2,764)	(128,394)
Cash used in operating activities	(90,181)	(501,306)
Financing activities		
Share subscriptions received	-	517,700
Deferred financing costs	(25,000)	-
Loan proceeds received (repaid)	127,917	(17,500)
Cash provided by financing activities	102,917	500,200
Increase (decrease) in cash	12,736	(1,106)
Cash, beginning of period	4,521	14,755
Cash, end of period	\$ 17,257	\$ 13,649

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

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

1. CORPORATE INFORMATION AND GOING CONCERN

Network Exploration Ltd. (the "Company") was incorporated on September 2, 1983 under the laws of British Columbia. The Company's principal business activity is the exploration and evaluation of minerals in its mineral properties.

The address of the Company's head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1005 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

These condensed interim financial statements have been prepared by management on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. During the nine month period ended August 31, 2017, the Company incurred a net loss of \$94,321 (August 31, 2016 - \$200,870) and as at August 31, 2017, has an accumulated deficit of \$17,860,581 (August 31, 2016 - \$17,750,161).

The Company's ability to continue as a going concern, to fund property acquisitions and work commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

These interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. STATEMENT OF COMPLIANCE

These unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS"), Interim Financial Reporting ("IAS 34"). The accounting policies adopted in these condensed interim financial statements are consistent with the accounting policies adopted in the Company's audited financial statements for the years ended November 30, 2016 and 2015, and as such, these unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the years ended November 30, 2016 and 2015.

The preparation of unaudited condensed interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company's unaudited interim financial statements are discussed in Note 3.

The Company's unaudited condensed interim financial statements have been prepared on a historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The comparative figures presented in these unaudited interim financial statements are in accordance with IFRS. Certain comparative figures may have been reclassified to conform to the current period's presentation.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed interim financial statements have been prepared on the historical cost basis using the accrual basis of accounting, except for cash flow information and as otherwise specified, as set out in the accounting policies below.

a) Foreign Currency Translation

The functional currency of the Company is the Canadian dollar. The functional currency is also the presentation currency.

Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. The Company translates monetary assets and liabilities denominated in foreign currencies at period-end rates. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates in effect during the period except for depreciation which is translated at historical rates. The resulting gains or losses are reflected in profit or loss in the period of translation.

At the entity level, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate in effect at the financial position date and non-monetary assets and liabilities are translated at the exchange rates in effect at the date of the transaction. Income and expenses are translated at rates approximating the exchange rates in effect at the time of the transactions. All exchange gains and losses are credited or charged to profit or loss in the period in which they arise.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term, highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As at August 31, 2017 and November 30, 2016, the Company did not have any cash equivalents.

c) Financial Instruments

The Company's financial instruments consist of cash, deposits, loan receivable, trade and other payables, and loans payable. Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired.

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as "fair value through profit or loss", "loans and receivable", "available-for-sale", "held-to-maturity", or "other financial liabilities measured at amortized cost" as defined by IAS 39, *Financial Instruments - Recognition and Measurement*.

Cash and deposits are designated as fair value through profit or loss and are carried at fair value with gains or losses recognized in profit or loss.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial Instruments (continued)

Loan receivable is designated as loans and receivable.

Trade and other payables, and loans payable are designated as other financial liabilities.

The Company has no derivative financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- i) Level 1 - Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- ii) Level 2 - Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly, such as quoted prices for similar assets or liabilities in active markets, or indirectly, such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- iii) Level 3 - Applies to assets or liabilities for which there are unobservable market data.

d) Impairment

Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. A financial asset or group of financial assets is considered impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Non-financial Assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount and upon reclassification of these costs to assets under development. Facts and circumstances giving rise to an impairment of exploration and evaluation assets include:

- The right to explore has, or will in the near future, expired and renewal is not expected;
- Further exploration and evaluation expenditure is not budgeted or planned;
- Activities have been discontinued due to lack of discovery; and
- Development is likely, but the recorded amount of exploration and evaluation asset is unlikely to be recovered in full.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Impairment (continued)

For purposes of impairment testing, exploration and evaluation costs are allocated to cash-generating units ("CGU") based on their ability to generate largely independent cash flows. If indicators of impairment exist, the recorded cost of an asset or CGU is written down to the recoverable amount. The recoverable amount of an asset or CGU is the greater of its fair value less costs to sell and its value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized in profit or loss for the period.

e) Provision for Decommissioning Liabilities

A provision for decommissioning liabilities including a legal or constructive obligation to incur restoration, rehabilitation and environmental costs is recognized based on statutory, contractual or constructive obligations resulting from the acquisition, exploration and development of mineral properties. The net present value of the future decommissioning liabilities is capitalized to the related asset with a corresponding increase in the provision for decommissioning liabilities. The net present value is calculated using a pre-tax rate that reflects the time-value of money and the risks specific to the liability. The unwinding of the discount is classified as a finance cost in profit or loss.

As at August 31, 2017 and November 30, 2016, the Company had no provisions for decommissioning liabilities.

f) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity, net of any tax effects.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Share-based Payments

The Company has a stock option plan under which it grants stock options to directors, employees and consultants.

Share-based payments are recorded as expenses for all options granted to employees, or to those providing similar services, at the fair value of the equity instruments over the vesting period, with a corresponding increase in share-based payments reserve. Each transfer in an award is considered separately with its own vesting date and grant date fair value. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option at the date of grant. For awards with vesting conditions, a forfeiture rate is recognized at the grant date and is adjusted to reflect the number of awards expected to vest. As the options are exercised, the consideration paid, together with the amount previously recognized in share-based payments reserve, is recorded as an increase in share capital.

For equity-settled stock-based payments to non-employees, the Company measures the value of the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.

The Company has no cash-settled share-based payment transactions.

h) Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences, and the carry forward of non-capital losses, can be utilized.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Income Tax (continued)

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future profit will allow the deferred tax asset to be recovered and/or the carrying value of temporary differences exceed their tax basis.

i) Loss per Share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings/loss per share reflect the potential dilution of outstanding stock options and warrants that could share in the earnings of the Company. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive.

4. RECENT ACCOUNTING PRONOUNCEMENTS

The International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee continuously issue certain new standards and interpretations. The following standards have been issued but not effective until the annual period beginning on or after December 1, 2016. The Company has not adopted the following standards and is in the process of evaluating the impact that these standards will have on the financial statements:

a) IFRS 9 Financial Instruments

IFRS 9 Financial Instrument is part of the IASB's wider project of replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristic of the financial assets. This standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

b) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model for an entity to 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. This standard is effective for annual periods beginning on or after January 1, 2017. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

4. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

c) IFRS 16 Leases

IFRS 16 replaces the previous leases standard, IAS 17 Leases, and interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, lessee and lessor. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15 Revenue from Contracts with Customers. The Company is in the process of evaluating the impact that these standards will have on the financial statements.

5. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

- The amounts disclosed related to fair values of stock options and warrants issued and the resultant effects on profit or loss are based on estimates of future volatility of the Company's share price, expected lives of the options and expected dividends.
- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets and on the impact of future changes in legislation, tax rates and interpretations by taxation authorities.
- The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the year as the new information becomes available. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

6. LOANS PAYABLE

As at August 31, 2017, \$21,300 (November 30, 2016 - \$20,000) was due to officers of the Company and \$141,500 (November 30, 2016 - \$15,000) was due to third parties. Loans payable are unsecured and payable on demand. Loans payable bear interest at rates of either 1% or 1.5% per month.

During the nine months ended August 31, 2017, the Company recorded \$10,217 (August 31, 2016 - \$Nil) in interest expense that is included in the loans payable balance.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

7. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and measured at the amounts established and agreed to by the related parties.

Key Management Compensation

	Nine Months Ended	
	Aug 31 2017	Aug31 2016
Consulting fees charged by the CEO	\$ -	\$ 15,000
Consulting fees charged by the CFO	5,000	6,500
	\$ 5,000	\$ 21,500

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

There are no consulting or management contracts in place.

Other Related Party Transactions

In addition to those related party transactions disclosed elsewhere in the financial statements, the Company incurred the following transactions:

As at August 31, 2017, trade and other payables include \$31,203 (November 30, 2016 - \$25,725) due to the CEO (\$15,750) and the CFO (\$15,453). Trade and other payable amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the nine months ended August 31, 2017, the Company paid \$86,903 (Aug 31, 2016 - \$84,444) in total rent, of which \$Nil (August 31, 2016 - \$10,500) were recovered from companies with a common director and \$77,350 (August 31, 2016 - \$73,717) were recovered from other companies.

8. SHARE CAPITAL

a) Authorized

Unlimited number of Class A common shares without par value

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a 1 for 1 basis.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

8. SHARE CAPITAL (continued)

b) Issued

On April 4, 2016, the Company closed a non-brokered private placement ("the Offering") issuing 5,427,000 Class A common shares at a price of \$0.10 per share for gross proceeds of \$542,700. No finder's fees were paid in relation to this private placement. All securities issued under the Offering were subject to a statutory hold period that ended on August 5, 2016 in accordance with applicable Canadian securities laws. The proceeds of the Offering were used for general working capital.

On January 20, 2016, the Company consolidated its common shares (the "Shares") on the basis of one post-consolidated common share for every four pre-consolidated Shares held (the "Consolidation"). The Consolidation was approved by shareholders of the Company at the Company's Annual and Special Meeting held on December 17, 2015. The Company had 4,437,530 common shares issued and outstanding following the Consolidation. All references to the number of common shares and per common share amounts have been retroactively restated to reflect this common share consolidation.

The Company did not issue any common shares during the nine month period ended August 31, 2017.

c) Escrow Shares

As at August 31, 2017 and November 30, 2016, no common shares were held in escrow.

d) Stock Options

The Company has a fixed stock option plan, which follows the policies of the TSX Venture Exchange ("TSXV") regarding stock option awards granted to employees, directors and consultants. According to the plan, the Company may grant incentive stock options up to a total of 10% of the Company's issued and outstanding common shares issued.

A summary of the changes in stock options is presented below:

	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE
Balance, November 30, 2015	14,375	\$ 4.00
Expired	<u>(14,375)</u>	4.00
Balance, August 31, 2017 and November 30, 2016	<u>-</u>	\$ -

As at August 31, 2017, and November 30, 2016, there were no stock options to purchase Class A common shares outstanding. The Company did not grant any stock options during the nine month period ended August 31, 2017 and the year ended November 30, 2016.

NETWORK EXPLORATION LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS NINE MONTHS ENDED AUGUST 31, 2017

(Unaudited)

(Expressed in Canadian Dollars Unless Otherwise Noted)

8. SHARE CAPITAL (continued)

e) Warrants

A summary of the changes in warrants is presented below:

	NUMBER OF WARRANTS	WEIGHTED AVERAGE EXERCISE PRICE
Balance, November 30, 2015	670,251	\$ 0.40
Expired	(670,251)	0.40
Balance, August 31, 2017 and November 30, 2016	-	\$ 0.40

As at August 31, 2017, and November 30, 2016, the Company did not have any warrants outstanding.

9. FAIR VALUES AND RISK MANAGEMENT

The Company's financial instruments consist of cash, deposits, loan receivable, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of deposits, loan receivable, trade and other payables, and loans payable approximate their carrying values.

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

d) Foreign Currency Risk

The Company operates in Canada and is not exposed to currency risk.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

10. CAPITAL MANAGEMENT

The Company is in the business of mineral exploration in Canada and South America. Management determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors has not established quantitative return on capital criteria for capital management but rather relies upon the expertise of the management team to sustain the future development of the business.

As the Company does not generate any revenue, the Company is dependent upon external financing to fund both future projects and its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new projects and to seek to acquire an interest in additional projects, if management feels there is sufficient geologic or economic potential, provided it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company, is reasonable. There have been no changes in the Company's approach to capital management during the nine month period ended August 31, 2017.

The Company is not subject to externally imposed capital requirements.

11. COMMITMENTS

a) Office Lease

The Company has an office lease agreement expiring June 30, 2021 and is committed to total monthly basic rental payments averaging \$4,292 from July 1, 2016 to June 30, 2021, of which a portion is recoverable from companies with a common director and other companies for sharing office space. Pursuant to the lease agreement, the Company has paid \$14,095 in a security deposit.

b) Share Exchange Agreement

On July 19, 2016, the Company entered into a share exchange agreement (the "SEA") with YD Ynvisible S.A. ("Ynvisible") pursuant to which the Company will acquire 95.53% (and later amended to 94.18%) of the issued and outstanding shares of Ynvisible in exchange for common shares of the Company. In consideration for this acquisition, the Company will issue 24,648,950 common shares at a deemed price of \$0.30 per Class A common shares for an aggregate purchase price of \$7,394,685. The shares will be subject to various escrow provisions.

Pursuant to the terms of the SEA, the majority of the Company's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover ("RTO") under the rules of the TSX Venture Exchange (the "Exchange").

Upon successful completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

NETWORK EXPLORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED AUGUST 31, 2017
(Unaudited)
(Expressed in Canadian Dollars Unless Otherwise Noted)

11. COMMITMENTS (continued)

b) Share Exchange Agreement (continued)

In addition, the Company has agreed to pay a non-refundable deposit of \$100,000 to Ynvisible in connection with Ynvisible's up front audit, transaction and due diligence expenses (included within Deposits in the Company's statement of financial position).

The Company has also provided a bridge loan to Ynvisible in connection with the SEA in the amount of \$50,000 (included within loan receivable in the Company's statement of financial position). This loan bears interest at a rate of 12% per annum.

Concurrent with the SEA, the Company has agreed to arrange a financing for gross proceeds of no less than \$3,300,000 through the issuance of the Company's common shares at a price of \$0.30 per share.

To date, the Company has incurred \$70,000 in expenses relating to this RTO, which have been recorded as deferred financing costs in the Company's statement of financial position.

c) Financing

The Company has entered into an engagement letter with an agent (the "Agent") in respect of the proposed prospectus offering, which will be superseded by an agency agreement with respect to the offering, for gross proceeds of up to \$4,000,000 through the issuance of common shares of the Company at a price of \$0.30 per share (the "Offering").

The Company has granted the Agent an option (the "Over-Allotment Option"), exercisable in whole or in part, at any time and from time to time up to 48 hours prior to the closing of the Offering, to offer up to an additional 2,000,000 common shares of the Company at a price of \$0.30 per share for additional proceeds of a maximum of \$600,000 (15% of \$4,000,000) to cover over-allotments, if any.

EXHIBIT C

**PRO FORMA FINANCIAL STATEMENTS OF THE COMPANY
FOR THE YEAR ENDED DECEMBER 31, 2016**

NETWORK EXPLORATION LTD.

PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(Expressed in Canadian Dollars)

DECEMBER 31, 2016

NETWORK EXPLORATION LTD.

Pro-Forma Consolidated Statement of Financial Position

As at December 31, 2016

(Unaudited)

	Network Exploration Ltd. (As at Nov 30, 2016)	YD Ynvisible, S.A.	Pro-forma Adjustments	Note 4	Pro-forma Consolidated
	\$	\$	\$		\$
ASSETS					
Current assets:					
Cash and cash equivalents	4,520	27,478	4,000,000	(e)	4,031,998
Accounts receivable	-	218,501	-		218,501
GST recoverable	890	-	-		890
Prepaid expenses and deposits	220,187	-	(100,000)	(d)	120,187
	225,597	245,979	3,900,000		4,371,576
Non-current financial assets	-	885	-		885
Property, plant and equipment	-	9,540	-		9,540
Deferred tax assets	-	196,544	(196,544)	(a)	-
Intangible assets	-	19,090	-		19,090
	225,597	472,038	3,703,456		4,401,091
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Trade and other payables	112,055	967,414	-		1,079,469
Loans payable	43,654	342,283	-		385,937
	155,709	1,309,697	-		1,465,406
Long-term liabilities	-	254,357	-		254,357
	155,709	1,564,054	-		1,719,763
Shareholders' equity:					
Share capital	17,073,936	2,043,344	(11,004,695)	(b), (c), (e)	8,112,585
Share-based payments reserve	762,213	-	(762,213)	(b)	-
Deficit	(17,766,260)	(3,135,360)	15,470,363	(a), (b), (c), (d)	(5,431,257)
	69,888	(1,092,016)	3,703,456		2,681,328
	225,597	472,038	3,703,456		4,401,091

The accompanying notes are an integral part of these pro-forma consolidated financial statements.

NETWORK EXPLORATION LTD.

Pro-Forma Income Statement

Year Ended December 31, 2016

(Unaudited)

	Network Exploration Ltd. (Nov 30, 2016) \$	YD Ynvisible, S.A \$	Pro-forma Adjustments \$	Note (4)	Pro-forma Consolidated \$
Revenue					
Sales and Services Provided	-	139,200			139,200
Expenses					
Amortization	-	8,509	-		8,509
Consulting and management fees	57,600	-	-		57,600
Interest and bank charges	2,681	18,158	-		20,839
Marketing and promotion	5,000	-	-		5,000
Office facilities and services	7,188	56,374	-		63,562
Professional fees	41,440	45,202	-		86,642
Project development	-	26,543	-		26,543
Transfer and listing fees	57,594	-	-		57,594
Travel and project investigation	45,466	28,420	-		73,886
Wages and Benefits	-	386,288	-		386,288
	216,969	569,495	-		786,464
Income from Operations for the period	(216,969)	(430,295)	-		(647,264)
Interest Income	-	-	-		-
Operating Subsidies	-	141,086	-		141,086
Listing Expense	-	-	(1,999,353)	(C)	(1,999,353)
Income before Income taxes	(216,969)	(289,209)	(1,999,353)		(2,505,531)
Income Taxes (Recovery)					
Current	-	50,631	-		50,631
Future	-	-	-		-
Net Loss and Total Comprehensive Loss for the Period	(216,969)	(238,578)	(1,999,353)		(2,454,900)

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

March 31, 2017

(Unaudited)

1. Basis of Presentation

These unaudited pro-forma consolidated financial statements of Network Exploration Ltd. (“Network” or the “Company”) as at December 31, 2016 have been prepared by management using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited pro-forma consolidated financial statements have been prepared for inclusion in a prospectus or disclosure document of the Company dated June 27, 2017, relating to Network Exploration Ltd.’s (“Network”) reverse acquisition of 94.18% of the issued and outstanding capital stock of YD Ynvisible, S.A. (“Ynvisible”).

These unaudited pro-forma financial statements as at December 31, 2016 were compiled from the audited financial statements of Network as at November 30, 2016, and the audited financial statements of Ynvisible as at December 31, 2016, and includes all adjustments which, in the opinion of management, are necessary for the fair presentation, in all material respects, of the unaudited pro-forma consolidated financial statements as if the transactions described in Note 4 had occurred as at December 31, 2016.

The unaudited pro-forma financial statements are not necessarily indicative of the combined results or financial position that would have been attained had the transactions actually taken place at the dates indicated and do not purport to be indicative of the effects that may be expected to occur in the future.

2. Summary of Significant Accounting Policies

These unaudited pro-forma financial statements have been compiled using the significant accounting policies as set out in the audited financial statements of Network for the year ended November 30, 2016, and Ynvisible for the year ended December 31, 2016.

3. Proposed Transaction

On July 19, 2016, and subsequently amended, Network and Ynvisible entered into a Share Exchange Agreement (the “Agreement”) pursuant to which Network will acquire 94.18% of the issued and outstanding securities of Ynvisible in consideration for securities of Network, which will constitute a reverse takeover of Network by Ynvisible shareholders (the “Transaction”) as follows:

- (a) Issuance of 24,650,950 common shares of Network to Ynvisible shareholders in exchange for their 24,650,950 Ynvisible common shares on a pro rata basis.

4. Pro-Forma Adjustments and Assumptions

These unaudited pro-forma consolidated financial statements incorporate the following pro-forma assumptions:

- (a) The elimination of Ynvisible’s deferred tax assets of \$196,544 because it is not more likely than not that the related tax benefit will be realized in the foreseeable future.

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

March 31, 2017

(Unaudited)

4. Pro-Forma Adjustments and Assumptions (Continued)

(b) The acquisition of Ynvisible by Network constitutes a reverse asset acquisition as Network does not meet the definition of a business, as defined in IFRS 3, Business Combinations. Accordingly, as a result of the Transaction, the consolidated statement of financial position has been adjusted for the elimination of Network's share capital of \$17,073,936, share-based payments reserve of \$762,213 and accumulated deficit of \$17,766,260, all within shareholders' equity.

(c) As a result of this reverse asset acquisition, a listing expense of \$1,999,353 has been recorded. This reflects the difference between the estimated fair value of the Ynvisible shares to the Network shareholders less the net fair value of the assets of Network acquired.

In accordance with reverse acquisition accounting:

i. The assets and liabilities of Ynvisible were included in the pro-forma consolidated statement of financial position at their carrying values;

ii. The net assets of Network were included at their fair value of \$69,888 (equal to the carrying value of the assets);

iii. The net assets have been allocated as follows:

Cash and cash equivalents	\$ 4,520
GST recoverable	890
Prepaid expenses and deposits	220,187
Trade and other payables	(112,055)
Loans payable	(43,654)
Estimated fair value of net assets	\$ 69,888

iv. The listing expense of \$1,999,353 was determined as follows:

- The number of Network shares held by Ynvisible shareholders outstanding prior to the financing is estimated to be 24,650,950 or 72.02% of the combined entities.
- The estimated fair value of Ynvisible is \$7,851,844.50 based on the financing price of \$0.30 per share.
- The number of outstanding shares of Network prior to the Transaction and financing is determined to be 9,577,230 or 27.98% of the combined entities.
- The difference between the fair value of \$2,069,241 attributed to Network and the estimated fair value of the net assets of Network of \$69,888 amounts to a listing expense of \$1,999,353.

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

March 31, 2017

(Unaudited)

4. Pro-Forma Adjustments and Assumptions (Continued)

- (d) The payment of a non-refundable deposit of \$100,000 in connection with up-front audit, transaction and due diligence expenses and disbursements.
- (e) The completion of a financing to raise gross proceeds of \$4,000,000 through the issuance of 13,333,333 common shares of Network at \$0.30 per share.

5. Pro-Forma Share Capital

(a) Authorized

Unlimited number of Class A common shares without par value; and

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a 1 for 1 basis.

(b) The share capital of Network Exploration Ltd. will be as follows:

	Class A Shares #	Share Capital \$
Opening balance of Network	9,577,230	17,073,936
Opening balance of Ynvisible	-	2,242,358
Eliminate equity of Network	-	(17,073,936)
Network shares issued to Ynvisible shareholders	24,650,950	2,069,241
Equity financing	13,333,333	4,000,000
	47,561,513	8,311,598

EXHIBIT D

**PRO FORMA FINANCIAL STATEMENTS OF THE COMPANY
FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

NETWORK EXPLORATION LTD.

PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(Expressed in Canadian Dollars)

SEPTEMBER 30, 2017

NETWORK EXPLORATION LTD.

Pro-Forma Consolidated Statement of Financial Position

As at September 30, 2017

(Unaudited)

	Network Exploration Ltd. (As at August 31, 2017)	YD Ynvisible, S.A.	Pro-forma Adjustments	Note 4	Pro-forma Consolidated
	\$	\$	\$		\$
ASSETS					
Current assets:					
Cash and cash equivalents	17,257	24	4,000,000	(e)	4,017,281
Accounts receivable	-	156,771	-		156,771
GST recoverable	1,853	-	-		1,853
Prepaid expenses and deposits	245,187	-	(100,000)	(d)	145,187
	264,297	156,795	3,900,000		4,321,092
Non-current financial assets	-	566	-		566
Property, plant and equipment	-	6,060	-		6,060
Deferred tax assets	-	215,422	(215,422)	(a)	-
Intangible assets	-	32,179	-		32,179
	264,297	411,023	3,684,578		4,359,897
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Trade and other payables	107,291	1,207,434	-		1,314,729
Loans payable	181,438	517,684	-		699,121
	288,729	1,725,118	-		2,013,847
Long-term liabilities	-	281,629	-		281,629
	288,729	2,006,747	-		2,295,476
Shareholders' equity:					
Share capital	17,073,936	2,239,613	(11,438,684)	(b), (c), (e), (f)	7,874,865
Share-based payments reserve	762,213	-	(762,213)	(b)	-
Deficit	(17,860,580)	(3,835,338)	15,885,474	(a), (b), (c), (d), (f)	(5,810,444)
	(24,432)	(1,595,724)	3,684,578		2,064,421
	264,297	411,023	3,684,578		4,359,897

The accompanying notes are an integral part of these pro-forma consolidated financial statements.

NETWORK EXPLORATION LTD.

Pro-Forma Income Statement

Nine Months Ended September 30, 2017

(Unaudited)

	Network Exploration Ltd. (August 31, 2017) \$	YD Ynvisible, S.A \$	Pro-forma Adjustments \$	Note (4)	Pro-forma Consolidated \$
Revenue					
Sales and Services Provided	-	76,916	-		76,916
Expenses					
Amortization	-	4,396	-		4,396
Consulting and management fees	11,000	-	-		11,000
Interest and bank charges	11,117	30,592	-		41,709
Marketing and promotion	7,754	-	-		7,754
Office facilities and services	15,225	79,547	-		94,772
Professional fees	8,332	51,732	-		60,064
Project development	-	24,460	-		24,460
Transfer and listing fees	26,735	-	-		26,735
Travel and project investigation	14,158	20,971	-		35,129
Wages and Benefits	-	393,126	-		393,126
	94,321	604,824	-		699,145
Income from Operations for the period	(94,321)	(527,908)	-		(622,229)
Finder's Fee	-	-	(402,264)	(F)	(402,264)
Operating Subsidies	-	129,951	-		129,951
Listing Expense	-	-	(1,257,420)	(C)	(1,257,420)
Income before Income taxes	(94,321)	(397,957)	(1,659,684)		(2,151,962)
Income Taxes					
Current	-	(861)	-		(861)
Future	-	-	-		-
Net Loss and Total Comprehensive Loss for the Period	(94,321)	(398,817)	(1,659,684)		(2,152,823)
Shares Outstanding	9,864,547	26,174,815	8,301,439		44,340,801
Net Income (Loss)	(0.0096)	(0.015)	-		(0.049)

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

September 30, 2017

(Unaudited)

1. Basis of Presentation

These unaudited pro-forma consolidated financial statements of Network Exploration Ltd. (“Network” or the “Company”) as at September 30, 2017 have been prepared by management using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited pro-forma consolidated financial statements have been prepared for inclusion in a prospectus or disclosure document of the Company dated December 27, 2017, relating to Network Exploration Ltd.’s (“Network”) reverse acquisition of 94.18% of the issued and outstanding capital stock of YD Ynvisible, S.A. (“Ynvisible”).

These unaudited pro-forma financial statements as at September 30, 2017 were compiled from the unaudited financial statements of Network as at August 31, 2017, and the unaudited financial statements of Ynvisible as at September 30, 2017, and includes all adjustments which, in the opinion of management, are necessary for the fair presentation, in all material respects, of the unaudited pro-forma consolidated financial statements as if the transactions described in Note 4 had occurred as at September 30, 2017.

The unaudited pro-forma financial statements are not necessarily indicative of the combined results or financial position that would have been attained had the transactions actually taken place at the dates indicated and do not purport to be indicative of the effects that may be expected to occur in the future.

2. Summary of Significant Accounting Policies

These unaudited pro-forma financial statements have been compiled using the significant accounting policies as set out in the audited financial statements of Network for the year ended November 30, 2016, and Ynvisible for the year ended December 31, 2016.

3. Proposed Transaction

On July 19, 2016, and subsequently amended, Network and Ynvisible entered into a Share Exchange Agreement (the “Agreement”) pursuant to which Network will acquire 94.18% of the issued and outstanding securities of Ynvisible in consideration for securities of Network, which will constitute a reverse takeover of Network by Ynvisible shareholders (the “Transaction”) as follows:

- (a) Issuance of 24,650,950 common shares of Network to Ynvisible shareholders in exchange for their 24,650,950 Ynvisible common shares on a pro rata basis.

4. Pro-Forma Adjustments and Assumptions

These unaudited pro-forma consolidated financial statements incorporate the following pro-forma assumptions:

- (a) The elimination of Ynvisible’s deferred tax assets of \$215,422 because it is not more likely than not that the related tax benefit will be realized in the foreseeable future.

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

September 30, 2017

(Unaudited)

4. Pro-Forma Adjustments and Assumptions (Continued)

(b) The acquisition of Ynvisible by Network constitutes a reverse asset acquisition as Network does not meet the definition of a business, as defined in IFRS 3, Business Combinations. Accordingly, as a result of the Transaction, the consolidated statement of financial position has been adjusted for the elimination of Network's share capital of \$17,073,936, share-based payments reserve of \$762,213 and accumulated deficit of \$17,860,581, all within shareholders' equity.

(c) As a result of this reverse asset acquisition, a listing expense of \$1,257,420 has been recorded. This reflects the difference between the estimated fair value of the Ynvisible shares to the Network shareholders less the net fair value of the assets of Network acquired.

In accordance with reverse acquisition accounting:

i. The assets and liabilities of Ynvisible were included in the pro-forma consolidated statement of financial position at their carrying values;

ii. The net assets of Network were included at their fair value of \$(24,432) (equal to the carrying value of the assets);

iii. The net assets have been allocated as follows:

Cash and cash equivalents	\$ 17,257
GST recoverable	1,853
Prepaid expenses and deposits	245,187
Trade and other payables	(107,291)
Loans payable	(181,438)
Estimated fair value of net assets	<u>\$ (24,432)</u>

iv. The listing expense of \$1,257,420 was determined as follows:

- The number of Network shares held by Ynvisible shareholders outstanding prior to the financing is estimated to be 24,650,950 or 83.33% of the combined entities.
- The estimated fair value of the shares issued to Ynvisible shareholders is \$7,395,285 based on the financing price of \$0.30 per share.
- The number of outstanding shares of Network prior to the Transaction and financing is determined to be about 4,932,304 or 16.67% of the combined entities.
- The difference between the fair value of \$1,232,988 attributed to Network and the estimated fair value of the net assets of Network of \$(24,432) amounts to a listing expense of \$1,257,420.

NETWORK EXPLORATION LTD.

Notes to the Pro-Forma Financial Statements

September 30, 2017

(Unaudited)

4. Pro-Forma Adjustments and Assumptions (Continued)

- (d) The payment of a non-refundable deposit of \$100,000 in connection with up-front audit, transaction and due diligence expenses and disbursements.
- (e) The completion of a financing to raise gross proceeds of \$4,000,000 through the issuance of 13,333,333 common shares of Network at \$0.30 per share.
- (f) The issuance of 1,340,881 shares for finder's fees at a deemed value of \$0.30 per share.
- (g) The issuance of 83,333 shares for corporate finance fees.

5. Pro-Forma Share Capital

(a) Authorized

Unlimited number of Class A common shares without par value; and

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a 1 for 1 basis.

(b) The share capital of Network Exploration Ltd. will be as follows:

	Class A Shares #	Share Capital \$
Opening balance of Network	4,932,304	17,073,936
Opening balance of Ynvisible	-	2,239,613
Eliminate equity of Network	-	(17,073,936)
Network shares issued to Ynvisible shareholders	24,650,950	1,232,988
Shares issued for corporate finance fees (4(g))	83,333	-
Shares issued for finder's fee	1,340,881	402,264
Equity financing	13,333,333	4,000,000
	44,340,801	7,874,865

EXHIBIT E

**MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY FOR THE YEAR ENDED
NOVEMBER 30, 2016**

NETWORK EXPLORATION LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDING NOVEMBER 30, 2016

1.1 Date of Report: March 30, 2017

The following management discussion and analysis (“MD&A”) of the financial position and results of operations for Network Exploration Limited (the “Company” or “Network”) should be read in conjunction with the condensed consolidated annual financial statements and the notes thereto for the year ended November 30, 2016. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars. Additional information relevant to the Company’s activities can be found on SEDAR at www.sedar.com.

1.2 Overall Performance

Network Exploration Ltd. is a public company listed on the TSX Venture Exchange under the trading symbol “NET”. The Company is primarily a junior exploration company focusing on the exploration of mineral properties in South America. Activities include the process of exploring its mineral properties, reviewing and subsequently acquiring new mineral properties and conducting exploration programs to determine whether these properties contain ore reserves that are economically recoverable. The company currently capitalizes all exploration costs and the recoverability of amounts shown for the mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production.

The address of the Company’s head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1005 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7. The Company maintains a website at www.networkexploration.com.

The Company’s ability to continue as a going concern, to fund mineral property acquisition and exploration commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company’s ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Ynvisible

On April 29, 2016, the Company entered into a binding letter of intent (the “LOI”) which sets out the basic terms and conditions pursuant to which the Company will acquire 95.53% of the issued and outstanding shares of YD Ynvisible S.A. (“Ynvisible”) in exchange for common shares of the Company. Pursuant to the terms of the LOI, the majority of Network’s management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover (“RTO”) under the rules of the TSX Venture Exchange.

On July 19, 2016, the Company entered into a share exchange agreement (the “SEA”) with YD Ynvisible S.A. (“Ynvisible”) pursuant to which Network will acquire 95.53% of the issued and outstanding shares of Ynvisible in exchange for common shares of Network. Pursuant to the terms of the SEA, the majority of Network’s management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover (“RTO”) under the rules of the TSX Venture Exchange (the “Exchange”).

On January 9, 2017, the Company announced an amendment to the SEA whereby it will acquire 94.18% of the issued and outstanding shares of Ynvisible instead of the 95.53% as previously announced.

Upon completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

Ynvisible aims to be a leading company in the emerging printed electronics sector. It is a private company incorporated under the laws of Portugal with assets located in Portugal. Printed electronics use new materials with electronic properties that are processed into inks and can be printed into thin layers (using conventional print house equipment) onto flexible materials, such as plastic and paper. Ynvisible's proprietary electrochromic displays are the face of every smart label they produce. Ynvisible's displays use almost no power. They are ultra-low weight, microscopically thin, flexible, yet robust. When combined with various sensors they bring functionality and life to smart products. Given the cost and power-consumption advantages over conventional electronics, printed electronics are a key enabler of mass adoption of the Internet of Things ("IoT"). Electrochromics-based smart labels offer simple non-obtrusive human interfaces to smart IoT objects. Ynvisible's mix of services, materials and technology is a unique combination, which is winning favor among brand owners developing their IoT products for a huge market in its infancy. Since Ynvisible's displays are printed, product designers can easily adapt electrochromics to the desired product design and required user experience.

Completion of the RTO is subject to a number of conditions, including acceptance of the Exchange, approval by the shareholders of Network and Ynvisible of the resolutions to be voted on at their respective shareholder meetings and completion of a \$3.3 million financing, or such other amount as may be agreed to between Network, Ynvisible and the agents for the financing (the "Concurrent Financing"). The RTO cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement or other disclosure document to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Network will remain halted pending receipt and review of acceptable documentation regarding the RTO.

Mineral Properties

The Company's mineral properties were previously located in Peru. The capitalized costs represent exploration and acquisition costs associated with the Company's mineral properties.

Pistala - Peru

In February 2007, by way of a third party agreement, the Company staked the 1,600 hectare Pistala property in Southern Peru; and in July 2008, the Company staked an additional 1,300 hectares. The Company entered into a participation agreement with NETEXP.SAC Peru whereby Network Exploration Ltd. was entitled to 95% of the rights and benefits derived from the property. During the year ended November 30, 2013, the Company wrote off \$191,821 in accumulated exploration expenditures. During the year ended November 30, 2016, the Company wrote off \$1 in accumulated exploration expenditures as management decided not to incur further expenditures. The property has been returned to the ministry of mines in Peru and the Company will not re-stake the project.

Share Consolidation

On January 20, 2016, the Company consolidated its common shares (the "Shares") on the basis of one post-consolidated common share for every four pre-consolidated Shares held (the "Consolidation"). The Consolidation was approved by shareholders of the Company at the Company's Annual and Special Meeting held on December 17, 2015. The Company had 4,437,530 common shares issued and outstanding following the Consolidation. All references to the number of common shares and per common share amounts have been retroactively restated to reflect this common share consolidation.

Private Placement

On April 4, 2016, the Company closed a non-brokered private placement issuing 5,427,000 shares at a price of \$0.10 per share for gross proceeds of \$542,700. No finder's fees were paid in relation to this private placement. All securities issued under the Offering are subject to a statutory hold period ending on August 5, 2016 in accordance with applicable Canadian securities laws. The proceeds of the Offering will be used for general working capital.

1.3 Selected Annual Information

The following data reviews the last three fiscal years and may be used for reference while reading this MD&A.

	Year Ending Nov 30, 2016 \$	Year Ending Nov 30, 2015 \$	Year Ending Nov 30, 2014 \$
Results of Operations			
Total Revenues	-	-	-
Income (Loss) before write off	(216,969)	(199,215)	(206,969)
Net Income (Loss) including write off of mineral properties and deferred exploration costs, gain from debt settlement and asset write downs	(216,968)	(199,215)	(191,851)
Basic and Diluted income (Loss)	(0.03)	(0.04)	(0.08)
Financial Position			
Total Assets	225,598	34,093	50,818
Long Term Debt	-	-	-
Cash Dividends declared	-	-	-

1.4 Results of Operations for the year ended November 30, 2016

Revenue

The Company is in the exploration and development stage and does not generate any revenue. To date the Company has not earned any significant revenues.

General and Administrative Expenses

The Company's expenses during the year ended November 30, 2016 were similar to those of the year ended November 30, 2015. Loss from operations increased by \$17,754 to \$216,969 (2015 - \$199,215). Key contributors to the change in operating costs are as follows:

- Costs associated with office facilities and services decreased by \$57,233 from \$64,421 in 2015 to \$7,188 in 2016 due to less vacancy in the shared office space and a favorable lease renegotiation.
- Professional fees increased by \$38,619 to \$41,440 (2015 - \$2,821) due to costs associated with the Ynvisible transaction.
- Transfer and listing fees increased by \$44,987 to \$57,594 (2015 - \$12,607) due to fees associated with the consolidation of the Company's shares, the Company's private placement completed in April 2016, and fees associated with the Ynvisible transaction.
- Consulting decreased \$46,400 to \$57,600 (2015 - \$104,000) due to fewer paid consultants in the two most recent quarters.
- Travel and project investigation expenses rose from \$13,366 to \$45,466 due to travel costs associated with the Ynvisible transaction.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, the uncertainty of commodity prices, and the uncertainty of fundraising activities.

1.5 Summary of Quarterly Results

Three months ended	Total Revenues	Net Loss	Loss Per Share (basic and diluted)*
November 30, 2016	\$Nil	\$16,099	\$0.002
August 31, 2016	\$Nil	\$62,955	\$0.01
May 31, 2016	\$Nil	\$100,780	\$0.01
February 28, 2016	\$Nil	\$37,135	\$0.01
November 30, 2015	\$Nil	\$63,568	\$0.01
August 31, 2015	\$Nil	\$45,736	\$0.01
May 31, 2015	\$Nil	\$53,562	\$0.01
February 28, 2015	\$Nil	\$36,349	\$0.01
November 30, 2014**	\$Nil	\$68,928	\$0.01

* Restated for 10 to 1 share consolidation completed April 2, 2014
and 4 to 1 consolidation completed January 20, 2016

** Net loss for period not including finance expense of \$900

1.6 Liquidity

In management's view, given the nature of the Company's operations, which consist of exploration and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced. The Company does not expect to receive significant income from any of its properties in the foreseeable future.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt. The Company continues to seek capital through various means including the issuance of equity and/or debt. During this year the Company has received a loan from a third party to fund operating expenses.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

1.7 Capital Resources

At November 30, 2016 the current assets of the Company consist of cash in the bank, prepaid expenses, and GST recoverable totaling \$16,713 and the Company has working capital of (\$138,996). The Company will have to generate additional cash from equity raised through the Canadian public markets to meet its commitments.

1.8 Off Balance Sheet Arrangements

At November 30, 2016, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

1.9 Transactions with Related Parties

The Company has incurred charges during the period from directors and senior management, or companies controlled by them, for management fees and consulting fees in the amount of \$24,500 (2015 - \$38,000). Amounts due to related parties are interest free and unsecured, and are payable on demand.

As at November 30, 2016, trade and other payables include \$25,725 (2015 - \$70,309) due to related parties. Amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the year ended November 30, 2016, the Company paid \$113,869 (2015 - \$121,558) in total rent, of which \$18,000 (2015 - \$16,500) were recovered from companies with a common director and \$93,267 (2015 - \$68,386) were recovered from other companies.

Loans payable includes \$20,000 (2015 - \$ Nil) owed to an officer of the Company. The loan is unsecured, due on demand and bears interest at 1% per month.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Directors and Officers

As at November 30, 2016 and the date of this report, the Company had the following directors and officers:

Alexander Helmelt – President, CEO and Director
Darren Urquhart, CPA, CA – CFO
Rick Vaive – Director
Robert Friesen – Director

1.10 Fourth Quarter

The Company's focus during the fourth quarter was to work towards the completion of the RTO transaction with Ynvisible as announced in the news release dated May 3, 2016, July 27, 2016, and January 9, 2017.

Activity in the fourth quarter was consistent with recent quarters. General & administrative expenses were primarily attributable to expenses related with the Ynvisible transaction. The major contributors of costs during the fourth quarter were deferred financing costs and professional fees associated with the Ynvisible transaction.

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed elsewhere in this MD&A.

1.12 Other MD&A Requirements

This MD&A should be read in conjunction with the condensed consolidated financial statements for the year ended November 30, 2016. This MD&A is intended to assist the reader's understanding of Network Exploration and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable. Network Exploration's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee is free to meet with the independent auditors throughout the year.

Summary of Outstanding Share Data as of the Date of this Report

	Number Issued and Outstanding
Common shares *	9,864,547
Stock Options *	Nil
Warrants *	Nil
Fully Diluted *	9,864,547

* These numbers reflect the effect of the consolidation effected January 20, 2016.

OTHER INFORMATION

Approval

The Board of Directors of Network Exploration Ltd. has approved the disclosure contained in the MD&A. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR website at www.sedar.com.

Controls and Procedures

Disclosure controls and procedures ('DC&P') are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ('ICFR') are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to the future metal prices, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future price of metals; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

EXHIBIT F

**MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY FOR THE NINE MONTHS
ENDED AUGUST 31, 2017**

NETWORK EXPLORATION LTD.**MANAGEMENT DISCUSSION AND ANALYSIS****NINE MONTHS ENDED AUGUST 31, 2017****1.1 Date of Report: October 30, 2017**

The following management discussion and analysis ("MD&A") of the financial position and results of operations for Network Exploration Limited (the "Company" or "Network") should be read in conjunction with the condensed interim financial statements and the notes thereto for the nine months ended August 31, 2017. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

1.2 Overall Performance

Network Exploration Ltd. is a public company listed on the TSX Venture Exchange under the trading symbol "NET". The Company is primarily a junior exploration company focusing on the exploration of mineral properties in South America. Activities include the process of exploring its mineral properties, reviewing and subsequently acquiring new mineral properties and conducting exploration programs to determine whether these properties contain ore reserves that are economically recoverable. The company currently capitalizes all exploration costs and the recoverability of amounts shown for the mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production.

The address of the Company's head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1005 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7. The Company maintains a website at www.networkexploration.com.

The Company's ability to continue as a going concern, to fund mineral property acquisition and exploration commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Ynvisible

On April 29, 2016, the Company entered into a binding letter of intent (the "LOI") which sets out the basic terms and conditions pursuant to which the Company will acquire 95.53% of the issued and outstanding shares of YD Ynvisible S.A. ("Ynvisible") in exchange for common shares of the Company. Pursuant to the terms of the LOI, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover ("RTO") under the rules of the TSX Venture Exchange.

On July 19, 2016, the Company entered into a share exchange agreement (the "SEA") with YD Ynvisible S.A. ("Ynvisible") pursuant to which Network will acquire 95.53% of the issued and outstanding shares of Ynvisible in exchange for common shares of Network. Pursuant to the terms of the SEA, the majority of Network's management and directors will be replaced with nominees of Ynvisible, and the Company will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover ("RTO") under the rules of the TSX Venture Exchange (the "Exchange").

On January 9, 2017, the Company announced an amendment to the SEA whereby it will acquire 94.18% of the issued and outstanding shares of Ynvisible instead of the 95.53% as previously announced.

Upon completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of Ynvisible will become the business of the Company.

Ynvisible aims to be a leading company in the emerging printed electronics sector. It is a private company incorporated under the laws of Portugal with assets located in Portugal. Printed electronics use new materials with electronic properties that are processed into inks and can be printed into thin layers (using conventional print house equipment) onto flexible materials, such as plastic and paper. Ynvisible's proprietary electrochromic displays are the face of every smart label they produce. Ynvisible's displays use almost no power. They are ultra-low weight, microscopically thin, flexible, yet robust. When combined with various sensors they bring functionality and life to smart products. Given the cost and power-consumption advantages over conventional electronics, printed electronics are a key enabler of mass adoption of the Internet of Things ("IoT"). Electrochromics-based smart labels offer simple non-obtrusive human interfaces to smart IoT objects. Ynvisible's mix of services, materials and technology is a unique combination, which is winning favor among brand owners developing their IoT products for a huge market in its infancy. Since Ynvisible's displays are printed, product designers can easily adapt electrochromics to the desired product design and required user experience.

Completion of the RTO is subject to a number of conditions, including acceptance of the Exchange, approval by the shareholders of Network and Ynvisible of the resolutions to be voted on at their respective shareholder meetings and completion of a \$3.3 million financing, or such other amount as may be agreed to between Network, Ynvisible and the agents for the financing (the "Concurrent Financing"). The RTO cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement or other disclosure document to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Network will remain halted pending receipt and review of acceptable documentation regarding the RTO.

Share Consolidation

On January 20, 2016, the Company consolidated its common shares (the "Shares") on the basis of one post-consolidated common share for every four pre-consolidated Shares held (the "Consolidation"). The Consolidation was approved by shareholders of the Company at the Company's Annual and Special Meeting held on December 17, 2015. The Company had 4,437,530 common shares issued and outstanding following the Consolidation. All references to the number of common shares and per common share amounts have been retroactively restated to reflect this common share consolidation.

Private Placement

On April 4, 2016, the Company closed a non-brokered private placement issuing 5,427,000 shares at a price of \$0.10 per share for gross proceeds of \$542,700. No finder's fees were paid in relation to this private placement. All securities issued under the Offering are subject to a statutory hold period ending on August 5, 2016 in accordance with applicable Canadian securities laws. The proceeds of the Offering will be used for general working capital.

1.4 Results of Operations for the nine months ended August 31, 2017

General and Administrative Expenses

Nine Months ended August 31, 2017

The Company's expenses during the nine months ended August 31, 2017 were significantly less than those of the nine months ended August 31, 2016. Loss from operations decreased by \$106,549 to \$94,321 (2016 - \$200,870). Key contributors to the change in operating costs are as follows:

- Marketing and promotion fees increased by \$7,754 to \$7,754 (2016 - \$Nil) due to the hiring of a marketing consultant in preparation for the Ynvisible transaction.
- Transfer and listing fees decreased by \$32,489 to \$26,735 (2016 - \$59,224). In the prior period, the Company paid additional fees associated with the consolidation of the Company's shares and financing activities.
- Travel decreased by \$26,810 to \$14,158 (2016 - \$40,968) as the Company was expending efforts on the RTO process in 2017 rather than searching for an RTO candidate.
- Consulting decreased by \$45,100 to \$11,000 (2016 - \$56,100) as the Company eliminated all consultants associated with sourcing an RTO candidate.
- Professional fees decreased by \$25,108 to \$8,332 (2016 - \$33,440) as the Company paid initial legal costs in 2016 associated with the Ynvisible RTO transaction.
- Interest expense rose by \$9,193 to \$11,117 (2016 - \$1,924) as the Company has had to borrow funds to cover operating costs (see note 6 in the accompanying financial statements).

The Company spent significant resources performing corporate actions (financing and consolidation) in the 2016 comparative period and spent significant resources sourcing an RTO candidate. As the RTO target was determined in April of 2016 (see Ynvisible section above), travel and associated consulting costs were reduced at this time.

Three Months ended August 31, 2017

The Company's expenses during the three months ended August 31, 2017 were slightly lower than those of the three months ended August 31, 2016. Loss from operations decreased by \$2,882 to \$60,133 (2016 - \$62,955). Key contributors to the change in operating costs are as follows:

- Consulting increased by \$6,500 to \$8,000 (2016 - \$1,500) as the Company hired a consultant for preliminary finance and marketing purposes in relation to the Ynvisible transaction.
- Interest and bank charges rose by \$4,956 to \$5,250 (2016 - \$294) due to interest charged on funds borrowed to cover ongoing operating costs (see note 6 in the accompanying financial statements).
- Transfer and listing fees decreased by \$10,025 to \$18,993 (2016 - \$29,018). In the prior period, the Company paid additional fees associated with the consolidation of the Company's shares and financing activities.
- Travel increased by \$12,007 to \$14,158 (2016 - \$2,151) due a consultant having to travel for preliminary finance and marketing purposes in relation to the Ynvisible transaction.
- Professional fees decreased in 2017 compared to 2016 as initial professional fees associated with the Ynvisible transaction were paid in 2016.

Other than items disclosed within this MD&A, there are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, and the uncertainty of fundraising activities.

1.5 Summary of Quarterly Results

Three months ended	Total Revenues	Net Loss	Loss Per Share (basic and diluted)*
August 31, 2017	\$Nil	\$60,133	\$0.01
May 31, 2017	\$Nil	\$13,879	\$0.00
February 28, 2017	\$Nil	\$20,309	\$0.00
November 30, 2016	\$Nil	\$16,099	\$0.00
August 31, 2016	\$Nil	\$62,955	\$0.01
May 31, 2016	\$Nil	\$100,780	\$0.01
February 28, 2016	\$Nil	\$37,135	\$0.01
November 30, 2015	\$Nil	\$63,568	\$0.01

* Restated for 4 to 1 consolidation completed January 20, 2016

The Company has been searching for a suitable RTO candidate for a number of years. Losses throughout the years have been low and can be largely attributed to minimal operating costs to maintain the Company's listing and associated compliance. During the quarters ended November 30, 2015, February 28, 2016, and May 31, 2016, the Company allocated extra resources to locating an RTO candidate and consequently signed an LOI in April of 2016. Net loss in the quarters ended August 31, 2016 and August 31, 2017 reflects additional costs associated with preparing for the RTO. During the most recent quarters, the Company has been trying to minimize its monthly operating costs.

1.6 Liquidity

In management's view, given the nature of the Company's operations, the Company does not expect to receive significant income from any of its projects in the foreseeable future.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt. The Company continues to seek capital through various means including the issuance of equity and/or debt. During the past year the Company has received loans from related parties and third parties to fund operating expenses.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

1.7 Capital Resources

At August 31, 2017, the current assets of the Company consist of cash in the bank, prepaid expenses, and GST recoverable totaling \$30,412 and the Company has working capital of (\$258,317). The Company will have to generate additional cash from equity raised through the Canadian public markets to meet its commitments.

Net cash used in operating activities for the nine months ended August 31, 2017 was (\$90,181) (2016: \$501,306). The cash used consisted primarily of general and administrative expenses, net of non-cash expenditures and a net change in non-cash working capital, detailed in the statement of cash flows.

During the nine months ended August 31, 2017, cash used in financing activities was \$102,917 (2016: \$500,200). Financing related cash transactions consisted of deferred financing costs (\$25,000) and proceeds from loans totaling \$127,917.

During the nine months ended August 31, 2017, cash from investing activities totaled \$Nil (2016: \$Nil).

1.8 Off Balance Sheet Arrangements

At August 31, 2017, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

1.9 Transactions with Related Parties

The Company has incurred charges during the nine months ended August 31, 2017 from directors and senior management, or companies controlled by them, for management fees and consulting fees in the amount of \$5,000 (2016 - \$21,500). Amounts due to related parties are interest free and unsecured, and are payable on demand. See Note 7 in the accompanying financial statements for further detail.

As at August 31, 2017, trade and other payables include \$31,203 (November 30, 2016 - \$25,725) due to the CEO (\$15,750) and the CFO (\$15,453). Amounts due to related parties are interest free, unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the nine months ended August 31, 2017, the Company paid \$86,903 (Aug 31, 2016 - \$84,444) in total rent, of which \$Nil (August 31, 2016 - \$10,500) were recovered from companies with a common director and \$77,350 (August 31, 2016 - \$73,717) were recovered from other companies.

At August 31, 2017, loans totaling \$21,300 (November 30, 2016 - \$20,000) were due to the CEO (\$1,300) and the CFO (\$20,000) of the Company. Loans payable are unsecured and payable on demand. All loans payable bear interest at rates of 1% or 1.5% per month.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Directors and Officers

As at August 31, 2017, and the date of this report, the Company had the following directors and officers:

Alexander Helmelt – President, CEO and Director
Darren Urquhart, CPA, CA – CFO
Rick Vaive – Director
Robert Friesen – Director

1.10 Third Quarter

The Company's focus during the third quarter was to work towards the completion of the RTO transaction with Ynvisible as announced in the news release dated May 3, 2016, July 27, 2016, and January 9, 2017.

Activity in the third quarter was consistent with recent quarters with the exception of an increase in consulting and travel related to initial marketing and finance compains. General & administrative expenses were primarily attributable to expenses related with the Ynvisible transaction. The major contributors of costs during the third quarter were travel and transfer/listing fees.

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed elsewhere in this MD&A.

1.12 Other MD&A Requirements

This MD&A should be read in conjunction with the condensed financial statements for the nine months ended August 31, 2017. This MD&A is intended to assist the reader's understanding of Network Exploration and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.

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Summary of Outstanding Share Data as of the Date of this Report

	Number Issued and Outstanding
Common shares *	9,864,530
Stock Options *	Nil
Warrants *	Nil
Fully Diluted *	9,864,530

* These numbers reflect the effect of the consolidation effected January 20, 2016.

OTHER INFORMATION

Approval

The Board of Directors of Network Exploration Ltd. has approved the disclosure contained in the MD&A as of the date of this report. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR website at www.sedar.com.

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Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

EXHIBIT G

**AUDITED FINANCIAL STATEMENTS OF YNVISIBLE
FOR THE YEAR ENDED DECEMBER 31, 2016**



FINANCIAL STATEMENTS

Year ended December 31, 2016

(AUDITED)

(Expressed in Euros)

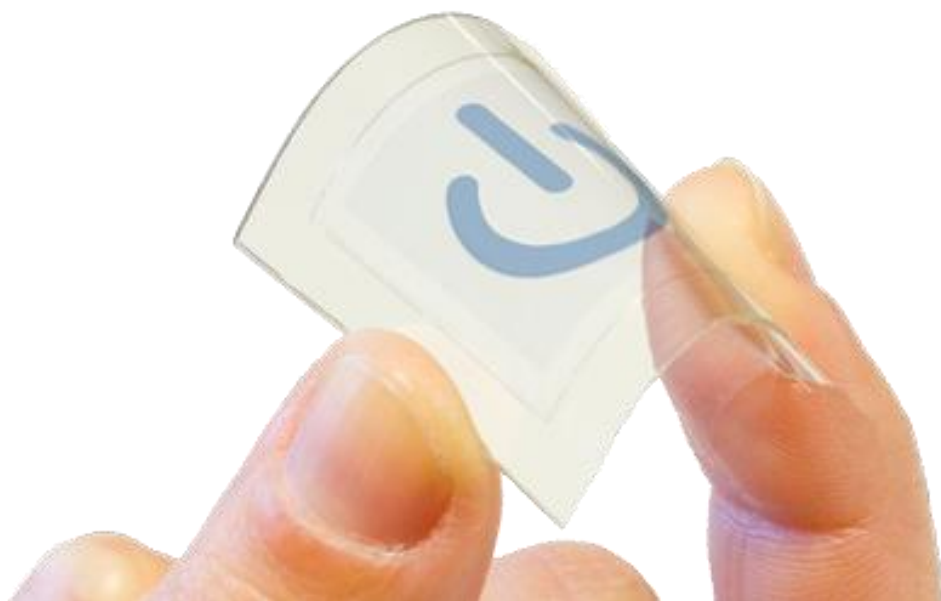
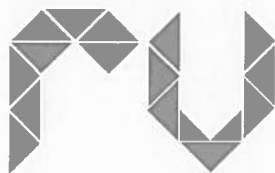


TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	3
CORPORATE BODIES	6
FINANCIAL POSITION STATEMENT	7
PROFIT AND LOSS STATEMENT	8
CHANGES IN EQUITY STATEMENT	9
CASH FLOW STATEMENT	10
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015	11
1. CORPORATE INFORMATION AND GOING CONCERN	11
2. STATEMENT OF COMPLIANCE	12
3. SIGNIFICANT ACCOUNTING POLICIES	12
3.1 Basis of presentation	13
3.2 Intangible assets	13
3.3 Tangible fixed assets	13
3.4 Impairment of assets	14
3.5 Provisions, contingent liabilities and contingent assets	14
3.6 Government grants and disclosure of government assistance	15
3.7 The effects of changes in foreign exchange rates	15
3.8 Income tax	16
3.9 Financial instruments	16
3.10 Employee benefits	17
3.11 Events after the balance sheet	17
3.12 Main accounting estimates and judgments	18
4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES	18
5. PROPERTY, PLANT AND EQUIPMENT	19
6. INTANGIBLE ASSETS	19
7. DEFERRED TAX ASSETS	21
8. FINANCIAL INSTRUMENTS	22
9. CASH FLOW	25
10. BORROWING COSTS	26
11. REVENUE	26
12. GOVERNMENT GRANTS AND DISCLOSURE OF GOVERNMENT ASSISTANCE	26
13. OTHER INFORMATION	29
14. FAIR VALUES AND RISK MANAGEMENT	31



INDEPENDENT AUDITOR'S REPORT



ROMÃO & VICENTE

S.R.O.C., L.D.A.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of YD YNVISIBLE S.A.

Opinion

We have audited the financial statements of **YD YNVISIBLE S.A.** (the Company), which comprise the statement of financial position as at December 31, 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Company has debts to Social Security in the total amount of 186 175 Euros, for which there are payment plans approved by such entity.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

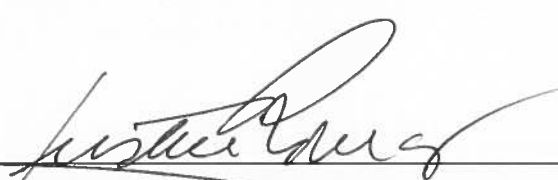
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Lisbon, 27 April 2017



RV - ROMÃO & VICENTE - SOCIEDADE DE REVISORES OFICIAIS DE CONTAS, LDA.

Represented by Justino Mendes dos Santos Romão

CORPORATE BODIES

BOARD OF DIRECTORS

António da Nóbrega de Sousa da Câmara (Chairman of the Board)

Edmundo Manuel Nabais Nobre (YDreams Representative)

José Miguel Rodrigues Remédio (YDreams Representative)

AUDITOR COMMITTEE

RV – Romão & Vicente – Sociedade de Revisores Oficiais de Contas, Lda.

Address: Rua Marquês de Suberra, 9 R/C –D, 1070-170 Lisboa, Portugal.

BOARD OF THE GENERAL ASSEMBLY

Sociedade Rebelo de Sousa & Advogados Associados, RL

Address: Rua Dom Francisco Manuel de Melo, 21, 1070-085 Lisboa, Portugal.

Carla Alexandra Pasadouro Simões Valente Maia de Loureiro (President)

Neuza Maria Sousa Pereira de Campos (Secretary)

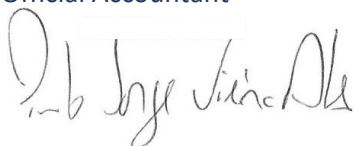
FINANCIAL POSITION STATEMENT

FINANCIAL POSITION FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

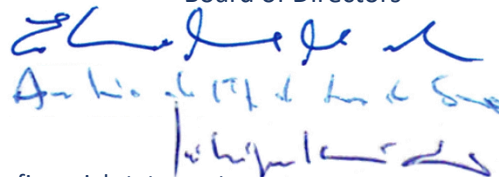
Euro

	Note	Period 31.12.16	Period 31.12.15
ASSETS			
Non-current assets			
Property, plant and equipment	6	7,097.94	13,429.11
Intangible assets	7	14,203.84	11,197.08
Non-current financial assets	9	658.46	527.55
Deferred tax assets	8	146,237.85	327,604.76
		168,198.09	352,758.50
Current assets			
Trade and other receivables	9	24,176.27	32,432.62
Other accounts receivable	9	138,399.10	190,954.67
Cash and short term deposits	10	20,445.42	4,146.23
		183,020.79	227,533.52
Total assets		351,218.88	580,292.02
EQUITY AND LIABILITIES			
EQUITY			
Issued capital	9	261,728.15	108,754.50
Other equity instruments	9	0.00	976,451.37
Share Premiums	9	1,258,617.36	344,555.00
Retained earnings	9	(2,155,343.69)	(1,734,393.69)
Net income of the period	9	(177,513.39)	(200,965.04)
Total Equity		(812,511.57)	(505,597.86)
Liabilities			
Non-current liabilities			
Trade and other payables	9	136,306.30	151,767.63
Other accounts payable	9	52,947.35	60,234.56
		189,253.65	212,002.19
Current liabilities			
Interest-bearing loans and borrowings	9	254,675.04	30,431.24
Trade and other payables	9	130,228.91	129,593.97
Other accounts payable	9	589,572.85	713,862.48
		974,476.80	873,887.69
Total Liabilities		1,163,730.45	1,085,889.88
Total Equity and Liabilities		351,218.88	580,292.02

Official Accountant



Board of Directors



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

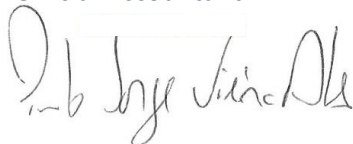
PROFIT AND LOSS STATEMENT

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

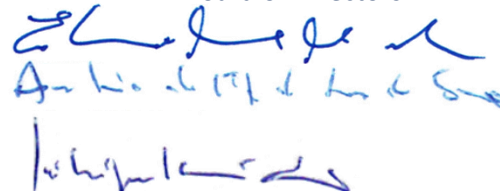
Euro

INCOME AND EXPENSES		NOTES	Period 31.12.16	Period 31.12.15
Sales and Services provided	+	12	103,571.38	108,873.78
Operating subsidies	+	13	104,974.52	243,539.76
Supplies and external services	-	14	(96,723.22)	(199,017.12)
Personnel costs	-	14	(287,416.86)	(307,343.55)
Other incomes and gains	+	12	3,853.86	50,954.41
Other expenses and losses	-	14	(23,603.23)	(85,101.90)
Income before depreciation, financing costs and taxes	=		(195,343.55)	(188,094.62)
Expenses / depreciation reversals and amortization	-/+	6/7	(6,331.17)	(6,694.38)
Impairment of depreciable investments (losses / reversals)	-/+			
Operating income (before taxes and financing costs)	=		(201,674.72)	(194,789.00)
Interests and similar income received	+	9	0.67	0.00
Interest and similar expenses paid	-	11	(13,511.17)	(33,184.62)
Income before tax	=		(215,185.22)	(227,973.62)
Income Tax of the period	-/+	11	37,671.83	27,008.58
Net income of the period	=	11	(177,513.39)	(200,965.04)
	=		-	-
Net profit per share			(0.01)	(0.02)

Official Accountant



Board of Directors



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

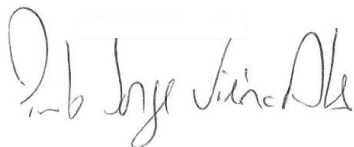
CHANGES IN EQUITY STATEMENT

STATEMENT OF CHANGES IN EQUITY AS AT DECEMBER 31, 2016

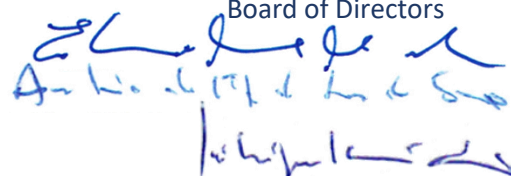
Euro

DESCRIPTION	NOTES	Equity attributable to shareholders of parent company						Total Equity
		Paid-in capital	Share Premium	Earnings retained	Other changes in equity	Net profit of the period	Total	
SITUATION IN THE BEGINNING OF 2016	1	108,754.50	344,555.00	(1,734,393.69)	976,451.37	(200,965.04)	(505,597.86)	(505,597.86)
CHANGES IN THE PERIOD							0.00	0.00
Adjustments by deferred taxes							0.00	0.00
Profit appropriation				(200,965.04)		200,965.04	0.00	0.00
Capital Issue		152,973.65	914,062.36		(976,451.37)		90,584.64	90,584.64
Other changes recognized in equity				(219,984.96)			(219,984.96)	(219,984.96)
		152,973.65	914,062.36	(420,950.00)	(976,451.37)	200,965.04	(129,400.32)	(129,400.32)
NET INCOME OF THE PERIOD	2					(177,513.39)	(177,513.39)	(177,513.39)
COMPREHENSIVE INCOME	3					23,451.65	(306,913.71)	(306,913.71)
TRANSACTIONS WITH EQUITY HOLDERS IN THE PERIOD	4=2+3							
other operations								0.00
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SITUATION AT THE END OF DECEMBER 2016	6=1+2+3+5	261,728.15	1,258,617.36	(2,155,343.69)	0.00	(177,513.39)	(812,511.57)	(812,511.57)

Official Accountant



Board of Directors

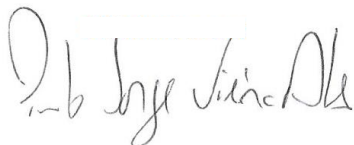


STATEMENT OF CHANGES IN EQUITY AS AT DECEMBER 31, 2015

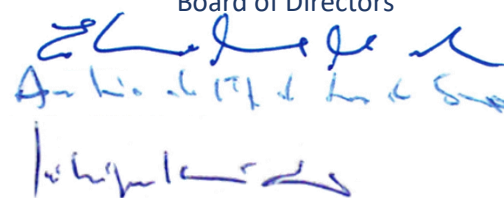
Euro

DESCRIPTION	NOTES	Equity attributable to shareholders of parent company						Total Equity
		Paid-in capital	Share Premium	Earnings retained	Other changes in equity	Net profit of the period	Total	
SITUATION IN THE BEGINNING OF 2015	1	108,754.50	344,555.00	(1,079,261.34)	757,569.73	(655,132.35)	(523,514.46)	(523,514.46)
CHANGES IN THE PERIOD							0.00	0.00
Adjustments by deferred taxes							0.00	0.00
Profit appropriation				(655,132.35)		655,132.35	0.00	0.00
Capital Issue							0.00	0.00
Other changes recognized in equity					218,881.64		218,881.64	218,881.64
		0.00	0.00	(655,132.35)	218,881.64	655,132.35	218,881.64	218,881.64
NET INCOME OF THE PERIOD	2					(200,965.04)	(200,965.04)	(200,965.04)
COMPREHENSIVE INCOME	3					454,167.31	17,916.60	17,916.60
TRANSACTIONS WITH EQUITY HOLDERS IN THE PERIOD	4=2+3							0.00
other operations								0.00
	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SITUATION AT THE END OF DECEMBER 2015	6=1+2+3+5	108,754.50	344,555.00	(1,734,393.69)	976,451.37	(200,965.04)	(505,597.86)	(505,597.86)

Official Accountant



Board of Directors



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

CASH FLOW STATEMENT

STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2016 AND 2015

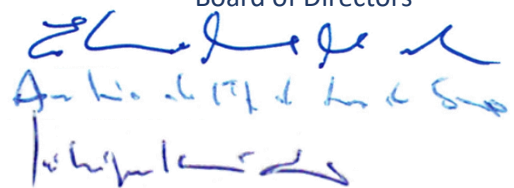
Euro

CAPTIONS			NOTES	Period 31.12.16	Period 31.12.15
<u>Cash flows of operating activities - direct method</u>					
Received from customers		+		95,491.74	127,006.29
Payments to suppliers		-		(118,330.20)	(147,320.82)
Payments to staff		-		(215,811.11)	(264,914.64)
Cash generated from operations		+/-		(238,649.57)	(285,229.17)
Income tax payable/receivable		-/+		(3,795.67)	(8,516.44)
Other receipts / payments		+/-		33,672.01	243,582.44
Cash flows from operating activities	(1)	+/-		(208,773.23)	(50,163.17)
<u>Cash flows from investment activities</u>					
Payments of:					
Other assets				(130.91)	(341.04)
Receipts generated from:					
Other assets				0.00	0.00
Cash flows from investment activities	(2)	+/-		(130.91)	(341.04)
<u>Cash flows from financing activities</u>					
Receipts generated from:					
Achievements of capital and other equity instruments		+			
Loans obtained				227,925.57	67,124.76
Donations				0.00	0.00
Other Financing Operations				0.00	0.00
Payments of:					
Loans obtained				(2,722.24)	(12,622.04)
Interests and other similar costs				0.00	(84.13)
Cash flows from financing activities	(3)			225,203.33	54,418.59
Variation in cash and cash equivalents	(1)+(2)+(3)			16,299.19	3,914.38
Cash and cash equivalents at beginning of the period		+/-		4,146.23	231.85
Cash and cash equivalents at end of the period		+/-	4/10	20,445.42	4,146.23

Official Accountant



Board of Directors



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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

1. CORPORATE INFORMATION AND GOING CONCERN

YD Ynvisible, S.A., hereinafter referred to as "Company" or "ynvisible", was incorporated on January 21, 2010 with the legal form of a limited company, initially named as YDreams - Interactive Surfaces Ltd., headquartered at Rua Mouzinho Albuquerque n.º 7, in Cartaxo, Portugal, and 5,000 euros of share capital at the date of its incorporation.

In August 2010 the Company was transformed into a business corporation, and the share capital was increased to 300,000 euros due to the capital increases during the second half of 2010.

During the first half of 2011, the Company incurred in new capital increases and as at December 31, 2014 the share capital amounted to 1,087,545 euros.

In June 2014, in order to address the situation of loss of half of the capital, the General Assembly decided to carry out a reduction of capital, in order to cover the losses of previous years. The operation was made by amending the unit value of the shares, which was changed from 0.10 euros to 0.01 euros.

In the beginning of 2016 the Company incurred in a new capital increase, issuing 15,297,365 new shares with the unit value of 0.01 euros. As at December 31, 2016 the share capital was 261,728.15 euros, represented by 26,172,815 ordinary shares.

Identification information on 31/12/2016

Company: YD YNVISIBLE, S.A. NIPC: 509233023 Legal nature: business corporation

Headquarters: Rua Mouzinho de Albuquerque n.º 7, Parish: Cartaxo, Postal Code: 2070 - 104 Cartaxo
Country: Portugal

ynvisible's share capital is held by:

- YDreams – Informática, S.A., 40.21 %,
- CUF Companhia União fabril, SGPS, S.A., 1.79 %,
- SEMAPA, S.A., 1.90%,
- Fundo de Capital de Risco Armilar Venture Partners II, 18.37%
- Other investors, the remaining 37.73%

The operations and transactions of ynvisible are influenced by the decisions of YDreams Group.

ynvisible's activity focuses on technology development and commercialization, and creation of intellectual property. The Company has a position in the value chain as a provider of technology and

specializes in providing services to companies that will integrate ynvisible's technologies into their products.

The notes to the financial statements are presented in euros since this is the currency used in the economic environment in which the Company operates.

These notes to the financial statements have been prepared by management on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

It is the opinion of the Board of Directors that these financial statements give a true and appropriate view of ynvisible's operations, as well as its financial situation, performance and cash flows.

2. STATEMENT OF COMPLIANCE

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies adopted in these financial statements are consistent with the accounting policies applied in the Company's financial statements for the past years, and, as such, these audited financial statements should be read together with the Company's financial statements for the year ended December 31, 2015.

The preparation of these audited financial statements requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company's audited financial statements are discussed in Note 3.

The Company's audited financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting, except for cash flow information and the revaluation of certain financial assets and financial liabilities to fair value. The comparative figures presented in these audited financial statements are in accordance with IFRS. Certain comparative figures may have been reclassified to conform to the current period's presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

The main adopted accounting policies when preparing the notes to the financial statements are as follows:

3.1 Basis of presentation

The notes to the financial statements have been prepared based on continuing operations, from the books and accounting records of ynvisible, and according to IFRS (International Financial Reporting Standards).

3.2 Intangible assets

Intangible assets are recorded at the cost of acquisition less any accumulated impairment losses. Intangible assets are only recognized if it is probable that attributable future economic benefits to the asset flow to the Company, and that they are controllable and their cost can be valued with reliability.

3.3 Tangible fixed assets

Tangible fixed assets are initially recorded at the cost of acquisition or production, which includes the purchase cost, any costs directly attributable to the activities required to put the assets in the necessary location and condition to operate in the manner intended and, when applicable, the initial estimated decommissioning costs and assets removal and the restoring of the respective location of installation / operation in which the Company expects to incur.

Any increase resulting of revaluation is recorded in the equity under "revaluation surplus", unless the same reverses a previously recognized decrease in income, in which case such increase is also recognized in income.

Decreases resulting from revaluations are recorded directly under "revaluation surplus" until the limit of any remaining credit balance in the revaluation surplus of that same asset. Any excess of decreases regarding that remaining credit balance is directly recognized in the income. When the asset revalued is derecognized, the revaluation surplus included in equity associated to the asset is not reclassified to income, but rather transferred to "Retained earnings".

The remaining tangible fixed assets are recorded at the cost of acquisition or production, deducted from accumulated depreciations and any accumulated impairment losses.

The depreciations are calculated after the moment the asset is in a position to be used, according to the straight-line method, except for some basic equipment assets for which the declining balance method is used, in accordance with the estimated useful life period for each group of assets.

The depreciation rates used correspond to the following estimated useful life:

Assets	
Basic equipment	5-7
Office equipment	3-5

The useful lives and depreciation methods for the various assets are reviewed annually. The effect of any changes to these estimates is recognized prospectively in the income statement.

Maintenance and repair expenses (subsequent expenditure) that are unlikely to generate additional economic benefits in the future are recorded as expenses in the period they are incurred.

The gain (or loss) resulting from the alienation or disposal of tangible fixed assets is determined as the difference between the fair value of the amount received or receivable in the transaction, and the carrying amounts of the asset, and is recognized in the period in which the disposal or alienation occurs.

3.4 Impairment of assets

On each reporting date, a review is done of the carrying amounts of tangible and intangible assets of the Company to determine whether there is any indication that they may be impaired. If there is such an indication, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss. When it is not possible to determine the recoverable amount of a single asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

The recoverable amount of the asset or cash generating unit consists of the greater between (i) the fair value deducting costs to sell and (ii) the value in use. In determining the value in use, the estimated future cash flows are discounted using a discount rate before tax that reflects the market expectations for the time value of money and regarding the specific risks of the asset or cash generating unit in relation to which the estimates of future cash flows have not been adjusted.

When the carrying amount of the asset or cash generating unit is higher than its recoverable amount, an impairment loss is recognized. The impairment loss is recorded immediately in the income statement under "Impairment losses", unless such loss offsets a revaluation surplus recorded in equity. In this case, such loss is treated as a decrease of that revaluation.

3.5 Provisions, contingent liabilities and contingent assets

The provisions are recognized when, and only when, the Company has a current obligation (legal or implicit) resulting from a past event, and it is probable that for the resolution of that obligation, an outflow of resources occurs and the amount of the obligation can be reasonably estimated.

The provisions are reviewed at each balance sheet date and are adjusted in order to reflect the best estimate at that date, taking into account the risks and uncertainties inherent in such estimates.

The recognized amount of provisions consists in the current value of the best estimate at the reporting date of resources required to settle the obligation. The estimate is determined according to the risks and uncertainties associated with the obligation.

Provisions for restructuring expenses are recognized when there is a formal and detailed restructuring plan and this has been communicated to the parties involved.

The current obligations resulting from onerous contracts are valued and recorded as provisions. There is an onerous contract when the Company is an integral part of the provisions of a contract, for which compliance has associated costs that cannot be avoided and which exceed the economic benefits derived from it.

The contingent liabilities are not recognized in the financial statements but are disclosed when the possibility of a cash outflow embodying economic benefits is not remote. The contingent assets are not recognized in the financial statements but are disclosed when a probability of a future economic inflow of resources exists.

Costs with equipment and operating technologies that ensure compliance with applicable laws and regulations (as well as the reduction of environmental impacts to levels that do not exceed those representing a viable application of the best available technologies, with regards to minimizing energy consumption, air emissions, waste production and noise) are capitalized when they are intended to permanently serve the business of the Company, as well as when they are associated with future economic benefits which serve to extend the life, increase the capacity or improve the safety or efficiency of other assets held by the Company.

3.6 Government grants and disclosure of government assistance

Government grants, including non-cash by fair value, are recognized when there is assurance that the conditions for the grant will be received and fulfilled.

Operating subsidies are recognized in the income statement, proportionally to the costs incurred.

The non-refundable investment grants to finance tangible and intangible assets are recorded in equity and recognized in the income statement, proportionally to depreciations / amortizations of the subsidized assets.

3.7 The effects of changes in foreign exchange rates

Foreign currency transactions are turned into the functional currency at the exchange rate at the transaction date.

On the closing date an update of open exchange balances (cash items) is done, by applying the exchange rate prevailing on that date. The favorable and unfavorable exchange differences arising from differences between the exchange rates prevailing at the transaction date and at the date of collection, of payments or balance sheet date, are recorded as income and / or expenses in the income statement, under the caption "exchange gains/losses".

3.8 Income tax

The income tax for the year is the sum of current taxes and deferred taxes. Current and deferred taxes are recorded in the income statement, except when deferred taxes relate to items recognized directly in equity. In such cases, deferred taxes are also recorded in equity.

The current tax payable is based on taxable income. Taxable income differs from accounting income as it excludes many expenses and income that will only be taxable or deductible in following years, as well as expenses and income that will never be taxable or deductible.

Deferred taxes refer to temporary differences between the values of assets and liabilities for accounting report and the respective values for tax purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for deductible temporary differences, but such recognition only applies when there are reasonable expectations of enough future taxable income to use these deferred tax assets or taxable temporary differences that reverse in the same period of the reversal of deductible temporary differences. At each reporting date, a review is made of these deferred tax assets, and they are adjusted according to their future use.

The deferred tax assets and liabilities are measured by using tax rates expected to be in force at the date of reversal of the temporary differences, based on tax rates (and tax laws) that have formally been issued by the reporting date.

The offset between deferred tax assets and liabilities is only allowed when: (i) the Company has a legal right to proceed with the compensation between such assets and liabilities for settlement purposes; (ii) these assets and liabilities relate to income taxes released by the same tax authority and (iii) the Company intends to do the offset for settlement purposes.

3.9 Financial instruments

Financial instruments are valued according to the following criteria:

Customers and other debts to third parties

The debts of customers or other third parties are recorded at their fair value, as they do not bear interest and the effect of the discount is immaterial.

Suppliers and other debts to third parties

Debts to suppliers or other third parties are recorded at their fair value, as they do not bear interest and the effect of the discount is immaterial.

Loans

Loans are recorded as liabilities by the cost, and interest recognized in the income statement.

Transactions and balances of foreign currency

Transactions in foreign currency (different currency from the Company's functional currency) are recorded at the exchange rates at the dates of the transactions. At each reporting date, the carrying amounts of monetary items denominated in foreign currency are updated to exchange rates at that date. The carrying amounts of non-monetary items recorded at fair value denominated in foreign currency are updated to the exchange rates at the dates on which the respective fair values were determined.

The exchange differences resulting from the updates mentioned above are recorded in the income statement in the period in which they are generated.

Time periods

The transactions are recognized in the accounts when they are generated, regardless of when they are received or paid. Differences between the amounts received and paid and the corresponding income and expenses are recorded under other accounts receivable and payable, and deferrals.

Cash and bank deposits

The amounts included in the cash balance and cash equivalents correspond to the amounts in cash and bank deposits, both immediately achievable without loss of value. Bank overdrafts are shown in the balance sheet under current liabilities under the caption financing obtained.

3.10 Employee benefits

ynvisible grants its employees the following benefits: salaries, monthly meals allowance, paid holidays, holidays and Christmas allowances, and contributions to social security.

These benefits are accounted for in the same time period in which the employee provided the service.

3.11 Events after the balance sheet

Events after the balance sheet date that provide additional information about conditions that existed at the balance sheet date ("adjusting events" or events after the balance sheet date which give rise to adjustments) are reflected in the financial statements. Events after the balance sheet date that provide information about conditions occurring after the balance sheet date ("non-adjusting events" or events after the balance sheet date that do not give rise to adjustments) are disclosed in the financial statements if they are considered material.

3.12 Main accounting estimates and judgments

The IFRS require that estimates and judgments are made in the context of decision making on certain accounting options with impact on the amounts reported in the total assets, liabilities, equity, income and expenses. The actual effects may differ from the estimates and judgments made, namely with regard to the effect of real expenses and incomes.

The main estimates and judgments used in the accounting principles are discussed in this section, in order to improve understanding on how their application affects the results reported by the Company and their disclosure.

The Board of Directors believes that the choices made are appropriate and that the financial statements present, in a proper way, the financial position of the Company and the results of its operations in all relevant aspects.

The financial statements have been prepared on an historical cost basis using the accrual basis of accounting, except for cash flow information and as otherwise specified, as set out in the accounting policies below.

4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets and on the impact of future changes in legislation, tax rates and interpretations by tax authorities.
- The application of the Company's accounting policy for intangible assets expenditures, such as patents granted and patent applications in progress, requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

5. PROPERTY, PLANT AND EQUIPMENT

During the year ended December 31, 2016 and 2015, the changes in the carrying amount of tangible fixed assets and corresponding accumulated amortization and impairment losses were as follows:

Tangible fixed assets		Basic equipment	Office equipment	Totals
at 31.12.2016	Gross carrying amounts	40,488.64	8,424.51	48,913.15
	Depreciations and accumulated impairment losses	(33,390.70)	(8,424.51)	(41,815.21)
	Net carrying amounts	7,097.94	-	7,097.94
Additions		-	-	-
Depreciations		6,248.30	82.87	6,331.17
at 31.12.2015	Gross carrying amounts	40,487.64	8,424.51	48,912.15
	Depreciations and accumulated impairment losses	(27,141.40)	(8,341.64)	(35,483.04)
	Net carrying amounts	13,346.24	82.87	13,429.11

6. INTANGIBLE ASSETS

The useful life of intangible assets is described in the following table:

Amortization methods, useful lives and depreciation rates used in intangible assets		Patents	Computer programs
Finite	Useful life	Indefinite	3 years
	Amortization rates	-	33.33%
	Amortization methods	-	constant shares by twelfths
	Remaining amortization period	-	2016

During the year ended December 31, 2016 and 2015, the movement in the carrying amount of intangible assets, as well as in the corresponding accumulated amortization and impairment losses, was as follows:

Intangible assets		Patents	Computer Programs	Totals
at 31.12.2016	Gross carrying amounts	14,203.84	2,810.99	17,014.83
	Depreciation and accumulated impairment losses	0.00	(2,810.99)	(2,810.99)
	Net carrying amounts	14,203.84	0.00	14,203.84
Additions		3,006.76	-	3,006.76
Depreciations		(1,420.38)	-	-1,420.38
at 31.12.2015	gross carrying amounts	11,197.08	2,810.99	14,008.07
	Depreciation and accumulated impairment losses	-	(2,810.99)	(2,810.99)
	Net carrying amounts	11,197.08	0.00	11,197.08

With regards to intellectual property and other rights, all the expenses inherent to the registration request of trademarks, patents and other rights are capitalized only after they are granted. While this does not happen, these expenses are recorded temporarily under other debtors and creditors.

Thus, during 2016, patents were capitalized in the amount of 3,006.76 euros, taking the accumulated value to 14,203.84 euros.

Patents granted		Market	Total
PATENTS	Electrochromic ionic liquids	National	4,395.62
	Electrochromic device and method for producing same	US	2,890.12
	Electrochromic touchscreen	US	3,047.09
	Method of Chromism I	National	1,493.48
	Method of Chromism II	National	1,493.48
	Preparation method of electrochromic printing ink by inkjet without sintering and respective ink	National	884.05
TOTAL			14,203.84

In the same period, 1,803.68 euros have been recorded in the balance sheet regarding costs with trademarks and patents, taking the accumulated value to 56,602.86 euros, as shown below.

Trademarks		Market	Total
TRADEMARKS	Ynvisible	National	2,190.00
	Yn Touch	National	2,765.00
Patent applications in progress		Market	Total
PATENTS	Solid Transparent Electrolyte Polymerized by Ultraviolet Radiation	National	2,361.06
	Electrochromic touchscreen	Europe	10,923.30
	Method of depositing transparent conductive oxide on paper by radio-frequency	National	6,396.37
	EU - Electrolyte Solution printing method thereof, and resulting solid electrolyte	Europe	12,671.00
	Electrochromic device and method for producing same	Europe	8,551.98
	Solid Transparent Electrolyte Polymerized by Ultraviolet Radiation	Brazil	2,852.00
	Electrochromic device and method for producing same	National	884.05
	Electrolyte solution, printing method thereof and	USA	4,914.00
	Electrochromic touchscreen	National	230.10
	Others		1,864.00
TOTAL			56,602.86

7. DEFERRED TAX ASSETS

The calculation of deferred taxes was updated based on the corporate tax rate approved in the Portuguese State Budget 2016.

Below is the statement of the relation between the accounting profit and the expenses / (income) taxes:

Amounts of deferred tax assets and liabilities recognized in the balance sheet and corresponding movements occurred during the period			31.12.2016				31.12.2015			
			Balance at the beginning of period	Movements in the period by		Balance at the end of period	Balance at the beginning of period	Movements in the period by		Balance at the end of period
				Income statement	Other items of equity			Income statement	Other items of equity	
Deferred tax assets	Coming from tax losses not used and tax credits not used	...	-	-	-	-	-	-	-	-
	Coming from temporary deductible differences	Deductible tax losses in Future periods	327,604.76	38,618.05	(219,984.96)	146,237.85	299,288.78	28,315.98	-	327,604.76
	Totals		327,604.76	38,618.05	(219,984.96)	146,237.85	299,288.78	28,315.98	-	327,604.76
Deferred tax liabilities	Coming from temporary taxable differences	...	-	-	-	-	-	-	-	-
	Totals		-	-	-	-	-	-	-	-

Deferred tax assets	Coming from temporary deductible differences	Deferred Taxes	Tax 21%	Accumulated Deferred Taxes
FY	FY Till Report			
2014	2026	377,637.24	79,303.82	79,303.82
2015	2027	134,838.00	28,315.98	107,619.80
2016	2028	183,895.48	38,618.05	146,237.85
Totals		696,370.72	146,237.85	

8. FINANCIAL INSTRUMENTS

State / Customers / Suppliers / Partners – Shareholders / Other accounts receivable and payable / Staff / Non current financial assets

For the year ended December 31, 2016 and 2015, the caption State / Customers / Suppliers / Partners – Shareholders / Other accounts receivable and payable / Staff / Non current financial assets had the following values:

Carrying amounts for each category of financial assets and financial liabilities			31.12.2016			31.12.2015		
			Gross amounts	Accumulated impairments	Carrying amounts	Gross amounts	Accumulated impairments	Carrying amounts
Financial assets	Current	Customers	12,740.00	-	12,740.00	5,503.10	-	5,503.10
		Advance to Suppliers	-	-	-	614.75	-	614.75
		State	10,369.56	-	10,369.56	24,161.24	-	24,161.24
		Other accounts receivable	138,399.10	-	138,399.10	190,954.67	-	190,954.67
		Deferrals	1,066.71	-	1,066.71	2,153.53	-	2,153.53
		Cash and Deposits	20,445.42	-	20,445.42	4,146.23	-	4,146.23
		Subtotals	183,020.79	-	183,020.79	227,533.52	-	227,533.52
	Not Current	Financial Assets	658.46	-	658.46	527.55	-	527.55
		Subtotals	658.46	-	658.46	527.55	-	527.55
	Totals		183,679.25	-	183,679.25	228,061.07	-	228,061.07
Financial liabilities	Current	Suppliers	61,155.64	-	61,155.64	89,332.82	-	89,332.82
		advance of Customers	4,475.27	-	4,475.27	4,471.68	-	4,471.68
		State	56,920.48	-	56,920.48	35,789.47	-	35,789.47
		Financing obtained	254,675.04	-	254,675.04	30,431.24	-	30,431.24
		Other accounts payable	589,572.85	-	589,572.85	713,862.48	-	713,862.48
		Subtotals	966,799.28	-	966,799.28	873,887.69	-	873,887.69
	Not Current	State	143,983.82	-	143,983.82	151,767.63	-	151,767.63
		Other accounts payable	52,947.35	-	52,947.35	60,234.56	-	60,234.56
		Subtotals	196,931.17	-	196,931.17	212,002.19	-	212,002.19
	Totals		1,163,730.45	-	1,163,730.45	1,085,889.88	-	1,085,889.88

OTHER ACCOUNTS RECEIVABLE AND PAYABLE			31.12.2016	31.12.2015
Other accounts receivable	Debtors by accrued income	Subsidies receivable	54,637.78	123,612.53
		Interests Receivable	-	-
		Stock exchange Services	-	-
		Sub-total	54,637.78	123,612.53
	Other Debtors	Foreign Vat recoverable	-	-
		Trademarks and Patents requests in progress	56,602.86	46,597.27
		Others	27,158.46	20,744.87
		Sub-total	83,761.32	67,342.14
	TOTAL		138,399.10	190,954.67
Other accounts payable	Creditors by accrued expenses	Remuneration payable	46,535.61	43,162.13
		ESF	8,594.00	25,481.49
		Fines and penalties	3,639.38	3,639.38
		Interests payable	37,781.88	26,358.63
		Other accrued expenses	46,225.74	0.00
		Sub-total	142,776.61	98,641.63
	Other Creditors	Remuneration and other transactions payable to staff	143,149.71	142,023.63
		Co-funded projects	348,170.01	459,906.61
		- Invisible Network Project - amount in debt	167,790.01	-
		- EELICON - Pre-financing	180,380.00	-
		Payment on account of Ydreams	-	-
		Others	8,423.87	73,525.17
		Sub-total	499,743.59	675,455.41
	TOTAL		642,520.20	774,097.04

State and other public entities

For the year ended December 31, 2016 and 2015 the caption state and other public entities had the following breakdown:

STATE AND OTHER PUBLIC ENTITIES	31.12.2016			31.12.2015		
	Balance Due	Credit Balance	Net balance	Balance Due	Credit Balance	Net balance
CIT - Estimated tax	-	1,934.48	(1,934.48)	-	1,307.40	(1,307.40)
CIT -Tax payable	-	-	0.00	-	4,976.53	(4,976.53)
CIT - Special payment on account	-	-	0.00	1,500.00	-	1,500.00
CIT - payment on account	-	-	0.00	-	-	0.00
CIT - Additional payment	-	-	0.00	-	-	0.00
CIT - Withholding taxes	-	-	0.00	-	-	0.00
CIT - Tax recoverable	-	-	0.00	-	-	0.00
Subtotals	0.00	1,934.48	(1,934.48)	1,500.00	6,283.93	(4,783.93)
VAT - Recoverable	10,369.56	-	10,369.56	22,661.24	-	22,661.24
VAT - Payable	-	-	0.00	-	-	0.00
VAT - Reimbursements	-	-	0.00	-	-	0.00
VAT/ CIT - Withholding taxes	-	12,794.77	(12,794.77)	-	13,424.63	(13,424.63)
Social Security contributions	-	186,175.05	(186,175.05)	-	167,848.54	(167,848.54)
Others	-	-	0.00	-	-	0.00
Totals	10,369.56	200,904.30	(190,534.74)	24,161.24	187,557.10	(163,395.86)

The balance of contributions to Social Security in the amount of 186,175.04 euros includes contributions from December 2016, in debt, in the amount of 11,849.23 euros. The amount of 174,325.81 euros is related to contributions in arrears that were associated with three long term payment plans agreed with Social Security authorities. In December 2016, ynvisible submitted an application to the Portuguese Government's Special Plan for the Redution of Debts to the State, to restructure its overall debt to Social Security regarding contributions until December 2015. The application was approved and ynvisible currently has two active long-term payment plans for this debt. The monthly payments associated with these payment plans have been duly fulfilled.

Deferrals

For the year ended December 31, 2016 and 2015, the deferrals had the following breakdown:

Deferrals			31.12.2016	31.12.2015
	Costs recognizable	Insurance	1,066.71	2,153.53
		Other deferred costs	-	-
		Subtotals	1,066.71	2,153.53
	Total		1,066.71	2,153.53

Equity

As at December 31, 2016 and 2015, equity had the following breakdown:

Equity	31.12.2016	31.12.2015
Capital	261,728.15	108,754.50
Other equity instruments	-	976,451.37
Share Premiums	1,258,617.36	344,555.00
Retained earnings	(2,155,343.69)	(1,734,393.69)
Net profit	(177,513.39)	(200,965.04)
Totals	(812,511.57)	(505,597.86)

In February 2016 the Company incurred in a capital increase, issuing 15,297,365 new shares with a fair value of 0.01 euros, which are fully subscribed and paid.

At the same time, other equity instruments were converted in share premiums, as follows:

Entity	Opening Balance	Capital	Final Balance
YDreams	281,042	20,113	260,929.53
CUF	34,807	2,175	32,631.49
SEMAPA	35,503	2,219	33,284.06
Fundo Capital Risco Armilar Venture Partners II	626,365	39,148	587,217.28
Totals	977,717	63,655	914,062.36

As at December 31, 2016, the share capital of 261,728.15 euros is fully subscribed and paid and it is represented by 26,172,815 shares with a fair value of 0.01 euros.

9. CASH FLOW

With regards to cash flows, cash and cash equivalents include cash and bank deposits available on demand (period not exceeding three months), net of bank overdrafts. Cash and cash equivalents as at December 31, 2016 and 2015 are detailed as follows:

Cash and Bank deposits	31.12.2016			31.12.2015		
	Debit balance	Credit Balance	Net Balance	Debit balance	Credit Balance	Net Balance
Assets	-	-	0.00	-	-	0.00
Cash	856.50	-	856.50	19.85	-	19.85
Demand deposits	19,588.92	-	19,588.92	4,126.38	-	4,126.38
Other bank deposits	-	-	0.00	-	-	0.00
Subtotal	20,445.42	-	20,445.42	4,146.23	-	4,146.23
Totals	20,445.42	-	20,445.42	4,146.23	-	4,146.23

The value entered in cash has been checked and reconciled as at December 31, 2016 and 2015.

10. BORROWING COSTS

As at December 31, 2016 ynvisible supported the following borrowing costs:

	contract value	Loan Amount		Annual loan costs incurred		Loan costs led to expense
		current	Not current	Total	of which interest supported:	
Banking Institutions - Overdrafts	5,372.20	5,372.20		2,437.18	2,437.18	
Shareholders	238,371.68	238,371.68		8,346.80	8,346.80	
Credit Cards	10,931.16	10,931.16		2,727.19	2,727.19	
Totals	254,675.04	254,675.04		13,511.17	13,511.17	

11. REVENUE

The revenue recognized by the Company as at December 31, 2016 and 2015 is detailed as follows:

Revenue amounts recognized in the period	31.12.2016		31.12.2015	
	Revenues recognized in the period	Proportion relating to the total revenue recognized in the period	Revenues recognized in the period	Proportion relating to the total revenue recognized in the period
Provision of services	103,571.38	96.41%	108,873.78	68.12%
Other Income and Gains	3,853.86	3.59%	50,954.41	31.88%
Interests received	0.67	0.00%	-	-
Totals	107,425.91	100.00%	159,828.19	100.00%

12. GOVERNMENT GRANTS AND DISCLOSURE OF GOVERNMENT ASSISTANCE

As at December 31, 2016, ynvisible recognized income of operating subsidies in the amount of 104,974.52 euros. The ratio of subsidies as at December 31, 2016 and 2015 is as detailed below:

Relação dos subsídios obtidos			Entidade concedente	Objecto do incentivo	Período de concessão		Incentivo a reconhecer face ao executado à data (a)	Proveito reconhecido a 31.12.2016	Proveito reconhecido a 31.12.2015	Proveito reconhecido a 31.12.2014	Proveito reconhecido a 31.12.2013	Proveito reconhecido a 31.12.2012	Valor recebido (b)	Incentivo por receber (c)=(a)-(b)	Adiantamentos recebidos (d)	Total a Receber/ Executar (e)=(c)-(d)
					Começo	Fim										
Reembolsáveis	Subsídios à exploração	Projecto YWorldwide	IAPMEI	Incentivo à Inovação	01/02/2011	31/12/2012	-	-	-	-	-	-	-	0.00	-	0.00
		Projecto Mobilizador	adi - Agência de Inovação	Incentivos à Investigação e Desenvolvimento Tecnológico	01/11/2011	30/06/2014	-	-	-	-	-	-	-	0.00	23,875.50	(23,875.50)
		Subtotais					0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,875.50	(23,875.50)	
Não Reembolsáveis		Projecto Ymagazines	Adi - Agência de Inovação	Incentivos à Investigação e Desenvolvimento tecnológico	01/06/2010	01/05/2012	118,100.12	7,287.18	-	-	44,950.47	29,317.19	-	118,100.12	7,287.18	125,387.30
		SACS	7FP	Incentivos à Investigação e Desenvolvimento tecnológico	01/11/2012	01/10/2015	210,305.89	57,199.07	46,557.10	54,662.28	51,887.44	-	-	210,305.89	108,566.35	101,739.54
		Projecto Mobilizador	adi - Agência de Inovação	Incentivos à Investigação e Desenvolvimento tecnológico	01/11/2011	01/06/2014	415,207.74	-	71,340.05	102,989.61	132,692.89	108,185.19	-	415,207.74	167,790.01	247,417.73
		Edicon	IAPMEI	Incentivos à Investigação e Desenvolvimento tecnológico	01/01/2014	30/06/2017	191,666.69	39,344.58	74,182.33	78,139.78	0.00	0.00	-	191,666.69	180,380.00	11,286.69
		SME Instrument	União Europeia	Incentivos à Investigação e Desenvolvimento tecnológico	01/01/2015	31/12/2015	50,000.00	-	50,000.00	0.00	0.00	0.00	-	50,000.00	-	50,000.00
		Estágio Emprego	IEFP	Apoio à Contratação	01/04/2013	30/06/2014	13,402.36	1,143.69	0.00	4,728.06	7,530.61	0.00	0.00	-	-	-
		Estágio 3's	AIP	Apoio à Contratação	22/01/2014	21/01/2015	31,441.44	0.00	1,460.28	29,981.16	0.00	0.00	0.00	31,441.44	-	31,441.44
		Subtotais					912,024.12	104,974.52	243,539.78	270,500.89	147,160.47	137,502.38	-	743,613.75	449,449.18	474,544.57
		Totais					912,024.12	104,974.52	243,539.78	270,500.89	147,160.47	137,502.38	0.00	743,613.75	473,324.68	450,669.07

Invisible Network Project

On September 1, 2011, ynvisible entered into a consortium agreement with 11 entities, in order to implement the Invisible Network Project, which was contracted on the 24th of October 2011 with the Portuguese Innovation Agency (ADI). The project had the overall goal of developing a new generation of interactive products based on invisible and ubiquitous computing concepts and technologies.

The project was carried out between November 2011 and March 2015.

It should be noted that the government-based incentive was subject to the following conditions:

- The Company must demonstrate adequate financing of the project with own equity of at least 20% of the eligible costs;
- The Company must demonstrate it has acquired the certification regarding Portuguese Standard NP 4457: 2007 (Management of Research, Development and Innovation (RDI)) , in case it makes corresponding investments pertaining to this certification, especially in terms of provision of services.

The Invisible Network project has been completed and ynvisible has been notified to return 170,960.26 euros, of which 98,277.53 euros have been already negotiated in a payment plan.

SACS Project

On November 1, 2012 ynvisible initiated the European project "Self-Assembly in Confined Spaces (SACS)" together with the following entities: Katholieke Universiteit Leuven, Belgium, Fundação da Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa, Portugal, Université de Strasbourg, France, Facultes Universitaires Notre-Dame de la Paix in Namur, Belgium, Philips Lighting BV, Netherlands and N-Tec AS, Norway.

The SACS project focuses on creation, through self-assembly, of functional structures in restricted or confined spaces, in which new properties appear resulting from encapsulation, and allowing the creation of architectures with geometries, sizes and shapes with exceptional properties.

The role of ynvisible in this project consists essentially of:

- Formulating, printing and evaluating the electrochromic performance of new self-assembled materials developed during the project;
- Formulating, printing and characterizing new conductive materials;
- Specification and validation of the new encapsulated electrochromic materials and new conductive materials based on carbon nanotubes, for electrochromic applications;
- Integration of electrochromic devices in project prototypes.

The SACS project was concluded in October 31, 2016 and after the submission of the final financial report ynvisible still has to receive 5,957.53 euros from the project. This value is reflected in the account of other debtors and creditors.

EELICON Project

In 2015 ynvisible began to implement its work plan in the European FP7 project "Enhanced Energy Efficiency and Comfort by Smart Light Transmittance Control (EELICON)", approved in 2014 and with official start in January 2015. The main objective of the project is to establish a high-throughput prototype production for a cost-effective high performance mechanically flexible and light-weight electrochromic film technology, for applications in the automotive and aviation industries, as well as in household appliances. The EELICON consortium totals 13 partners and is led by Fraunhofer ISC; the project also includes as partners Coatema Coating Machinery, ynvisible, TEKS, Microelectronica Maser, LCS Life Cycle Simulation, Consorzio Interuniversitario Nazionale Per La Scienza e Tecnologia Dei Materiali, Hydro-Quebec, Centrum Organické Chemie, Gorenje Gospodinjski Aparati, Acreo Swedish ICT, Universität Stuttgart, and Econtrol-Glas. ynvisible integrates the project in its benchmarking tasks (market monitoring, preliminary business case and costing considerations), and is part of the Steering Group. ynvisible is also involved in the project as an SME Producer.

As at December 31, 2016 ynvisible had received a total pre-financing amount from Project EELICON of 180,380 euros, which is reflected in the account of other debtors and creditors.

SME Instrument

During 2015, the Company benefited from a financial instrument to support SMEs in the context of Horizon 2020, in order to support its innovation activities. In this context, the Company benefited from a support of 50,000 euros, non-refundable, for the preparation of a business plan. This project has been concluded.

Traineeships / 3I's Internships

For the development of its business, the Company regularly uses existing programs that encourage the hiring of human resources. In this regard, the Company has benefited from the employment incentive programs promoted by IEF (Employment and Vocational Training Institute) and AIP (Portuguese Industrial Association).

As at December 31, 2016, the Company did not have any ongoing program under the Traineeship initiative promoted by IEF. However, in this period, an income of 1,143.69 euros related with a 2013 Traineeship initiative was recognized.

Regarding the support program to internships promoted by AIP - 3I's internships, in 2015 the Company recognized an income of 1,460 euros. These internships were completed in 2015. In 2016, as at December 31, there are no active internships under the AIP initiative in the Company. Also note that the

Company is still expecting to receive an amount of 4,176.22 euros from AIP, for reimbursement of past internship scholarships.

13. OTHER INFORMATION

For the year ended December 31, 2016 and 2015, the caption debtors and creditors by accruals was as follows:

Supplies and external services		31.12.2016	31.12.2015
Specialized jobs	Subcontracts	(2,152.00)	44,257.10
	Leases	897.09	896.34
	Communications	6,190.17	5,584.99
	Accounting	13,174.00	12,170.00
	Audit	5,500.00	3,012.75
	Lawyers	14,958.80	4,492.02
	Services Fee - Intercompany	24,000.00	86,000.00
	Fees	1,800.00	13,000.00
	Materials	1,575.14	517.71
	Energy	1,667.15	2,406.74
	Trips and accommodations	21,145.49	11,552.04
	others	7,967.38	15,127.43
Total		96,723.22	199,017.12

For the year ended December 31, 2016 and 2015, the personnel costs were as follows:

Personnel costs		31.12.2016	31.12.2015
Staff Remuneration	Corporate bodies	-	56,414.95
	Employees	242,169.07	188,497.86
	Internships	565.00	9,168.68
	Indemnities	5,471.80	282.36
	Sub-total	248,205.87	254,363.85
Costs with remunerations	Single Social Tax + FGCT contributions	33,988.08	48,558.34
	Sub-total	33,988.08	48,558.34
Insurances	Work insurance	1,037.60	1,257.06
	Health / life insurance	2,780.83	3,158.02
	others	1,404.48	6.28
	Sub-total	5,222.91	4,421.36
Total		287,416.86	307,343.55

For the year ended December 31, 2016 and 2015, other expenses and losses were as follows:

Other expenses and losses		31.12.2016	31.12.2015
Taxes, Interests and Others	Indirect Taxes	2,618.94	1,384.04
	Late payment Interests	5,418.70	3,078.22
	Others	15,565.59	80,639.64
	Sub-total	23,603.23	85,101.90
TOTAL		23,603.23	85,101.90

Related party transactions

Related party transactions take place during the normal course of operations and are measured according to the amounts established and agreed to by the related parties.

During the year ended December 31, 2016 and 2015 the following transactions were made between related parties:

Transactions with related parties		31.12.2016				31.12.2015			
		Supplier				Supplier			
		Re-debits of ESF	ESF	IP	Financial costs	Re-debits of ESF	ESF	IP	Financial costs
Parent Company	YDreams Informática S.A.		24,000.00				86,000.00		
	Subtotals	-	24,000.00	-	-	-	86,000.00	-	-
Others	Other Shareholders								
	Subtotal	-	-	-	-	-	-	-	-
Totals		-	24,000.00	-	-	-	86,000.00	-	-

The services rendered by YDreams to the Company in 2016 pertain to office space rent, administrative/financial services and IT services.

During the year ended December 31, 2016 and 2015, outstanding balances with related parties were as follows:

Outstanding balances amounts with related parties, associated accumulated impairment losses and expenses recognized regarding bad debts or doubtful debts from related parties		31.12.2016		31.12.2015	
		Outstanding balances in		Outstanding balances in	
		Debit	Credit	Debit	Credit
Parent Company	YDreams Informática, S.A. (Supplier)	-	48,696.13	-	60,909.04
	YDreams Informática, S.A. (Customer)	-	-	968.91	-
	YDreams Informática, S.A. (Others)	-	5,823.87	-	5,823.87
	Subtotals		54,520.00	968.91	66,732.91
Other shareholders/ Companies of the Group	YD Vision	6,000.00	-	6,000.00	-
	Azorean (Supplier)	-	-	-	476.22
	Azorean (Others)	689.81	-	689.81	-
	Subtotals	6,689.81	-	6,689.81	476.22
Totals		6,689.81	54,520.00	7,658.72	67,209.13

14. FAIR VALUES AND RISK MANAGEMENT

The Company's financial instruments consist of cash, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of trade and other payables and loans payable approximate their carrying values.

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party, by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

b) Interest Rate Risk

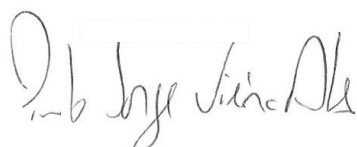
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

c) Liquidity Risk

Liquidity risk is the risk related to the Company encountering difficulties in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

Cartaxo, April 11, 2017

Official Accountant



Board of Directors

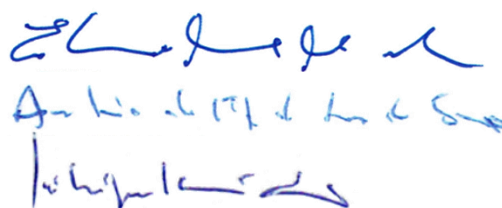


EXHIBIT H

**MANAGEMENT DISCUSSION AND ANALYSIS OF YNVISIBLE
FOR THE YEAR ENDED DECEMBER 31, 2016**



YD YNVISIBLE, S.A.

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2016

1.1 Date of Report: April 11, 2017

The following management discussion and analysis ("**MD&A**") of the financial position and results of operations for YD Ynvisible, S.A. (the "**Company**" or "**ynvisible**") should be read in conjunction with the annual financial statements and the notes thereto for the year ended December 31, 2016. Except as otherwise disclosed, all figures included therein and in the following management discussion and analysis are quoted in Euros.

1.2 Overall Performance

Overview

The Company aims to be a leading player in the emerging printed electronics sector. It is a private company incorporated under the laws of Portugal with assets located in Portugal. Printed electronics use new materials with electronic properties that are processed into inks and can be printed into thin layers (using conventional print house equipment) onto flexible materials, such as plastic and paper. Given the cost, form factor and power consumption advantages over conventional electronics, printed electronics technologies are a key enabler for the mass adoption of the Internet of Things ("IoT"). The Company has a proprietary technology of printed electrochromic (EC) displays, which can be designed to become the "face" of every smart label or product. The Company's displays use almost no power. They are ultra-low weight, microscopically thin, flexible, yet robust. When combined with various sensors, they can bring different functionalities and life to smart products. Electrochromic displays-based smart labels offer simple non obtrusive human interfaces to smart IoT objects. The Company's mix of services, materials and technologies is a unique combination, which is winning favor among brand owners developing their IoT products for a huge market in its infancy. Since the Company's displays are printed, product designers can easily adapt electrochromics to the desired product design and required user experience.

The address of the Company's head office is Rua Mouzinho de Albuquerque, 7, 2070-104 Cartaxo, Portugal. The Company also has an R&D Center at Edifício YDreams, Madan Parque Sul, 2825-149 Caparica. The Company maintains a website at www.ynvisible.com.

Business Highlights

During 2016 ynvisible continued to develop and strengthen its relationships with customers and partners. ynvisible delivered small and medium volume display production projects and prototyping projects of new products/concepts, and carried out projects for developing and optimizing new features for electrochromic display technologies. The Company expects to



benefit from the relationships established in the past few years, with the adoption, on a large scale, of its display technology in applications, products and solutions that have been explored in the past.

From the projects developed in 2016, the following should be highlighted:

- Research and development (R&D) services project for an international customer from the chemical industry, under which ynvisible provided services based on its expertise and knowledge in electrochromics (optimization of chemical formulations, assembly and characterization of devices). The project was initiated in 2015, continued throughout 2016 and will be continuing in 2017.
- Prototyping project for a worldwide consumer products brand, entailing the development, optimization and production of a few hundred electrochromic display units tailored for a specific application related with smart labels, which the client will use for consumer testing. The project was initiated in 2015 and continued in 2016.
- Several small to medium size projects (dozens to hundreds of units) consisting of designing, producing and delivering tailor-made electrochromic displays for clients in the following areas: health/diagnostics, consumer electronics, smart labels (RFID tags, among others), EMS (electronics manufacturing services) companies, wearables.

In addition to the sales projects involving the delivery of electrochromic displays in variable quantities or providing prototyping and/or R&D services, ynvisible developed other business development activities in 2016:

- Initial contacts and negotiations with partners with complementing expertise and intellectual property in electrochromics, including synthesis and production of electrochromic materials covering a wide range of colors.
- Contacts and negotiations with several potential resellers for ynvisible's technology for the North American market.
- Supply of electrochromic display samples and demo kits to several potential clients and partners for testing purposes.
- Preliminary tests and characterization runs for the application of electrochromic displays in specific applications, such as jewelry.
- Design, development and production of new prototypes for demonstrating the applicability of electrochromic devices in different vertical markets and products, with a focus on smart labels.

In summary, in 2016 ynvisible continued its activities focused mostly on the commercial demonstration of its technology, through the establishment of contacts and relationships with clients and partners, the design and production of tailored displays and products, and the development of further features of its technology and its production process.

Reverse Takeover and Financing Operation

The Company's ability to continue as a going concern, to fund its operations and main activities (electrochromic display production process scale-up, smart labels and products prototyping abilities, development of new features for its electrochromic display technology, business development, marketing and sales activities), and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

On April 29, 2016, the Company entered into a binding letter of intent (the “**LOI**”) which set out the basic terms and conditions pursuant to which the Company will sell 95.53% of its issued and outstanding shares in exchange for common shares of Network Exploration Ltd. (“**Network**”). Pursuant to the terms of the LOI, the majority of Network's management and directors will be replaced with nominees of ynvisible, and Network will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover (“**RTO**”) under the rules of the TSX Venture Exchange (the “**Exchange**”).

On July 19, 2016, the Company entered into a share exchange agreement (the “**SEA**”) with Network, pursuant to which Network will acquire 95.53% of the issued and outstanding shares of ynvisible in exchange for common shares of Network (this value was later amended to 94,19%). Pursuant to the terms of the SEA, the majority of Network's management and directors will be replaced with nominees of ynvisible, and Network will issue sufficient securities such that the transaction will constitute a RTO under the rules of the Exchange.

Upon successful completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of ynvisible will become the business of Network.

Completion of the RTO is subject to a number of conditions, including acceptance of the Exchange, approval by the shareholders of Network and ynvisible of the resolutions to be voted on at their respective shareholder meetings and completion of a \$3.3 million financing, or such other amount as may be agreed to between Network, ynvisible and the agents for the financing (the “**Concurrent Financing**”). The RTO cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement or other disclosure document to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon.

In summary, in 2016 there was a strong effort dedicated to the reverse takeover and financing process, which will allow the Company to enter a new growth cycle. In parallel with this effort, ynvisible renewed its image and message, launched a new website, and designed and produced new smart label demonstrators, integrating ynvisible’s electrochromic displays.

1.3 Selected Annual Information

The following table represents selected financial information of the Company for the three most recently completed financial years and should be read in conjunction with the Company's audited financial statements:

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total Revenue (€)	212,399.76 €	403,367.95 €	477,909.74 €
Net Loss (€)	(177,513.39) €	(200,965.04) €	(655,132.35) €
Loss Per Share (basic and diluted) (€)	(0.01) €	(0.02) €	(0.06) €
Total Assets (€)	351,218.88 €	580,292.02 €	721,308.13 €
Total Non-Current Financial Liabilities (€)	196,931.17 €	212,002.19 €	50,082.90 €
Distributions or Cash Dividends Per Share (€)	-	-	-

1.4 Discussion of Operations for the Year Ended December 31, 2016

Revenue

- Total revenue for the year ended December 31, 2016 was 212,399.76€.

Significant Factors Causing Changes in Revenue

- The decrease in revenue from 2015 to 2016 comes mainly from a decrease in revenue originating from government-funded projects. A decrease in the number of employees limited the ability of the Company to dedicate a more significant effort to these and other projects, overall affecting the total revenue. In addition, during 2016 there was significant time of the management team's attention focused on the RTO process.

Significant Factors Causing Changes in Cost

- Costs decreased significantly from 2015 to 2016, mainly due to a decrease in supplies and external services expenses (decrease of 51.4%), but also to a decrease in personnel costs (decrease of 6.5%).
- With regards to supplies and external services, in 2016 there were substantial decreases in the following expenses:
 - Management fees – in 2016 there were no management fees charged to ynvisible by the parent company, since the involvement of the parent company's management team in ynvisible's operations was substantially decreased; in 2015 ynvisible paid 54,000€ in management fees.
 - Services from the parent company – since the services provided by the parent company to ynvisible in 2016 (including office space rent) were reduced compared to those provided in 2015, the costs associated with these services were also lower in 2016 (2016 – 24,000€; 2015 – 32,000€).
 - Consulting fees – ynvisible spent 11,200€ less in consulting fees in 2016, compared to 2015 (2016 – 1,800€; 2015 – 13,000€).

- Supplies – ynvisible spent approximately 9,000€ in supplies and materials in 2016, vs. approximately 29,000€ in 2015.

Product Plan

- ynvisible has continued the development of its reversible electrochromic displays with efforts to streamline producibility, whilst maintaining device performance. Developments in irreversible electrochromic devices as single-use indicators were accelerated due to strong demand from the RFID market. Other EC device functionalities continued to be developed.

Unusual or infrequent Events

- The RTO process has taken significant time and attention from the management team of the Company.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, the uncertainty of commodity prices, and the uncertainty of fundraising activities.

1.5 Summary of Quarterly Results

Period Ended	Total Revenue (€)	Net Loss (€)	Loss Per Share (basic and diluted) (€)
December 31, 2016	212,399.76 €	(177,513.39) €	(0.007) €
September 30, 2016	149,301.45 €	(125,600.02) €	(0.005) €
June 31, 2016	109,180.14 €	(70,506.86) €	(0.003) €
March 31, 2016	63,276.21 €	(23,183.02) €	(0.001) €
December 31, 2015	403,367.95 €	(200,965.04) €	(0.01) €
December 31, 2014	477,909.74 €	(655,132.35) €	(0.06) €

The financial statements included in the table above were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the interpretations of the Financial Reporting Interpretations Committee ("IFRIC").

1.6 Liquidity

In management's view, given the nature of the Company's operations, which consist of ink and display developments, EC display production and technology transfer, EC display and smart label design and prototyping services, plus client tailored development services, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will be dependent upon the extent to which it can scale-up the production of its EC display technology to address the higher volume customer requests, and increase its team to support customer projects. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of the EC inks and related display and smart label devices, plus customer services, is largely dependent

upon factors beyond the Company's control. The Company does not expect to receive significant income from any of its EC inks developments in the foreseeable future.

The Company has financed its operations to date primarily through financing operations (private placements, bridge loans and convertible loans from its shareholders, loans from external parties), sales and government-related funds awarded for specific development projects. The Company continues to seek capital through various means including the issuance of equity and/or debt. During this year the Company has funded its operations through revenues originating from sales and other revenues (including government-related funds), as well as through loans from shareholders and external third parties, to fund on going technology developments and business development efforts, including the expansion of the company's client, partner and reseller networks.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

1.7 Capital Resources

At December 31, 2016 the current assets of the Company consist of Trade and Other Receivables in the amount of 24,176.27€, Other Accounts Receivable in the amount of 138,399.10€ and Bank Deposits and Petty Cash in the amount of 20,455.42€. The Company had a working capital of (783,778.49€).

1.8 Off-Balance Sheet Arrangements

At December 31, 2016, the Company had no material off-balance sheet arrangements.

1.9 Transactions Between Related Parties

In 2016, the Company has not incurred charges during the period from directors and senior management, or companies controlled by them, for management fees and/or consulting fees; in 2015 ynvisible paid 54,000€ in management fees to the parent company. Amounts due to related parties in 2016 (24,000€ to the parent company) were related with office space rent, and administrative/financial and IT services provided by the parent company to ynvisible. In 2015 ynvisible was charged 32,000€ for these same services, for which the scope was, however, reduced in 2016.

As at December 31, 2016, trade and other payables include 48,696.13€ (2015 – 60,909.04€) due to related parties. Amounts due to related parties are related with management fees and services provided by the parent company to ynvisible.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Directors and Officers

As at December 31, 2016 and the date of this report, the Company had the following directors and officers:

- António Câmara, Chairman of the Board and Director
- Edmundo Nobre, Director
- José Miguel Remédio, Director
- Inês Henriques, Chief Executive Officer
- Jani-Mikael Kuusisto, General Manager
- Carlos Pinheiro, Chief Technology Officer

1.10 Fourth Quarter

The Company's focus during the fourth quarter was to: 1) prepare for the RTO transaction, 2) deliver on-going client projects and respond to a growing number of customer requests, 3) plan for production scale-up activities and developments and prepare related partnerships, 4) reactivate participation in the working groups of the Organic Electronics Association, 5) complete earlier government-funded projects and compete for new projects involving EC on paper and EC for use by the creative industries, and 6) give invited talks in events in China and the USA.

Activity in the fourth quarter was consistent with recent quarters. The major contributors of costs during the fourth quarter were related with personnel costs (84,692.38€), as well as supplies and external services (37,468.19€). Personnel costs include contributions to social security and other expenses (e.g. insurance) in the amount of 16,650,54€. Supplies and external services include: 9,240,48€ in travel and accommodation expenses, 6,728€ due to financial services (accounting and audit), 6,000€ for office space rent and services provided by the parent company, and 5,559.25€ due to legal services.

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company, other than the transaction proposed with Network.

1.12 Critical Accounting Estimates

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of uncertainty considered by management in preparing the financial statements are as follows:

- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets, and on the impact of future changes in legislation, tax rates and interpretations by tax authorities.
- The application of the Company's accounting policy for intangible assets expenditures, such as patents granted and patent applications in progress, requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

1.13 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of trade and other payables and loans payable approximate their carrying values. The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party, by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

Liquidity Risk

Liquidity risk is the risk related to the Company encountering difficulties in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.



1.14 Other MD&A Requirements

This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the year ended December 31, 2016. This MD&A is intended to assist the reader's understanding of ynvisible and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be requested directly to the Company and/or viewed on ynvisible's website: www.ynvisible.com.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable.

OTHER INFORMATION

Summary of Outstanding Share Data as at December 31, 2016

	Number issued and outstanding
Common shares	26.172.815
Stock options	-
Warrants	-
Fully diluted	26.172.815

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to success of product sales, permitting time lines, currency fluctuations, requirements for additional capital, environmental risks, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to technological feasibility and technology adoption, regulatory and legal frameworks, intellectual property infringement, ability to recruit and retain management and other qualified personnel, customer retention and contract fulfillment, ability to expand sales and marketing and/or to develop ynvisible's brand, availability of capital, impacts of currency fluctuations, and overall growth management of the Company.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

EXHIBIT I

**UNAUDITED FINANCIAL STATEMENTS OF YNVISIBLE
FOR NINE MONTHS ENDED SEPTEMBER 30, 2017**



INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30 2017
(Expressed in Euros)



TABLE OF CONTENTS

CORPORATE BODIES	3
FINANCIAL POSITION STATEMENT	4
PROFIT AND LOSS STATEMENT	5
CHANGES IN EQUITY STATEMENT	6
CASH FLOW STATEMENT	7
NOTES TO THE FINANCIAL STATEMENTS ENDED SEPTEMBER 30, 2017 and DECEMBER 31, 2016	8
1. CORPORATE INFORMATION AND GOING CONCERN	8
2. STATEMENT OF COMPLIANCE	9
3. SIGNIFICANT ACCOUNTING POLICIES	9
3.1 Basis of presentation	9
3.2 Intangible assets	10
3.3 Tangible fixed assets	10
3.4 Impairment of assets	11
3.5 Provisions, contingent liabilities and contingent assets	11
3.6 Government grants and disclosure of government assistance	12
3.7 The effects of changes in foreign exchange rates	12
3.8 Income tax	13
3.9 Financial instruments	13
3.10 Employee benefits	14
3.11 Events after the balance sheet	14
3.12 Main accounting estimates and judgments	15
4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES	15
5. PROPERTY, PLANT AND EQUIPMENT	16
6. INTANGIBLE ASSETS	16
7. DEFERRED TAX ASSESTS	18
8. FINANCIAL INSTRUMENTS	19
9. CASH FLOW	22
10. BORROWING COSTS	22
11. REVENUE	23
12. GOVERNMENT GRANTS AND DISCLOSURE OF GOVERNMENT ASSISTANCE	23
13. OTHER INFORMATION	26
14. FAIR VALUES AND RISK MANAGEMENT	28

CORPORATE BODIES

BOARD OF DIRECTORS

António da Nóbrega de Sousa da Câmara (Chairman of the Board)

Edmundo Manuel Nabais Nobre (YDreams Representative)

José Miguel Rodrigues Remédio (YDreams Representative)

AUDITOR COMMITTEE

RV – Romão & Vicente – Sociedade de Revisores Oficiais de Contas, Lda.

Address: Rua Marquês de Suberra, 9 R/C –D, 1070-170 Lisboa, Portugal.

BOARD OF THE GENERAL ASSEMBLY

Sociedade Rebelo de Sousa & Advogados Associados, RL

Address: Rua Dom Francisco Manuel de Melo, 21, 1070-085 Lisboa, Portugal.

Carla Alexandra Pasadouro Simões Valente Maia de Loureiro (President)

Neuza Maria Sousa Pereira de Campos (Secretary)

FINANCIAL POSITION STATEMENT

FINANCIAL POSITION FOR THE PERIOD ENDED SEPTEMBER 30, 2017 AND YEAR ENDED DECEMBER 31, 2016

		euros	
	Note	Period 30.09.17	Period 31.12.16
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,113.90	7,097.94
Intangible assets	6	21,844.68	14,203.84
Non-current financial assets	8	384.24	658.46
Deferred tax assets	7	146,237.85	146,237.85
*		172,580.67	168,198.09
Current assets			
Trade and other receivables	8	13,962.34	24,176.27
Other accounts receivable	8	92,460.59	138,399.10
Cash and short term deposits	9	16.37	20,445.42
		106,439.30	183,020.79
Total assets		279,019.97	351,218.88
EQUITY AND LIABILITIES			
EQUITY			
Issued capital	8	261,728.15	261,728.15
Other equity instruments	8	0.00	0.00
Share Premiums	8	1,258,617.36	1,258,617.36
Retained earnings	8	(2,332,857.08)	(2,155,343.69)
Net income of the period		(270,734.40)	(177,513.39)
Total Equity		(1,083,245.97)	(812,511.57)
Liabilities			
Non-current liabilities			
Trade and other payables	8	141,405.00	143,983.82
Other accounts payable	8	49,777.10	52,947.35
		191,182.10	196,931.17
Current liabilities			
Interest-bearing loans and borrowings	8/10	351,425.75	254,675.04
Trade and other payables	8	195,239.29	122,551.39
Other accounts payable	8	624,418.80	589,572.85
		1,171,083.84	966,799.28
Total Liabilities		1,362,265.94	1,163,730.45
Total Equity and Liabilities		279,019.98	351,218.88

Official Accountant

Pedro Rodriguez

Board of Directors

[Handwritten signatures of Board of Directors members]

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

PROFIT AND LOSS STATEMENT

PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2017 AND 2016

INCOME AND EXPENSES		NOTES	euros	
			Period 30.09.17	Period 30.09.16
Sales and Services provided	+	11	52,214.12	64,458.34
Operating subsidies	+	12	88,216.06	83,660.55
Supplies and external services	-	13	(103,353.90)	(59,255.03)
Personnel costs	-	13	(266,870.47)	(186,071.22)
Other incomes and gains	+	13	9,508.02	1,182.56
Other expenses and losses	-	13	(26,112.74)	(16,743.27)
Income before depreciation, financing costs and taxes	=		(246,398.91)	(112,768.07)
Expenses / depreciation reversals and amortization	-/+	5	(2,984.04)	(4,936.18)
Impairment of depreciable investments (losses / reversals)	-/+			
Operating income (before taxes and financing costs)	=		(249,382.95)	(117,704.25)
Interests and similar income received	+	13	0.00	0.67
Interest and similar expenses paid	-	13	(20,767.24)	(7,453.19)
Income before tax	=		(270,150.19)	(125,156.77)
Income Tax of the period	-/+	13	(584.21)	(443.25)
Net income of the period	=		(270,734.40)	(125,600.02)
	=		-	-
Net profit per share			(0.010)	(0.012)

Official Accountant

Pedro Rodriguez

Board of Directors

[Handwritten signatures of the Board of Directors]

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

CHANGES IN EQUITY STATEMENT

STATEMENT OF CHANGES IN EQUITY AS AT SEPTEMBER 30, 2017

euros

DESCRIPTION		NOTES	Equity attributable to shareholders of parent company					Total Equity
			Paid-in capital	Share Premium	Earnings retained	Other changes in equity	Net profit of the period	
SITUATION IN THE BEGINNING OF 2017	1		261,728.15	1,258,617.36	(2,155,343.69)	0.00	(177,513.39)	(812,511.57)
CHANGES IN THE PERIOD								
Adjustments by deferred taxes							0.00	0.00
Profit appropriation					(177,513.39)		177,513.39	(0.00)
Capital Issue		9		0.00		0.00	0.00	0.00
Other changes recognized in equity							0.00	0.00
NET INCOME OF THE PERIOD	2		0.00	0.00	(177,513.39)	0.00	177,513.39	(0.00)
COMPREHENSIVE INCOME	3						(270,734.40)	(270,734.40)
TRANSACTIONS WITH EQUITY HOLDERS IN THE PERIOD	4=2+3						(93,221.01)	(270,734.40)
other operations								0.00
	5		0.00	0.00	0.00	0.00	0.00	0.00
SITUATION AT THE END OF SEPTEMBER 2017	6=1+2+3+5	9	261,728.15	1,258,617.36	(2,332,857.08)	0.00	(270,734.40)	(1,083,245.97)

Official Accountant

Pedro Rodriguez

Board of Directors

[Handwritten signatures of the Board of Directors]

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

CASH FLOW STATEMENT

STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2017 AND 2016

			euros	
CAPTIONS			Period	Period
			30.09.17	30.09.16
<u>Cash flows of operating activities - direct method</u>				
Received from customers		+	60,810.86	61,319.86
Payments to suppliers		-	(81,352.27)	(86,252.90)
Payments to staff		-	(147,337.20)	(136,591.49)
Cash generated from operations		+/-	(167,878.61)	(161,524.53)
Income tax payable/receivable		-/+	(2,812.42)	(3,173.61)
Other receipts / payments		+/-	49,401.59	(12,378.68)
Cash flows from operating activities	(1)	+/-	(121,289.44)	(177,076.82)
<u>Cash flows from investment activities</u>				
Payments of:				
Other assets			33.73	0.00
Receipts generated from:				
Other assets			0.00	0.00
Cash flows from investment activities	(2)	+/-	33.73	0.00
<u>Cash flows from financing activities</u>				
Receipts generated from:				
Achievements of capital and other equity instruments		+		
Loans obtained			102,798.76	176,604.48
Donations				
Other Financing Operations				
Payments of:				
Loans obtained			(1,930.92)	(2,222.24)
Interests and other similar costs			(35.46)	0.00
Cash flows from financing activities	(3)		100,832.38	174,382.24
Variation in cash and cash equivalents	(1)+(2)+(3)		(20,423.33)	(2,694.58)
Cash and cash equivalents at beginning of the period		+/-	20,445.42	4,146.23
Cash and cash equivalents at end of the period		+/-	22.09	1,451.65

Official Accountant

Pedro Rodriguez

Board of Directors

[Handwritten signatures of the Board of Directors]

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

NOTES TO THE FINANCIAL STATEMENTS ENDED SEPTEMBER 30, 2017 and DECEMBER 31, 2016

1. CORPORATE INFORMATION AND GOING CONCERN

YD Ynvisible, S.A., hereinafter referred to as "Company" or "ynvisible", was incorporated on January 21, 2010 with the legal form of a limited company, initially named as YDreams - Interactive Surfaces Ltd., headquartered at Rua Mouzinho Albuquerque n.º 7, in Cartaxo, Portugal, and 5,000 euros of share capital at the date of its incorporation.

In August 2010 the Company was transformed into a business corporation, and the share capital was increased to 300,000 euros due to the capital increases during the second half of 2010.

During the first half of 2011, the Company incurred in new capital increases and as at December 31, 2014 the share capital amounted to 1,087,545 euros.

In June 2014, in order to address the situation of loss of half of the capital, the General Assembly decided to carry out a reduction of capital, in order to cover the losses of previous years. The operation was made by amending the unit value of the shares, which was changed from 0.10 euros to 0.01 euros.

In the beginning of 2016 the Company incurred in a new capital increase, issuing 15,297,365 new shares with the unit value of 0.01 euros. As at September 30, 2017 the share capital is 261,728.15 euros represented by 26,172,815 ordinary shares.

Identification information on 30/09/2017

Company: YD YNVISIBLE, S.A NIPC: 509233023 Legal nature: business corporation

Headquarters: Rua Mouzinho de Albuquerque n.º 7, Parish: Cartaxo, Postal Code: 2070 - 104 Cartaxo, Country: Portugal

ynvisible's share capital is held by:

- YDreams – Informática, S.A., 40.21 %,
- Fundo de Capital de Risco Armilar Venture Partners II, 18.37%
- CUF Companhia União fabril, SGPS, S.A., 1.79 %,
- SEMAPA, S.A., 1.90%,
- Other investors, the remaining 37.73%

The operations and transactions of ynvisible are influenced by the decisions of YDreams Group.

ynvisible's activity focuses on technology development and commercialization, and creation of intellectual property. The Company has a position in the value chain as a provider of technology and specializes in providing services to companies that will integrate ynvisible's technologies into their products.

The notes to the financial statements are presented in euros since this is the currency used in the economic environment in which the Company operates.

These notes to the financial statements have been prepared by management on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

It is the opinion of the Board of Directors that these financial statements give a true and appropriate view of ynvisible's operations, as well as its financial situation, performance and cash flows.

2. STATEMENT OF COMPLIANCE

These reviewed interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies adopted in these interim financial statements are consistent with the accounting policies applied in the Company's financial statements for the past years, and, as such, these reviewed financial statements should be read together with the Company's financial statements for the year ended December 31, 2016.

The preparation of these reviewed financial statements requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company's reviewed interim financial statements are discussed in Note 3.

The Company's reviewed interim financial statements have been prepared on a historical cost basis and using the accrual basis of accounting except for cash flow information and the revaluation of certain financial assets and financial liabilities to fair value. The comparative figures presented in these reviewed interim financial statements are in accordance with IFRS. Certain comparative figures may have been reclassified to conform to the current period's presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

The main adopted accounting policies when preparing the notes to the financial statements are as follows:

3.1 Basis of presentation

The notes to the financial statements have been prepared based on continuing operations, from the books and accounting records of ynvisible, and according to IFRS (International Financial Reporting Standards). The International Accounting Standard (IAS) 34, regarding interim financial reporting, has been followed in preparing these interim financial statements and therefore these interim financial statements do not

include all the information required for the annual financial statements and should be read in conjunction with the financial statements for the period ended December 31, 2016.

3.2 Intangible assets

Intangible assets are recorded at the cost of acquisition less any accumulated impairment losses. Intangible assets are only recognized if it is probable that attributable future economic benefits to the asset flow to the Company, and that they are controllable and their cost can be valued with reliability.

3.3 Tangible fixed assets

Tangible fixed assets are initially recorded at the cost of acquisition or production, which includes the purchase cost, any costs directly attributable to the activities required to put the assets in the necessary location and condition to operate in the manner intended and, when applicable, the initial estimated decommissioning costs and assets removal and the restoring of the respective location of installation / operation in which the Company expects to incur.

Any increase resulting of revaluation is recorded in the equity under "revaluation surplus", unless the same reverses a previously recognized decrease in income, in which case such increase is also recognized in income.

Decreases resulting from revaluations are recorded directly under "revaluation surplus" until the limit of any remaining credit balance in the revaluation surplus of that same asset. Any excess of decreases regarding that remaining credit balance is directly recognized in the income. When the asset revalued is derecognized, the revaluation surplus included in equity associated to the asset is not reclassified to income, but rather transferred to "Retained earnings".

The remaining tangible fixed assets are recorded at the cost of acquisition or production, deducted from accumulated depreciations and any accumulated impairment losses.

The depreciations are calculated after the moment the asset is in a position to be used, according to the straight-line method, except for some basic equipment assets for which the declining balance method is used, in accordance with the estimated useful life period for each group of assets.

The depreciation rates used correspond to the following estimated useful life:

Assets	
Basic equipment	5-7
Office equipment	3-5

The useful lives and depreciation methods for the various assets are reviewed annually. The effect of any changes to these estimates is recognized prospectively in the income statement.

Maintenance and repair expenses (subsequent expenditure) that are unlikely to generate additional economic benefits in the future are recorded as expenses in the period they are incurred.

The gain (or loss) resulting from the alienation or disposal of tangible fixed assets is determined as the difference between the fair value of the amount received or receivable in the transaction, and the carrying amounts of the asset, and is recognized in the period in which the disposal or alienation occurs.

3.4 Impairment of assets

On each reporting date, a review is done of the carrying amounts of tangible and intangible assets of the Company to determine whether there is any indication that they may be impaired. If there is such an indication, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss. When it is not possible to determine the recoverable amount of a single asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

The recoverable amount of the asset or cash generating unit consists of the greater between (i) the fair value deducting costs to sell and (ii) the value in use. In determining the value in use, the estimated future cash flows are discounted using a discount rate before tax that reflects the market expectations for the time value of money and regarding the specific risks of the asset or cash generating unit in relation to which the estimates of future cash flows have not been adjusted.

When the carrying amount of the asset or cash generating unit is higher than its recoverable amount, an impairment loss is recognized. The impairment loss is recorded immediately in the income statement under "Impairment losses", unless such loss offsets a revaluation surplus recorded in equity. In this case, such loss is treated as a decrease of that revaluation.

3.5 Provisions, contingent liabilities and contingent assets

The provisions are recognized when, and only when, the Company has a current obligation (legal or implicit) resulting from a past event, and it is probable that for the resolution of that obligation, an outflow of resources occurs and the amount of the obligation can be reasonably estimated.

The provisions are reviewed at each balance sheet date and are adjusted in order to reflect the best estimate at that date, taking into account the risks and uncertainties inherent in such estimates.

The recognized amount of provisions consists in the current value of the best estimate at the reporting date of resources required to settle the obligation. The estimate is determined according to the risks and uncertainties associated with the obligation.

Provisions for restructuring expenses are recognized when there is a formal and detailed restructuring plan and this has been communicated to the parties involved.

The current obligations resulting from onerous contracts are valued and recorded as provisions. There is an onerous contract when the Company is an integral part of the provisions of a contract, for which compliance has associated costs that cannot be avoided and which exceed the economic benefits derived from it.

The contingent liabilities are not recognized in the financial statements but are disclosed when the possibility of a cash outflow embodying economic benefits is not remote. The contingent assets are not recognized in the financial statements but are disclosed when a probability of a future economic inflow of resources exists.

Costs with equipment and operating technologies that ensure compliance with applicable laws and regulations (as well as the reduction of environmental impacts to levels that do not exceed those representing a viable application of the best available technologies, with regards to minimizing energy consumption, air emissions, waste production and noise) are capitalized when they are intended to permanently serve the business of the Company, as well as when they are associated with future economic benefits which serve to extend the life, increase the capacity or improve the safety or efficiency of other assets held by the Company.

3.6 Government grants and disclosure of government assistance

Government grants, including non-cash by fair value, are recognized when there is assurance that the conditions for the grant will be received and fulfilled.

Operating subsidies are recognized in the income statement, proportionally to the costs incurred.

The non-refundable investment grants to finance tangible and intangible assets are recorded in equity and recognized in the income statement, proportionally to depreciations / amortizations of the subsidized assets.

3.7 The effects of changes in foreign exchange rates

Foreign currency transactions are turned into the functional currency at the exchange rate at the transaction date.

On the closing date an update of open exchange balances (cash items) is done, by applying the exchange rate prevailing on that date. The favorable and unfavorable exchange differences arising from differences between the exchange rates prevailing at the transaction date and at the date of collection, of payments or balance sheet date, are recorded as income and / or expenses in the income statement, under the caption "exchange gains/losses".

3.8 Income tax

The income tax for the year is the sum of current taxes and deferred taxes. Current and deferred taxes are recorded in the income statement, except when deferred taxes relate to items recognized directly in equity. In such cases, deferred taxes are also recorded in equity.

The current tax payable is based on taxable income. Taxable income differs from accounting income as it excludes many expenses and income that will only be taxable or deductible in following years, as well as expenses and income that will never be taxable or deductible.

Deferred taxes refer to temporary differences between the values of assets and liabilities for accounting report and the respective values for tax purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for deductible temporary differences, but such recognition only applies when there are reasonable expectations of enough future taxable income to use these deferred tax assets or taxable temporary differences that reverse in the same period of the reversal of deductible temporary differences. At each reporting date, a review is made of these deferred tax assets, and they are adjusted according to their future use.

The deferred tax assets and liabilities are measured by using tax rates expected to be in force at the date of reversal of the temporary differences, based on tax rates (and tax laws) that have formally been issued by the reporting date.

The offset between deferred tax assets and liabilities is only allowed when: (i) the Company has a legal right to proceed with the compensation between such assets and liabilities for settlement purposes; (ii) these assets and liabilities relate to income taxes released by the same tax authority and (iii) the Company intends to do the offset for settlement purposes.

3.9 Financial instruments

Financial instruments are valued according to the following criteria:

Customers and other debts to third parties

The debts of customers or other third parties are recorded at their fair value, as they do not bear interest and the effect of the discount is immaterial.

Suppliers and other debts to third parties

Debts to suppliers or other third parties are recorded at their fair value, as they do not bear interest and the effect of the discount is immaterial.

Loans

Loans are recorded as liabilities by the cost, and interest recognized in the income statement.

Transactions and balances of foreign currency

Transactions in foreign currency (different currency from the Company's functional currency) are recorded at the exchange rates at the dates of the transactions. At each reporting date, the carrying amounts of monetary items denominated in foreign currency are updated to exchange rates at that date. The carrying amounts of non-monetary items recorded at fair value denominated in foreign currency are updated to the exchange rates at the dates on which the respective fair values were determined.

The exchange differences resulting from the updates mentioned above are recorded in the income statement in the period in which they are generated.

Time periods

The transactions are recognized in the accounts when they are generated, regardless of when they are received or paid. Differences between the amounts received and paid and the corresponding income and expenses are recorded under other accounts receivable and payable, and deferrals.

Cash and bank deposits

The amounts included in the cash balance and cash equivalents correspond to the amounts in cash and bank deposits, both immediately achievable without loss of value. Bank overdrafts are shown in the balance sheet under current liabilities under the caption financing obtained.

3.10 Employee benefits

ynvisible grants its employees the following benefits: salaries, monthly meals allowance, paid holidays, holidays and Christmas allowances, and contributions to social security.

These benefits are accounted for in the same time period in which the employee provided the service.

3.11 Events after the balance sheet

Events after the balance sheet date that provide additional information about conditions that existed at the balance sheet date ("adjusting events" or events after the balance sheet date which give rise to adjustments) are reflected in the financial statements. Events after the balance sheet date that provide information about conditions occurring after the balance sheet date ("non-adjusting events" or events after the balance sheet date that do not give rise to adjustments) are disclosed in the financial statements if they are considered material.

3.12 Main accounting estimates and judgments

The IFRS require that estimates and judgments are made in the context of decision making on certain accounting options with impact on the amounts reported in the total assets, liabilities, equity, income and expenses. The actual effects may differ from the estimates and judgments made, namely with regard to the effect of real expenses and incomes.

The main estimates and judgments used in the accounting principles are discussed in this section, in order to improve understanding on how their application affects the results reported by the Company and their disclosure.

The Board of Directors believes that the choices made are appropriate and that the financial statements present, in a proper way, the financial position of the Company and the results of its operations in all relevant aspects.

The financial statements have been prepared on an historical cost basis using the accrual basis of accounting, except for cash flow information and as otherwise specified, as set out in the accounting policies below.

4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets and on the impact of future changes in legislation, tax rates and interpretations by tax authorities.
- The application of the Company's accounting policy for intangible assets expenditures, such as patents granted and patent applications in progress, requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

5. PROPERTY, PLANT AND EQUIPMENT

During the period ended September 30, 2017, and year ended December 31, 2016, the changes in the carrying amount of tangible fixed assets and corresponding accumulated amortization and impairment losses were as follows:

Tangible fixed assets		Basic equipment	Office equipment	Totals
at 30.09.2017	Gross carrying amounts	40,488.64	8,424.51	48,913.15
	Depreciations and accumulated impairment losses	(36,374.74)	(8,424.51)	(44,799.25)
	Net carrying amounts	4,113.90	-	4,113.90
Additions		-	-	
Depreciations		(2,984.04)		(2,984.04)
at 31.12.2016	Gross carrying amounts	40,488.64	8,424.51	48,913.15
	Depreciations and accumulated impairment losses	(33,390.70)	(8,424.51)	(41,815.21)
	Net carrying amounts	7,097.94		7,097.94

6. INTANGIBLE ASSETS

The useful life of intangible assets is described in the following table:

Amortization methods, useful lives and depreciation rates used in intangible assets		Patents	Computer programs
Finite	Useful life	Indefinite	3 years
	Amortization rates	-	33.33%
	Amortization methods	-	constant shares by twelfths
	Remaining amortization period	-	2017

During the period ended September 30, 2017, and the year ended December 31, 2016, the movement in the carrying amount of intangible assets, as well as in the corresponding accumulated amortization and impairment losses, was as follows:

Intangible assets		Patents	Computer Programs	Totals
at 30.09.2017	Gross carrying amounts	21,844.68	2,810.99	24,655.67
	Depreciation and accumulated impairment losses	-	(2,810.99)	(2,810.99)
	Net carrying amounts	21,844.68	0.00	21,844.68
Additions		7,640.84	-	7,640.84
Depreciations		-	-	0.00
at 31.12.2016	gross carrying amounts	14,203.84	2,810.99	17,014.83
	Depreciation and accumulated impairment losses	-	(2,810.99)	(2,810.99)
	Net carrying amounts	14,203.84	0.00	14,203.84

With regards to intellectual property and other rights, all the expenses inherent to the registration request of trademarks, patents and other rights are capitalized only after they are granted. While this does not happen, these expenses are recorded temporarily under other debtors and creditors.

Thus, during the year of 2017, patents were capitalized in the amount of 7,640.84 euros, taking the accumulated value to 21,844.68 euros.

Patents granted		Market	Total
PATENTS	Electrochromic ionic liquids	National	5,035.88
	Electrochromic device and method for producing same	US	2,890.12
	Electrochromic touchscreen	US	3,047.09
	Method of Chromism I	National	1,493.48
	Method of Chromism II	National	1,493.48
	Preparation method of electrochromic printing ink by inkjet without sintering and respective ink	National	1,349.43
	US14/367,118 Electrolyte solution, printing method thereof	US	6,535.20
TOTAL			21,844.68

In the same period, 6,633.19 euros have been recorded in the balance sheet regarding costs with trademarks and patents. One patent (US14/367,118 – Electrolyte solution, printing method thereof and resulting solid electrolyte) was granted and therefore written under Intangible Assets (total of 6,535.20 euros), taking the accumulated value to 58,322.05 euros, as shown below.

Trademarks		Market	Total
TRADEMARKS	Ynvisible	National	2,190.00
	Yn Touch	National	2,765.00
Patent applications in progress		Market	Total
PATENTS	Solid Transparent Electrolyte Polymerized by Ultraviolet Radiation	National	2,361.06
	Electrochromic touchscreen	Europe	12,962.30
	Method of depositing transparent conductive oxide on paper by radio-frequency	National	6,626.71
	EU - Electrolyte Solution printing method thereof, and resulting solid electrolyte	Europe	12,671.00
	Electrochromic device and method for producing same	Europe	10,590.98
	Solid Transparent Electrolyte Polymerized by Ultraviolet Radiation	Brazil	3,352.00
	Electrochromic device and method for producing same	National	1,349.43
	Electrochromic touchscreen	National	695.48
	GB1617742.0 Co-Polymers	Europe	894.09
	Others		1,864.00
TOTAL			58,322.05

7. DEFERRED TAX ASSESTS

The calculation of deferred taxes was updated based on the corporate tax rate approved in the Portuguese State Budget 2017.

Below is the statement of the relation between the accounting profit and the expenses / (income) taxes:

Amounts of deferred tax assets and liabilities recognized in the balance sheet and corresponding movements occurred during the period			30.09.2017			31.12.2016				
			Balance at the beginning of period	Movements in the period by		Balance at the end of period	Balance at the beginning of period	Movements in the period by		Balance at the end of period
				Income statement	Other items of equity			Income statement	Other items of equity	
Deferred tax assets	Coming from tax losses not used and tax credits not used	...	-	-	-	-	-	-	-	
	Coming from temporary deductible differences	Deductible tax losses in Future periods	146,237.85	-	-	146,237.85	327,604.76	38,618.05	(219,984.96)	146,237.85
	Totals		146,237.85	-	-	146,237.85	327,604.76	38,618.05	(219,984.96)	146,237.85
Deferred tax liabilities	Coming from temporary taxable differences	...	-	-	-	-	-	-	-	-
	Totals		-	-	-	-	-	-	-	-

Deferred tax assets	Coming from temporary deductible differences	Deferred Taxes	Tax 21%	Accumulated Deferred Taxes
FY	FY Till Report			
2014	2026	377,637.24	79,303.82	79,303.82
2015	2027	134,838.00	28,315.98	107,619.80
2016	2028	183,895.48	38,618.05	146,237.85
Totals		696,370.72	146,237.85	

8. FINANCIAL INSTRUMENTS

State / Customers / Suppliers/ Partners – Shareholders / Other accounts receivable and payable / Staff / Non current financial assets

For the period ended September 30, 2017, and the year ended December 31, 2016, the caption State / Customers / Suppliers / Partners – Shareholders / Other accounts receivable and payable / Staff / Non current financial assets had the following values:

Carrying amounts for each category of financial assets and financial liabilities			30.09.2017			31.12.2016		
			Gross amounts	Accumulated impairments	Carrying amounts	Gross amounts	Accumulated impairments	Carrying amounts
Financial assets	Current	Customers	4,143.26	-	4,143.26	12,740.00	-	12,740.00
		Advance to Suppliers	-	-	-	-	-	-
		State	7,657.01	-	7,657.01	10,369.56	-	10,369.56
		Other accounts receivable	92,460.59	-	92,460.59	138,399.10	-	138,399.10
		Deferrals	2,162.07	-	2,162.07	1,066.71	-	1,066.71
		Cash and Deposits	16.37	-	16.37	20,445.42	-	20,445.42
		Subtotals	106,439.30	-	106,439.30	183,020.79	-	183,020.79
	Not Current	Financial Assets	384.24	-	384.24	658.46	-	658.46
		Subtotals	384.24	-	384.24	658.46	-	658.46
	Totals		106,823.54	-	106,823.54	183,679.25	-	183,679.25
Financial liabilities	Current	Suppliers	94,085.73	-	94,085.73	61,155.64	-	61,155.64
		advance of Customers	4,475.27	-	4,475.27	4,475.27	-	4,475.27
		State	96,678.29	-	96,678.29	56,920.48	-	56,920.48
		Financing obtained	351,425.75	-	351,425.75	254,675.04	-	254,675.04
		Other accounts payable	624,418.80	-	624,418.80	589,572.85	-	589,572.85
		Subtotals	1,171,083.84	-	1,171,083.84	966,799.28	-	966,799.28
	Not Current	State	141,405.00	-	141,405.00	143,983.82	-	143,983.82
		Other accounts payable	49,777.10	-	49,777.10	52,947.35	-	52,947.35
		Subtotals	191,182.10	-	191,182.10	196,931.17	-	196,931.17
	Totals		1,362,265.94	-	1,362,265.94	1,163,730.45	-	1,163,730.45

OTHER ACCOUNTS RECEIVABLE AND PAYABLE			30.09.2017	31.12.2016
Other accounts receivable	Debtors by accrued income	Subsidies receivable	18,255.93	54,637.78
		Interests Receivable	-	-
		Stock exchange Services	-	-
		Sub-total	18,255.93	54,637.78
	Other Debtors	Foreign Vat recoverable	-	-
		Trademarks and Patents requests in progress	58,322.05	56,602.86
		Others	15,882.61	27,158.46
		Sub-total	74,204.66	83,761.32
	TOTAL		92,460.59	138,399.10
Other accounts payable	Creditors by accrued expenses	Withholding Personal Income Tax	54,413.97	46,225.74
		ESF	18,866.21	8,594.00
		Fines and penalties	3,639.38	3,639.38
		Interests payable	58,254.89	37,781.88
		Holiday Pay, Christmas and Holiday Subsidies	84,388.77	46,535.61
		Sub-total	219,563.22	142,776.61
	Other Creditors	Remuneration and other transactions payable to staff	169,448.73	143,149.71
		Co-funded projects	279,951.78	348,170.01
		- Invisible Network Project - amount in debt	167,790.01	167,790.01
		- EELICON - Pre-financing	48,461.77	180,380.00
		- Infusion	63,700.00	-
		Others	5,232.17	8,423.87
		Sub-total	454,632.68	499,743.59
	TOTAL		674,195.90	642,520.20

The value under remuneration and other transactions payable to staff pertains to the total amount in debt to current and past employees of the Company, related with wages and indemnities.

State and other public entities

For the period ended September 30, 2017, and year ended December 31, 2016 the caption state and other public entities had the following breakdown:

STATE AND OTHER PUBLIC ENTITIES	30.09.2017			31.12.2016		
	Balance Due	Credit Balance	Net balance	Balance Due	Credit Balance	Net balance
CIT - Estimated tax	-	1,206.27	(1,206.27)	-	1,934.48	(1,934.48)
Subtotals	0.00	1,206.27	(1,206.27)	0.00	1,934.48	(1,934.48)
VAT - Recoverable	7,657.01	-	7,657.01	10,369.56	-	10,369.56
VAT/ CIT - Withholding taxes	-	25,863.83	(25,863.83)	-	12,794.77	(12,794.77)
Social Security contributions	-	211,013.19	(211,013.19)	-	186,175.05	(186,175.05)
Totals	7,657.01	238,083.29	(230,426.28)	10,369.56	200,904.30	(190,534.74)

The balance of contributions to Social Security in the amount of 211,013.19 euros (141,405.00 euros of which are considered long term debt) includes contributions from May to September 2017 in debt, in the amount of 28,086.87 euros. The amount of 182,926.32 euros is related to contributions in arrears that are associated with four long term payment plans agreed with Social Security authorities. In December 2016, ynvisible submitted an application to the Portuguese Government's Special Plan for the Reduction of Debts to the State, to restructure its overall debt to Social Security regarding contributions until December 2015. The application was approved and ynvisible currently has two active long-term payment plans for this debt. The monthly payments associated with all payment plans have been duly fulfilled. The last payment relating to the 4 payment plans currently in place will occur in January 2023.

The balance of withholding taxes in the amount of 25,863.83 euros includes one long term payment plan that has been duly fulfilled, for which the amount still in debt is 5,586.69 euros. The remaining value of 20,269.14 euros is related with withholding taxes from the months of February to September 2017, in debt. There is another long term payment plan approved by Tax Authorities, related with IRC Tax, from 2014, that has been duly fulfilled, for which the amount still in debt is 622.06 euros.

Deferrals

For the period ended September 30, 2017, and year ended December 31, 2016, the deferrals had the following breakdown:

Deferrals			30.09.2017	31.12.2016
	Costs recognizable	Insurance	1,371.52	1,066.71
		Other deferred costs	790.55	-
		Subtotals	2,162.07	1,066.71
	Total		2,162.07	1,066.71

Equity

As at September 30, 2017, and year ended December 31, 2016, equity had the following breakdown:

Equity	30.09.2017	31.12.2016
Capital	261,728.15	261,728.15
Other equity instruments	-	-
Share Premiums	1,258,617.36	1,258,617.36
Retained earnings	(2,332,857.08)	(2,155,343.69)
Net profit	(270,734.40)	(177,513.39)
Totals	(1,083,245.97)	(812,511.57)

As at September 30, 2017, the share capital of 261,728.15 euros is fully subscribed and paid and it is represented by 26,172,815 shares with a fair value of 0.01 euros.

9. CASH FLOW

With regards to cash flows, cash and cash equivalents include cash and bank deposits available on demand (period not exceeding three months), and net of bank overdrafts. Cash and cash equivalents as at September 30, 2017, and year ended December 31, 2016 are detailed as follows:

Cash and Bank deposits	30.09.2017			31.12.2016		
	Debit balance	Credit Balance	Net Balance	Debit balance	Credit Balance	Net Balance
Assets	-	-	0.00	-	-	0.00
Cash	3.93	-	3.93	856.50	-	856.50
Demand deposits	-	-	0.00	19,588.92	-	19,588.92
Other bank deposits	12.44	-	12.44	-	-	0.00
Subtotal	16.37	-	16.37	20,445.42	-	20,445.42
Totals	16.37	-	16.37	20,445.42	-	20,445.42

The value entered in cash has been checked and reconciled as at September 30, 2017, and December 31, 2016.

10. BORROWING COSTS

As at September 30, 2017 ynvisible supported the following borrowing costs:

	contract value	Loan Amount		Annual loan costs incurred		Loan costs led to expense
		current	Not current	Total	of which interest supported:	
Banking Institutions - Overdrafts	6,984.82	6,984.82				
Shareholders	337,818.07	337,818.07		19,882.84	19,882.84	
Credit Cards	6,622.86	6,622.86		884.40	884.40	
Totals	351,425.75	351,425.75		20,767.24	20,767.24	

11. REVENUE

The revenue recognized by the Company as at September 30, 2017 and 2016, is detailed as follows:

Revenue amounts recognized in the period	30.09.2017		30.09.2016	
	Revenues recognized in the period	Proportion relating to the total revenue recognized in the period	Revenues recognized in the period	Proportion relating to the total revenue recognized in the period
Provision of services	52,214.12	34.82%	64,458.34	43.17%
Operating subsidies	88,216.06	58.83%	83,660.55	56.03%
Other Income and Gains	9,508.02	6.34%	1,182.56	0.79%
Interests received	-	-	-	-
Totals	149,938.20	100.00%	149,301.45	100.00%

12. GOVERNMENT GRANTS AND DISCLOSURE OF GOVERNMENT ASSISTANCE

As at September 30 2017, ynvisible recognized income of operating subsidies in the amount of 88,216.06 euros. The ratio of subsidies as at September 30, 2017 and year ended December 31, 2016 is as detailed below:

List of grants obtained			Granting entity	Grant purpose	Benefit Period		Incentive recognizable in regard to the execution at date (a)	Profit recognized at 30.09.2017	Profit recognized at 31.12.2016	Profit recognized at 31.12.2015	Profit recognized at 31.12.2014	Profit recognized at 31.12.2013	Profit recognized at 31.12.2012	Incentive receivable (c)=(a)-(b)	Advances received (d)	Total receivable / Execute (e)=(c)-(d)
					Start	End										
Reimbursable	Operating subsidies	Ynvisible Worldwide Project	IAPMEI	Incentive for Innovation	01/02/2011	31/12/2012	-	-	-	-	-	-	-	0.00	-	0.00
		Invisible Network Project	ad - Innovation Agency	Incentives for Research and Technological Development	01/11/2011	30/06/2014	-	-	-	-	-	-	-	0.00	23,875.50	(23,875.50)
		Subtotals					0.00			0.00	0.00	0.00	0.00	0.00	23,875.50	(23,875.50)
Non Reimbursable		Ymagazines Project	ad - Innovation Agency	Incentives for Research and Technological Development	01/09/2010	01/05/2012	118,100.12	0.00	7,287.18	-	-	44,950.47	29,317.19	118,100.12	7,287.18	125,387.30
		SACS	7FP	Incentives for Research and Technological Development	01/11/2012	01/10/2015	210,305.89	0.00	57,199.07	46,557.10	54,662.28	51,887.44	-	210,305.89	108,566.35	101,739.54
		Invisible Network Project	ad - Innovation Agency	Incentives for Research and Technological Development	01/11/2011	01/06/2014	415,207.74	0.00	-	71,340.05	102,989.61	132,692.89	108,185.19	415,207.74	167,790.01	247,417.73
		EELICON	IAPMEI	Incentives for Research and Technological Development	01/01/2014	30/06/2017	268,914.00	77,247.31	39,344.58	74,182.33	78,139.78	0.00	0.00	268,914.00	180,380.00	88,534.00
		SME Instrument	European Union	Incentives for Research and Technological Development	01/01/2015	31/12/2015	50,000.00	0.00	-	50,000.00	0.00	0.00	0.00	50,000.00	-	50,000.00
		Infusion	European Union	Incentives for Research and Innovation Staff Exchange	01/01/2017	31/12/2017	10,968.75	10,968.75	0.00	0.00	0.00	0.00	0.00	10,968.75	63,700.00	(52,731.25)
		Transferring S.S. Invisio	IEFP	Support for Hiring	01/04/2013	30/06/2014	13,402.36	0.00	1,143.69	0.00	4,729.06	7,536.61	0.00	13,402.36	-	13,402.36
		9's Invisio	AIP	Support for Hiring	22/01/2014	21/01/2015	31,441.44	0.00	0.00	1,460.28	29,981.16	0.00	0.00	31,441.44	-	31,441.44
		Subtotals					1,119,340.30	88,216.06	104,974.52	243,539.76	270,500.89	147,160.47	137,502.38	743,613.75	513,149.18	474,544.57

Invisible Network Project

On September 1, 2011, ynvisible entered into a consortium agreement with 11 entities, in order to implement the Invisible Network Project, which was contracted on the 24th of October 2011 with the Portuguese Innovation Agency (ADI). The project had the overall goal of developing a new generation of interactive products based on invisible and ubiquitous computing concepts and technologies.

The project was carried out between November 2011 and March 2015.

It should be noted that the government-based incentive was subject to the following conditions:

- The Company must demonstrate adequate financing of the project with own equity of at least 20% of the eligible costs;

- The Company must demonstrate it has acquired the certification regarding Portuguese Standard NP 4457: 2007 (Management of Research, Development and Innovation (RDI)) , in case it makes corresponding investments pertaining to this certification, especially in terms of provision of services.

The Invisible Network project has been completed and ynvisible has been notified to return 170,960.26 euros, of which 98,277.53 euros have been already negotiated in a payment plan.

SACS Project

On November 1, 2012 ynvisible initiated the European project "Self-Assembly in Confined Spaces (SACS)" together with the following entities: Katholieke Universiteit Leuven, Belgium, Fundação da Faculdade de Ciências e Tecnologia da Universidade Nova de Lisboa, Portugal, Université de Strasbourg, France, Facultes Universitaires Notre-Dame de la Paix in Namur, Belgium, Philips Lighting BV, Netherlands and N-Tec AS, Norway.

The SACS project focused on the creation, through self-assembly, of functional structures in restricted or confined spaces, in which new properties appear resulting from encapsulation, and allowing the creation of architectures with geometries, sizes and shapes with exceptional properties.

The role of ynvisible in this project consisted essentially of:

- Formulating, printing and evaluating the electrochromic performance of new self-assembled materials developed during the project;
- Formulating, printing and characterizing new conductive materials;
- Specification and validation of the new encapsulated electrochromic materials and new conductive materials based on carbon nanotubes, for electrochromic applications;
- Integration of electrochromic devices in project prototypes.

The SACS project was concluded in October 31, 2016 and ynvisible received the final amount of 5,857.54 euros from the project in August 2017, after the submission of the final financial report.

EELICON Project

In 2015 ynvisible began to implement its work plan in the European FP7 project "Enhanced Energy Efficiency and Comfort by Smart Light Transmittance Control (EELICON)", approved in 2014 and with official start in January 2015. The main objective of the project was to establish a high-throughput prototype production for a cost-effective high performance mechanically flexible and light-weight electrochromic film technology, for applications in the automotive and aviation industries, as well as in household appliances. The EELICON consortium was composed of 13 partners and was led by Fraunhofer ISC; the project also included as partners Coatema Coating Machinery, ynvisible, TEKS, Microelectronica Maser, LCS Life Cycle Simulation, Consorzio Interuniversitario Nazionale Per La Scienza e Tecnologia Dei Materiali, Hydro-Quebec, Centrum Organische Chemie, Gorenje Gospodinjski Aparati, Acreo Swedish ICT, Universitaet Stuttgart, and Econtrol-Glas. ynvisible integrated the project in its benchmarking tasks

(market monitoring, preliminary business case and costing considerations), and was part of the Steering Group. ynvisible was also involved in the project as an SME Producer.

The EELICON project was concluded in June 30, 2017. As at September 30, 2017 ynvisible had received a total pre-financing amount from Project EELICON of 180,380 euros, which was not completely used to execute the project tasks. As such, ynvisible has to return a total of 48,461.77 euros to the European Commission. The Company has not yet been formally notified with regards to this refund. This value is reflected in the account of other debtors and creditors.

INFUSION

In November 2016, ynvisible was awarded a grant from the European Commission, within the context of its Horizon 2020 Research and Innovation program, and more specifically within the Research and Innovation Staff Exchange (RISE) action. The grant will fund the “INFUSION” project (Engineering optoelectronic Interfaces: a global action intersecting FUndamental conceptS and technology implementatION of self-organized organic materials), through which, using a network of 6 universities, 1 research institute and 3 companies, including ynvisible, representing 6 different countries, dozens of researchers and highly qualified staff members will have the opportunity to advance their know-how and expertise, and promote knowledge transfer among the different partners, in the field of organic chemistry, photochemistry, surface science, polymer and materials science, and device engineering. The project aims to create a strongly interdisciplinary and inter-sectorial environment in which the principles of self-organization are poured from academia into the private sector and vice-versa, to create new paradigms to engineer electrochromic devices. The overall available budget for the project is over 1 million euros. INFUSION started in January 2017 and will be carried out over a period of 4 years.

As at September 30, 2017 ynvisible had received a total pre-financing amount from Project INFUSION of 63,700 euros, which is reflected in the account of other debtors and creditors.

SME Instrument

During 2015, the Company benefited from a financial instrument to support SMEs in the context of Horizon 2020, in order to support its innovation activities. In this context, the Company benefited from a support of 50,000 euros, non-refundable, for the preparation of a business plan. This project has been concluded.

Traineeships / 3I's Internships

For the development of its business, the Company regularly uses existing programs that encourage the hiring of human resources. In this regard, the Company has benefited from the employment incentive programs promoted by IEFP (Employment and Vocational Training Institute) and AIP (Portuguese Industrial Association).

As at December 31, 2016, the Company did not have any ongoing program under the Traineeship initiative promoted by IEFP. However, in this period, an income of 1,143.69 euros related with a 2013 Traineeship initiative was recognized.

Regarding the support program to internships promoted by AIP - 3I's internships, in 2015 the Company recognized an income of 1,460 euros. These internships were completed in 2015. In 2016, as at December 31, there were no active internships under the AIP initiative in the Company. Also note that the Company still has to receive an amount of 4,176.22 euros from AIP, for reimbursement of past internship scholarships. This value has started to be paid by AIP in May 2017. AIP and ynvisible have agreed that AIP will pay the overall amount of 4,176.22 euros in 12 payments of 393.02 euros each.

13. OTHER INFORMATION

For the period ended September 30, 2017 and 2016, the supplies and external services were as follows:

Supplies and external services		30.09.2017	30.09.2016
Specialized jobs	Subcontracts	16,369.81	7,541.40
	Leases	168.85	149.18
	Communications	2,417.56	4,510.20
	Accounting	10,234.00	8,946.00
	Audit	4,500.00	3,000.00
	Lawyers	11,200.00	9,399.55
	Services Fee - Intercompany	18,000.00	18,000.00
	Fees	320.65	87.65
	Materials	3,323.68	1,296.25
	Energy	1,489.58	1,031.53
	Trips and accommodations	14,235.78	11,905.01
	others	21,093.99	(6,611.74)
Total		103,353.90	59,255.03

For the period ended September 30, 2017 and 2016, the personnel costs were as follows:

Personnel costs		30.09.2017	30.09.2016
Staff Remuneration	Corporate bodies	-	-
	Employees	210,000.81	157,476.69
	Internships	7,121.33	565.00
	Indemnities	1,277.88	5,471.80
	Sub-total	218,400.02	163,513.49
Costs with remunerations	Single Social Tax + FGCT contributions	42,173.98	19,980.14
	Sub-total	42,173.98	19,980.14
Insurances	Work insurance	800.10	778.22
	Health / life insurance	2,820.07	1,799.37
	others	2,676.30	-
	Sub-total	6,296.47	2,577.59
Total		266,870.47	186,071.22

During the first nine months of 2017, the average number of ynvisible employees was 7.

For the period ended September 30, 2017 and 2016, other expenses and losses were as follows:

Other expenses and losses		30.09.2017	30.09.2016
Taxes, Interests and Others	Indirect Taxes	505.18	1,651.62
	Late payment Interests	7,084.69	5,746.54
	Others	18,522.87	9,345.11
	Sub-total	26,112.74	16,743.27
TOTAL		26,112.74	16,743.27

For the period ended September 30, 2017 and 2016, interest and similar expenses were as follows:

Interest and similar expenses paid		30.09.2017	30.09.2016
Interest and similar expenses paid	Interests	20,767.24	7,453.19
	Late payment Interests	-	-
	Sub-total	20,767.24	7,453.19
TOTAL		20,767.24	7,453.19

Related party transactions

Related party transactions take place during the normal course of operations and are measured according to the amounts established and agreed to by the related parties.

During the period ended September 30, 2017 and year ended December 31, 2016 the following transactions were made between related parties:

Transactions with related parties		30.09.2017				31.12.2016			
		Supplier				Supplier			
		Re-debits of ESF	ESF	IP	Financial costs	Re-debits of ESF	ESF	IP	Financial costs
Parent Company	YDreams Informática S.A.		18,000.00				24,000.00		
	Subtotals	-	18,000.00	-	-	-	24,000.00	-	-
Others	Other Shareholders								
	Subtotal	-	-	-	-	-	-	-	-
	Totals	-	18,000.00	-	-	-	24,000.00	-	-

The services rendered by YDreams to the Company in 2017 pertain to office space rent, administrative/financial services and IT services.

During the period ended September 30, 2017 and year ended December 31, 2016, outstanding balances with related parties were as follows:

Outstanding balances amounts with related parties, associated accumulated impairment losses and expenses recognized regarding bad debts or doubtful debts from related parties		30.09.2017		31.12.2016	
		Outstanding balances in		Outstanding balances in	
		Debit	Credit	Debit	Credit
Parent Company	YDreams Informática, S.A. (Supplier)	-	65,916.13	-	48,696.13
	YDreams Informática, S.A. (Customer)	-	-	-	-
	YDreams Informática, S.A. (Others)	-	2,727.17	-	5,823.87
	Subtotals		68,643.30		54,520.00
Other shareholders/ Companies of the Group	YD Vision	6,000.00	-	6,000.00	-
	Azorean (Supplier)	-	476.22	-	-
	Azorean (Others)	689.81	-	689.81	-
	Subtotals	6,689.81	476.22	6,689.81	-
Totals		6,689.81	69,119.52	6,689.81	54,520.00

14. FAIR VALUES AND RISK MANAGEMENT

The Company's financial instruments consist of cash, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of trade and other payables and loans payable approximate their carrying values.

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party, by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

c) Liquidity Risk

Liquidity risk is the risk related to the Company encountering difficulties in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

Cartaxo, November 2, 2017

Official Accountant

Pedro Rodriguez

Board of Directors


 Antonio José de la Cruz
 Director

EXHIBIT J

**MANAGEMENT DISCUSSION AND ANALYSIS OF YNVISIBLE
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**



YD YNVISIBLE, S.A.

MANAGEMENT DISCUSSION AND ANALYSIS

NINE MONTHS ENDED SEPTEMBER 30, 2017

1.1 Date of Report: November 2, 2017

The following management discussion and analysis ("**MD&A**") of the financial position and results of operations for YD Ynvisible, S.A. (the "**Company**" or "**ynvisible**") should be read in conjunction with the interim financial statements and the notes thereto for the nine months ended September 30, 2017. Except as otherwise disclosed, all figures included therein and in the following management discussion and analysis are quoted in Euros.

1.2 Overall Performance

Overview

The Company aims to be a leading player in the emerging printed electronics sector. It is a private company incorporated under the laws of Portugal with assets located in Portugal. Printed electronics use new materials with electronic properties that are processed into inks and can be printed into thin layers (using conventional print house equipment) onto flexible materials, such as plastic and paper. Given the cost, form factor and power consumption advantages over conventional electronics, printed electronics technologies are a key enabler for the mass adoption of the Internet of Things ("IoT"). The Company has a proprietary technology of printed electrochromic (EC) displays, which can be designed to become the "face" of every smart label or product. The Company's displays use almost no power. They are ultra-low weight, microscopically thin, flexible, yet robust. When combined with various sensors, they can bring different functionalities and life to smart products. Electrochromic displays-based smart labels offer simple non obtrusive human interfaces to smart IoT objects. The Company's mix of services, materials and technologies is a unique combination, which is winning favor among brand owners developing their IoT products for a huge market in its infancy. Since the Company's displays are printed, product designers can easily adapt electrochromics to the desired product design and required user experience.

The address of the Company's head office is Rua Mouzinho de Albuquerque, 7, 2070-104 Cartaxo, Portugal. The Company also has an R&D Center at Edifício YDreams, Madan Parque Sul, 2825-149 Caparica. The Company maintains a website at www.ynvisible.com.

Business Highlights

During the first nine months of 2017, ynvisible continued to develop and strengthen its relationships with customers and partners. ynvisible delivered small and medium volume display production projects and prototyping projects of new products/concepts, and carried out projects for developing and optimizing new features for electrochromic display technologies.



The Company expects to benefit from the relationships established in the past few years, with the adoption, on a large scale, of its display technology in applications, products and solutions that have been explored in the past.

From the projects developed in the first nine months of 2017, the following should be highlighted:

- Research and development (R&D) services project for an international customer from the chemical industry, under which ynvisible provided services based on its expertise and knowledge in electrochromics (optimization of chemical formulations, assembly and characterization of devices). The project was initiated in 2015, and continued throughout 2016 and the first half of 2017.
- Prototyping project for a worldwide consumer products brand, entailing the development, optimization and production of a few hundred electrochromic display units tailored for a specific application related with smart labels, which the client will use for consumer testing. The project was delivered in January 2017, as the result of a multi-year collaboration.
- Two small to medium size projects (dozens to hundreds of units) consisting of designing, producing and delivering tailor-made electrochromic displays for clients in the following areas: retail/point of sale and interior design.

In addition to the sales projects involving the delivery of electrochromic displays in variable quantities or providing prototyping and/or R&D services, ynvisible developed other business development activities in the first nine months of 2017:

- Continuing contacts and negotiations with partners with complementing expertise and intellectual property in electrochromics, including synthesis and production of electrochromic materials covering a wide range of colors. One emerging materials partnership involves new product development initiatives to brand owner clients e.g. in the cosmetics, toys, and sports equipment sectors.
- Contacts and negotiations with several potential resellers for ynvisible's technology for the North American market. In the second quarter, ynvisible initiated contacts with a potential partner for the healthcare sector.
- Supply of electrochromic display samples and demo kits to several potential clients and partners for testing purposes.
- Design, development and production of new prototypes for demonstrating the applicability of electrochromic devices in different vertical markets and products, with a focus on smart labels.
- Presence at LOPEC 2017 (www.lopec.com), a globally leading printed electronics exhibition and conference. ynvisible significantly contributed to producing over 1000 paper-based electrochromic display giveaway demonstrators to attendees. ynvisible also had a booth at the event and Jani-Mikael Kuusisto, ynvisible's General Manager, gave an invited talk entitled

“Natural Human Machine Interfaces in Ambient Intelligence: a Case for Printed Electrochromics”.

- First public demonstration of ynvisible’s electrochromics printed directly onto NFC (RFID) tags at IDTechEx Printed Electronics Europe 2017 show (<http://www.idtechex.com/printed-electronics-europe>), in Berlin. Samples produced in collaboration with Quad Industries from Belgium.

- Publishing of new report by Market.biz on the Printed Electronics market. ynvisible is profiled as a dominant Printed Electronics market player.

ynvisible also carried out activities related with ongoing and potential future projects funded by the European Commission. The most relevant activities were the following:

- The EELICON (<https://www.eelicon.eu/>) project was brought to a close on June 30; demonstrators produced by ynvisible in the EELICON project were successfully displayed at EuroNanoForum 2017, in Malta, triggering first business opportunities with selected partners from the project.
- The INFUSION project was started in January 2017. INFUSION is a staff exchange initiative, within the context of the Horizon 2020 Research and Innovation program, and more specifically within the Research and Innovation Staff Exchange (RISE) action.
- Two project proposals for development initiatives with a focus on printed electrochromics, one for the medical sector and one for the decorations and interior design markets, were submitted for second stage and final approval by the European Commission, within the context of the Horizon 2020 Research and Innovation funding program. Both project proposals were successfully approved by the European Commission and in Q3 these projects were in contract negotiations. Aimed start of these projects is Q1/2018.

In summary, in the first nine months of 2017 ynvisible continued its activities focused mostly on the commercial demonstration of its technology, through the establishment of contacts and relationships with clients and partners, the design and production of tailored displays and products, and the development of further features of its technology and its production process.

Reverse Takeover and Financing Operation

The Company's ability to continue as a going concern, to fund its operations and main activities (electrochromic display production process scale-up, smart labels and products prototyping abilities, development of new features for its electrochromic display technology, business development, marketing and sales activities), and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.



On April 29, 2016, the Company entered into a binding letter of intent (the “**LOI**”) which set out the basic terms and conditions pursuant to which the Company will sell 95.53% of its issued and outstanding shares in exchange for common shares of Network Exploration Ltd. (“**Network**”). Pursuant to the terms of the LOI, the majority of Network's management and directors will be replaced with nominees of ynvisible, and Network will issue sufficient securities such that the transaction will constitute a Change of Business Reverse Takeover (“**RTO**”) under the rules of the TSX Venture Exchange (the “**Exchange**”).

On July 19, 2016, the Company entered into a share exchange agreement (the “**SEA**”) with Network, pursuant to which Network will acquire 95.53% of the issued and outstanding shares of ynvisible in exchange for common shares of Network (this value was later amended to 94,19%). Pursuant to the terms of the SEA, the majority of Network's management and directors will be replaced with nominees of ynvisible, and Network will issue sufficient securities such that the transaction will constitute a RTO under the rules of the Exchange.

Upon successful completion of the RTO, Network will cease all operations as a mining exploration company, will be listed as a Tier 2 Technology Issuer on the Exchange, and the business of ynvisible will become the business of Network.

Completion of the RTO is subject to a number of conditions, including acceptance of the Exchange, approval by the shareholders of Network and ynvisible of the resolutions to be voted on at their respective shareholder meetings and completion of a \$3.3 million financing, or such other amount as may be agreed to between Network, ynvisible and the agents for the financing (the “**Concurrent Financing**”). The RTO cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement or other disclosure document to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon.

In summary, in 2016 and throughout the first nine months of 2017 there was a strong effort dedicated to the reverse takeover and financing process, which will allow the Company to enter a new growth cycle.

1.3 Results of Operations for the Nine Months Ended September 30, 2017

Revenue

- Total revenue for the nine months ended September 30, 2017 was 149,938.20€.

Significant Factors Causing Changes in Revenue

- When compared with the same period in 2016, the total revenue from the first nine months of 2017 was approximately the same as in the first nine months of 2016.

Significant Factors Causing Changes in Cost

- When compared with the same period in 2016, costs increased in the first nine months of 2017 mainly due to an increase in supplies and external services expenses (increase of 44,098.87€) and personnel costs (increase of 80,799.25€).
- With regards to supplies and external services, there were increases compared with the same period in 2016; remodeling work on the future production line space was one of the main contributors to the difference between the two periods. In the first nine months of 2017 the main costs were as follows:
 - Services from the parent company – 18,000€
 - Specialized services, such as legal support, accounting and auditing – 26,118.47€
 - Supplies – 3,323.68€
 - Future production line space remodeling and refurbishment – 9,628.25€
 - Travel and accommodation expenses – 14,235.78€
 - Marketing expenses – 4,329.16€
 - Communications – 2,417.56€
- With regards to personnel costs, the increase relative to the same period in 2016 was mainly due to the fact that, in preparation for the RTO closing and new growth stage of the Company, in the second half of 2016 ynvisible hired Jani-Mikael Kuusisto for its management team.

Product Plan

- ynvisible has continued the development of its reversible electrochromic displays with efforts to streamline producibility, whilst maintaining device performance. Developments in irreversible electrochromic devices as single-use indicators were accelerated due to strong demand from the RFID market. Other EC device functionalities continued to be developed.

Unusual or infrequent Events

- The RTO process has taken significant time and attention from the management team of the Company.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, the uncertainty of commodity prices, and the uncertainty of fundraising activities.

1.4 Summary of Quarterly Results

Period Ended	Total Revenue (€)	Net Loss (€)	Loss Per Share (basic and diluted) (€)
September 30, 2017	149,938.20 €	(270,734.40) €	(0.010) €
June 30, 2017	127,949.08 €	(155,117.26) €	(0.0059) €
March 31, 2017	37,092.67 €	(107,782.88) €	(0.0041) €
December 31, 2016	212,399.76 €	(177,513.39) €	(0.0068) €
September 30, 2016	149,301.45 €	(125,600.02) €	(0.0048) €
June 30, 2016	109,180.14 €	(70,506.86) €	(0.0027) €
March 31, 2016	63,276.21 €	(23,183.02) €	(0.0009) €
December 31, 2015	403,367.95 €	(200,965.04) €	(0.018) €
December 31, 2014	477,909.74 €	(655,132.35) €	(0.060) €

The financial statements included in the table above were prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and the interpretations of the Financial Reporting Interpretations Committee (“IFRIC”).

1.5 Liquidity

In management's view, given the nature of the Company's operations, which consist of ink and display developments, EC display production and technology transfer, EC display and smart label design and prototyping services, plus client tailored development services, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will be dependent upon the extent to which it can scale-up the production of its EC display technology to address the higher volume customer requests, and increase its team to support customer projects. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of the EC inks and related display and smart label devices, plus customer services, is largely dependent upon factors beyond the Company's control. The Company does not expect to receive significant income from any of its EC inks developments in the foreseeable future.

The Company has financed its operations to date primarily through financing operations (private placements, bridge loans and convertible loans from its shareholders, loans from external parties), sales and government-related funds awarded for specific development projects. The Company continues to seek capital through various means including the issuance of equity and/or debt. During this period the Company has funded its operations through revenues originating from sales and other revenues (including government-related funds), as well as through loans from shareholders and external third parties, to fund on going technology developments and business development efforts, including the expansion of the Company's client, partner and reseller networks.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent

upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

1.6 Capital Resources

At September 30, 2017 the current assets of the Company consist of Trade and Other Receivables in the amount of 13,962.34€, Other Accounts Receivable in the amount of 92,460.59€ and Bank Deposits and Petty Cash in the amount of 16.37€. The Company had a working capital of (1,064,644.54)€.

1.7 Off-Balance Sheet Arrangements

At September 30, 2017, the Company had no material off-balance sheet arrangements.

1.8 Transactions Between Related Parties

In the nine months ended September 30, 2017, the Company has not incurred charges during the period from directors, or companies controlled by them, for management fees and/or consulting fees. Amounts due to related parties in the nine months ended September 30, 2017 (18,000€ to the parent company) were related with office space rent, and administrative/financial and IT services provided by the parent company to ynvisible.

In the nine months ended September 30, 2017, senior management members (Inês Henriques, Carlos Pinheiro and Jani-Mikael Kuusisto) were paid according to the employment contracts in place with the Company.

As at September 30, 2017, trade and other payables include 69,119.52€ due to related parties. Amounts due to related parties are related with management fees and services provided by the parent company to ynvisible.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Directors and Officers

As at September 30, 2017 and the date of this report, the Company had the following directors and officers:

- António Câmara, Chairman of the Board and Director
- Edmundo Nobre, Director
- José Miguel Remédio, Director
- Inês Henriques, Chief Executive Officer
- Jani-Mikael Kuusisto, General Manager
- Carlos Pinheiro, Chief Technology Officer

1.9 Third Quarter

The Company's focus during the third quarter of 2017 was to: 1) continue to prepare for the RTO transaction, 2) deliver on-going client projects and respond to a growing number of customer requests, 3) continue to plan for production scale-up activities and developments and prepare related partnerships, and 5) complete earlier government-funded projects and prepare contracts for two new projects with a begin date of Q1/2018.

Activity in the third quarter of 2017 was consistent with recent quarters. The major contributors of costs during the third quarter were related with personnel costs (87,260.01€), as well as supplies and external services (34,808.88€). Personnel costs include contributions to social security and other expenses (e.g. insurance) in the amount of 15,475.49€. Supplies and external services include: 2,320.06€ in travel and accommodation expenses, 12,825.97€ due to financial (accounting and audit) and other specialized services, and 6,000€ for office space rent and services provided by the parent company.

1.10 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company, other than the transaction proposed with Network.

1.11 Critical Accounting Estimates

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of uncertainty considered by management in preparing the financial statements are as follows:

- The valuation of deferred income tax assets is based on estimates of the probability of the Company utilizing certain tax pools and assets, and on the impact of future changes in legislation, tax rates and interpretations by tax authorities.
- The application of the Company's accounting policy for intangible assets expenditures, such as patents granted and patent applications in progress, requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

1.12 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, trade and other payables, and loans payable. Cash is measured at fair value based on Level 1 input of the fair value hierarchy. The fair value of trade and other payables and loans payable approximate their carrying values. The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party, by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

Liquidity Risk

Liquidity risk is the risk related to the Company encountering difficulties in meeting obligations associated with financial liabilities. The Company's trade and other payables and loans payable are all current. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

1.13 Other MD&A Requirements

This MD&A should be read in conjunction with the condensed interim financial statements for the nine months ended September 30, 2017. This MD&A is intended to assist the reader's understanding of ynvisible and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be requested directly to the Company and/or viewed on ynvisible's website: www.ynvisible.com.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable.

Summary of Outstanding Share Data as at September 30, 2017

	Number issued and outstanding
Common shares	26.172.815
Stock options	-
Warrants	-
Fully diluted	26.172.815

OTHER INFORMATION

Approval

The board of directors of YD Ynvisible, S.A. has approved the disclosure contained in the MD&A as of the date of this report.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to success of product sales, permitting time lines, currency fluctuations, requirements for additional capital, environmental risks, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to technological feasibility and technology adoption, regulatory and legal frameworks, intellectual property infringement, ability to recruit and retain management and other qualified personnel, customer retention and contract fulfillment, ability to expand sales and marketing and/or to develop ynvisible's brand, availability of capital, impacts of currency fluctuations, and overall growth management of the Company.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as



anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Cartaxo, November 2, 2017

Official Accountant

Pedro Rodriguez

Board of Directors

Arturo Rodríguez
Antonio Rodríguez
Jorge Rodríguez

CERTIFICATE OF THE COMPANY

Dated: December 27, 2017

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the Provinces of Canada, except Quebec.

“Alexander Helmel”

Alexander Helmel
President and Chief Executive Officer

“Darren Urquhart”

Darren Urquhart
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Robert Friesen”

Robert Friesen
Director

“Richard Vaive”

Richard Vaive
Director

CERTIFICATE OF THE REVERSE TAKE OVER ACQUIRER

Dated: December 27, 2017

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the Provinces of Canada, except Quebec.

“Inês Henriques”

Inês Henriques
Chief Executive Officer

“António Câmara”

António Câmara
Chairman of the Board

ON BEHALF OF THE BOARD OF DIRECTORS

“Edmundo Nobre”

Edmundo Nobre
Director

José Miguel Remédio

José Miguel Remédio
Director

CERTIFICATE OF THE PROMOTERS

Dated: December 27, 2017

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the Provinces of Canada, except Quebec.

YDREAMS – INFORMÁTICA, S.A.

“António Câmara”

António Câmara
Chairman of the Board

“Edmundo Nobre”

Edmundo Nobre
Director

“Alexander Helmelt”

Alexander Helmelt

CERTIFICATE OF THE AGENT

Dated: December 27, 2017

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the Provinces of Canada, except Quebec.

HAYWOOD SECURITIES INC.

“Lawrence Rhee”

Per: Lawrence Rhee

Managing Director, Investment Banking