

---

Consolidated Financial Statements  
**SOLARVEST BIOENERGY INC.**

April 30, 2018

(expressed in Canadian dollars)

(Unaudited)

---

Responsibility for Consolidated Interim Financial Statements

The accompanying consolidated interim financial statements for Solarvest BioEnergy Inc. have been prepared by management in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgement. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these unaudited interim financial statements have been fairly presented.

The auditor of Solarvest BioEnergy Inc. has not performed a review of the unaudited interim financial statements for the nine months ended April 30, 2018.

**SOLARVEST BIOENERGY INC.**  
**Consolidated statements of financial position**  
**(expressed in Canadian dollars)**

	<b>April 30 2018 (Unaudited),</b>	<b>July 31 2017 (Audited)</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 633,484	\$ 201,121
Receivables	17,915	13,337
Prepaid expenses	3,622	3,160
	<b>655,021</b>	<b>217,618</b>
<b>Capital Assets</b> (Note 4)	<b>233,577</b>	<b>348,598</b>
<b>Intellectual Property</b> (Note 5)	<b>285,859</b>	<b>302,972</b>
<b>Total Assets</b>	<b>\$ 1,174,457</b>	<b>\$ 869,188</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,061,324	\$ 1,293,024
Due to related party (Note 14)	1,353,041	939,070
Promissory note payable (Note 6)	152,865	148,361
Current portion of long term debt (Note 7)	24,598	23,355
	<b>2,591,828</b>	<b>2,403,810</b>
<b>Long term debt</b> (Note 7)	<b>187,489</b>	<b>206,183</b>
<b>0% convertible debenture, due March 26, 2021</b> (Note 8)	<b>1,000,000</b>	<b>-</b>
<b>Shareholders' Equity</b>		
<b>Share Capital</b> (Note 9)	<b>4,823,242</b>	<b>4,823,242</b>
<b>Contributed surplus</b> (Note 10)	<b>439,374</b>	<b>423,543</b>
<b>Warrants</b> (Note 11)	<b>650,332</b>	<b>223,635</b>
<b>Deficit</b>	<b>(8,517,808)</b>	<b>(7,211,225)</b>
	<b>(2,604,860)</b>	<b>(1,740,805)</b>
<b>Total Equity and Liabilities</b>	<b>\$ 1,174,457</b>	<b>\$ 869,188</b>

*See accompanying notes to the financial statements*

**SOLARVEST BIOENERGY INC.**  
**Consolidated statements of comprehensive loss**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

	Three months ended April 30,		Nine months ended April 30,	
	2018	2017	2018	2017
<b>Revenue</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>				
Amortization	\$ 45,028	\$ 48,265	\$ 135,085	\$ 144,964
Insurance	6,886	5,167	19,880	15,929
Interest expense	3,427	3,585	10,550	11,475
Licence fees	-	134	605	15,384
Office and general	(1,025)	4,801	18,141	18,200
Professional fees	143,260	70,548	193,868	109,862
Registration and filing fees	11,094	6,220	15,577	(1,655)
Rent and utilities	23,101	21,880	67,602	67,638
Research and development	119,649	71,629	306,322	238,112
Shareholder costs	705	1,378	3,423	4,405
Transfer agent	2,542	2,722	4,202	4,897
Travel	6,616	85	8,659	85
Foreign exchange (gain) loss	181	-	141	(11)
Debt issue costs (Note 8)	522,528	-	522,528	-
	883,992	236,414	1,306,583	629,285
<b>Net Loss before other comprehensive loss</b>	<b>\$ (883,992)</b>	<b>\$ (236,414)</b>	<b>\$(1,306,583)</b>	<b>\$ (629,285)</b>
Basic and diluted loss per share (note 12)	\$ (0.04)	\$ (0.01)	\$ (0.06)	\$ (0.03)

*See accompanying notes to the financial statements*

**SOLARVEST BIOENERGY INC.**  
**Consolidated statement of cash flows**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

<b>For the nine months ended April 30,</b>	<b>2018</b>	<b>2017</b>
<b>Operating Activities</b>		
Income (Loss) from operations	\$(1,306,583)	\$ (629,285)
Adjustments to reconcile net loss from operating activities		
Amortization	135,085	144,964
Debt issue costs	522,528	-
Interest on promissory note	4,504	4,504
Changes in non-cash working capital items		
(Increase) decrease in receivables	(4,578)	42,357
(Increase) decrease in prepaid expenses	(462)	(3,297)
Increase (decrease) in accounts payable and accrued liabilities	(231,699)	182,738
Increase in due to related party	243,971	45,990
	(637,234)	(212,029)
<b>Investing Activities</b>		
Acquisition of equipment	(2,952)	-
<b>Financing Activities</b>		
Loan payable	170,000	140,000
Proceeds from issuance of capital stock	-	250,000
Net proceeds from convertible debenture financing	920,000	-
Repayments of Capital Improvements Loan	(17,451)	(11,490)
	1,072,549	378,510
<b>Net change in cash</b>	<b>432,363</b>	<b>166,481</b>
<b>Cash, beginning of period</b>	<b>201,121</b>	<b>2,667</b>
<b>Cash, end of period</b>	<b>\$ 633,484</b>	<b>\$ 169,148</b>

*See accompanying notes to the financial statements*

**SOLARVEST BIOENERGY INC.**  
**Consolidated statements of changes in equity**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

	Share Capital		Reserves			Total
	Number of shares	Amount \$	Equity settled employee benefits \$	Warrants \$	Deficit \$	
Balance, July 31, 2015	20,678,516	4,296,544	196,203	158,973	(4,729,282)	(77,562)
Private placement	1,000,000	189,297	-	60,703	-	250,000
Shares issued for services	101,700	25,425	-	-	-	25,425
Stock based compensation	-	-	136,975	-	-	136,975
Comprehensive loss for the period	-	-	-	-	(1,565,816)	(1,565,816)
Balance, July 31, 2016	21,780,216	4,511,266	333,178	219,676	(6,295,098)	(1,230,978)
Comprehensive loss for the period	-	-	-	-	(392,871)	(392,871)
Balance, January 31, 2017	21,780,216	4,511,266	333,178	219,676	(6,687,969)	(1,623,849)
Private placement	1,680,000	311,976	-	94,324	-	406,300
Expiry of warrants	-	-	90,365	(90,365)	-	-
Comprehensive loss for the period	-	-	-	-	(523,256)	(523,256)
Balance, July 31, 2017	23,460,216	4,823,242	423,543	223,635	(7,211,225)	(1,740,805)
Expiry of warrants	-	-	15,831	(15,831)	-	-
Fair value of warrants issued	-	-	-	442,528	-	-
Comprehensive loss for the period	-	-	-	-	(1,306,583)	(1,306,583)
Balance, April 30, 2018	23,460,216	4,823,242	439,374	650,332	(8,517,808)	(3,047,388)

*See accompanying notes to the financial statements*

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**1. Nature of operations and continuance of operations**

The Company was incorporated under the Business Corporations Act (BC) on November 9, 2005. The principal business of the Company is the development of its algal-based production system to produce natural based "green" commercial products. The focus of the Company has moved from the longer term sustainable production of hydrogen to the use of specially selected algal strains to produce nutritional products, oils and biologic therapies. The address of the Company's registered office is 439 Helmcken Street, Vancouver B.C. V6B 2E6. To date the Company has not earned significant revenues and is considered to be in the development stage.

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Phycobiologics (Europe) Limited ("Phyco Europe"), Phyco Hydrogen Inc. ("PHI"), and Solarvest (P.E.I.) Inc. ("PEI"). All significant inter company accounts and transactions have been eliminated upon consolidation.

The Company has financed its activities to date through the issuance of common shares and continues to seek capital through various means including the issuance of equity and/or debt.

These consolidated 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 secure adequate financing and to commence profitable operations in the future:

---

	<b>April 30, 2018</b>	<b>July 31 2017</b>
<b>Working capital (deficiency)</b>	\$ (1,936,807)	\$ (2,186,192)
<b>Deficit</b>	\$ (8,517,808)	\$ (7,211,225)

---

**2. Basis of presentation**

These consolidated interim financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these consolidated interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

**3. Significant accounting policies**

These consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, they do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended July 31, 2017. The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period. Furthermore the information on accounting standards effective in future periods and not yet adopted remains unchanged from that disclosed in the annual financial statements. These consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries, and were approved by the Board of Directors on June 25, 2018.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

**4. Capital Assets**

**April 30, 2018**

	Cost	Accumulated Amortization	Net Book Value
<b>Equipment</b>	\$ 886,754	\$ 658,980	\$ 227,774
<b>Computer</b>	16,830	16,830	-
<b>Leasehold Improvements</b>	520,255	514,452	5,803
	\$ 1,423,839	\$ 1,190,262	\$ 233,577

**July 31, 2017**

	Cost	Accumulated Amortization	Net Book Value
<b>Equipment</b>	\$ 883,802	\$ 619,045	\$ 264,757
<b>Computer</b>	16,830	16,830	-
<b>Leasehold Improvements</b>	520,255	436,414	83,841
	\$ 1,420,887	\$ 1,072,289	\$ 348,598

**5. Intellectual Property**

The Intellectual property consists of the acquisition costs of worldwide exclusive rights, subject to limited exceptions, to an Inducible Chloroplast Gene Expression System, through the acquisition of the shares of Phyco Europe, the issuance of Class B common shares of PHI, the subsequent repurchase of the Class B common shares of PHI and patent acquisition costs. Component costs have been summarized below:

	<b>2018</b>	<b>2017</b>
Aquisition of shares of Phyco Europe	\$ 146,886	\$ 146,886
Issuance of Class B Common Shares of PHI	10	10
Acquired pursuant to acquisition of shares of PHI	144,426	144,426
Patent acquisition costs	95,011	95,011
Kohilo's Patent acquisition costs	102,643	102,643
	488,976	488,976
Accumulated amortization	203,117	186,004
Net Book Value	\$ 285,859	\$ 302,972

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

**6. Promissory Note Payable**

The Company received \$100,000 by issuing a promissory note to a director of the Company. The promissory note is unsecured and was issued on July 15, 2009 bearing an interest rate of 6% compounded annually. The note is due on demand. Interest of \$52,865 has been accrued to April 30, 2018 (July 31, 2017 - \$48,361).

**7 Long-term debt**

	<b>April 30, 2018</b>	<b>July 31, 2017</b>
0% ACOA loan, due March 1, 2025, repayable in monthly installments of \$1,200 beginning May 1, 2015	\$ 100,800	\$ 111,600
7% first time entrepreneur loan, due February 2026, repayable in monthly interest installments of \$695 until March, 2017. From March, 2017 the loan is payable in monthly blended installments of \$1,498	111,287	117,938
	212,087	229,538
Less: Current portion	24,598	23,355
	<b>\$ 187,489</b>	<b>\$ 206,183</b>

On January 23, 2013, the Company entered into an agreement with Atlantic Canada Opportunities Agency (ACOA) whereby ACOA agreed to loan 50% of the value of eligible capital assets incurred on the newly leased premises estimated to be \$789,000. On March 25, 2015, the loan agreement was amended under same terms and conditions except that the monthly repayment amount is changed to \$1,200 per month commencing May 1, 2015. This loan is unsecured.

On February 5, 2016, the Company entered into a loan agreement with Active Communities Lending Inc. ("ACLI"), a PEI corporation. The loan agreement was amended in March 3, 2016 whereby the loan was increased from \$100,000 to \$120,000. The loan is secured by a chattel asset equipment and bears interest at 7% per annum, calculated daily, not in advance and has a term of 10 years maturing on February 4, 2026.

The aggregate amount of principal payments estimated to be required in each of the next five years to meet retirement provisions is as follows:

Year ending July 31,	2018	24,598
	2019	25,336
	2020	26,119
	2021	26,960
	2022 and subsequent	120,743



**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**8. 0% Convertible Debenture due March 26, 2021**

On March 26, 2018, the Company closed a financial transaction in which it issued convertible debentures units ("Units") for aggregate gross proceeds of \$1,000,000. The convertible debenture can be converted into common shares ("Shares") at a price of \$0.20 per shares for a period of 36 months from the closing date.

The 5,000,000 warrants issued as part of the convertible debentures unit can be converted into common shares at a price of \$0.25 per share for a period of 36 months from closing date.

In connection with the financing, the Company paid \$80,000 in finder's fees and issued 400,000 finders' warrants. Each finder warrant entitles the holder to acquire one share at a price of \$0.25 for a period of 36 months from the date of closing.

**9. Share capital**

*Authorized share capital*

At April 30, 2018, the authorized share capital consisted of unlimited number of common shares and the issued share capital amounted to \$4,823,242. The common shares do not have a par value. All issued shares are fully paid.

**Fiscal year ended July 31, 2017**

On February 8, 2017, the Company closed a non-brokered private placement of 1,000,000 Units at a price of \$0.25 per unit for gross proceeds of \$250,000. Each unit consists of one common share and one warrant. Each whole warrant is exercisable at \$0.35 per share for a period of two years from date of issuance and include an acceleration clause that is triggered by a 20 day volume weighted average share price of \$0.95 per share.

On July 7, 2017, the Company closed a non-brokered private placement of 680,000 Units at a price of \$0.25 per unit for gross proceeds of \$170,000. Each unit consists of one common share and one warrant. Each whole warrant is exercisable at \$0.35 per share for a period of two years from date of issuance and include an acceleration clause that is triggered by a 20 day volume weighted average share price of \$0.95 per share. The Company paid \$13,600 in commissions and issued 54,400 broker warrants valued at \$2,404.

**Fiscal year ending July 31, 2018**

There were no share activity during the nine months ended April 30, 2018.

**Other Commitments to Issue Shares**

As at April 30, 2018, the Company was obligated to issue up to a total of 500,000 shares pursuant to the project having reached a level in research whereby hydrogen production can be brought to viable commercial production through a method of controlling key genes in algae which will result in continuous production of hydrogen.

**10. Share Options**

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

The Company records a charge to the statement of loss and comprehensive loss using the Black Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. The level of share volatility is calculated with reference to the historic traded daily closing share price at the date of issue. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**10. Share Options - continued**

The following table reflects the actual share options issued and outstanding as at April 30, 2018

<b>No. of options Outstanding and Exercisable</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
970,000	0.30	February 18, 2021

**11. Warrants**

In connection with the private placement between December 4, 2015 and April 6, 2016, the Company issued 600,000 warrants to subscribers. These warrants expired between June 4, 2017 and October 5, 2017 respectively and has a fair value of \$40,336 assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.25%; dividend yield - 0%; expected stock volatility - 72% to 87% and an expected life of 1.5 years.

On May 19, 2017, these warrants were extended for an additional twelve (12) months and will expire between June 4, 2018 to October 5, 2018 with all other terms and conditions, including the exercise price of \$0.35 per share remaining unchanged.

In connection with the private placement on February 8, 2017, the Company issued 1,000,000 warrants to subscribers. These warrants expired on February 8, 2019 and has a fair value of \$69,700 assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.00%; dividend yield - 0%; expected stock volatility - 87% and an expected life of 2 years.

In connection with the private placement on July 7, 2017, the Company issued 680,000 warrants to subscribers. These warrants expired on July 7, 2019 and has a fair value of \$22,600 assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.00%; dividend yield - 0%; expected stock volatility - 87% and an expected life of 2 years. The Company paid \$13,600 in commissions and issued 54,400 broker warrants valued at \$2,404 using the same assumptions as described above.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

**11. Warrants - continued**

In connection with the convertible debenture financing on March 26, 2018, the Company issued 5,000,000 warrants to subscribers and 400,000 finders' warrants. These 5,400,000 warrants expired on March 26, 2021 and has a fair value of \$442,528 assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.25%; dividend yield - 0%; expected stock volatility - 60% and an expected life of 3 years.

The warrants outstanding as at April 30, 2018 is summarized below:

No. of warrants Outstanding and Exercisable	Exercise Price	Expiry Date
300,000	0.35	June 4, 2018
100,000	0.35	August 4, 2018
200,000	0.35	October 5, 2018
1,000,000	0.35	February 8, 2019
734,400	0.35	July 7, 2019
5,400,000	0.25	March 26, 2021
7,734,400		

**12. Loss per share**

Basic and diluted loss per share

The calculations of basic and diluted loss per share for the nine months ended April 30, 2018 and 2017 were based on the following losses attributable to common shareholders and weighted average number of common shares outstanding:

	2017	2017
Loss	\$ (1,306,583)	\$ (629,285)
Weighted average number of common shares outstanding for the period	23,460,216	21,780,216
Loss per share	\$ (0.06)	\$ (0.03)

Diluted loss per share did not include the effect of the share options and warrants outstanding respectively as they are anti dilutive.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**13. Financial Instruments**

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the balance sheet and arises from the Company's cash and receivables.

The Company's cash is held with high credit quality financial institutions. Receivables mainly consist of goods and services tax due from the Federal Government of Canada and funding receivables from ACOA, a governmental agency.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations, and anticipating investing and financing activities. As at April 30, 2018, the Company had cash of \$633,484 and is insufficient to settle current liabilities of \$2,591,828 which have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market prices, such as interest rates and foreign exchange rates.

i) Interest rate risk

The company has cash and has a fixed interest rate bearing promissory note payable as a debt instrument. The Company's current policy is to invest excess cash in investment grade short term certificates of deposit issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.

ii) Foreign exchange rate risks

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations and administrative activities in United States by using US dollar currency from its Canadian dollar bank accounts. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

Sensitivity analysis

The carrying values of cash, receivables, and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be affected by credit risk, liquidity risk or market risk.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**14. Capital Management**

The objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders, benefits to other stakeholders and to have sufficient funds on hand to ensure the Company's on going growth of the business.

The Company considers the promissory note payable and the items in the shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust capital structure, the Company may issue new shares through private placements, sell assets, incur debts, or return capital to shareholders. As of April 30, 2018, the Company has an unsecured promissory note payable (See Note 6) and is not subject to externally imposed capital requirements.

**15. Related Party Transactions**

The Company entered into the following transactions with related parties during the nine months ended April 30, 2018 and January 31, 2017.

- (a) Received advances of \$243,972 (2017 - \$45,990) from a director of the Company.
- (b) Accrued interest of \$4,505 (2017 - \$4,504) due on the promissory note held by a director of the Company.
- (c) Incurred and accrued \$57,392 (2017 - \$36,925) of legal fees to a legal firm where a principal is a director of the Company.
- (d) During the nine months ended April 30, 2018 the Company accrued fees of \$18,000 to the CFO for accounting services (2017 - \$18,000).

These 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 parties.

Included in accounts payable and accrued liabilities is \$244,920 (July 31, 2017 - \$202,858) due to a company controlled by a director and \$102,787 (July 31, 2017 - \$135,999) due to directors of the Company.

Included within the due to a related party balance is \$983,230 (July 31, 2017 - \$738,829) due to Gerri Greenham (a control person of the Company), \$310,000 (July 31, 2017 - \$140,000) due to another shareholder, as well as \$59,811 (July 31, 2017 - \$60,241) owed to Kohilo Bio Inc., a company controlled by an employee and a director within the consolidated group of companies of Solarvest BioEnergy Inc.

The unsecured promissory note payable in the amount of \$152,865 (July 31, 2017 - \$148,361) is also due to Gerri Greenham. The note bears interest at 6% compounded annually and is due on demand.

**SOLARVEST BIOENERGY INC.**  
**Notes to consolidated financial statements**  
**April 30, 2018**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

---

**16. Research and development and Contingent liabilities**

Atlantic Innovation Fund

As at April 30, 2018, the Company received funding of \$1,999,375 from ACOA through the Atlantic Innovation Fund. Under terms of the agreement, these funds are contingently repayable on a royalty basis of 5% of gross revenue from the above project beginning March 31, 2015. The company did not meet the repayment conditions in 2018 or prior years.

Business Development Program

As at April 30, 2018, the Company has received funding of \$377,927 from ACOA through the Business Development Program. Under the terms of the agreement, these funds are contingently repayable on a royalty basis of 2.5% of gross revenue from the above project beginning March 31, 2015. The company did not meet the repayment conditions in 2018 or prior years.

**17. Commitments**

The future minimum rental lease payments for the next three years under an operating lease expiring in December 31, 2018 is as follows:

Year ending July 31	2018	54,000
	2019	22,500