

NSX Silver Inc.

Unaudited Interim Condensed
Financial Statements
(expressed in Canadian dollars)

June 30, 2017

August 29, 2017

Management's Report

The accompanying unaudited interim condensed financial statements of **NSX Silver Inc.** are the responsibility of management and have been approved by the Board of Directors. The unaudited interim condensed financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The unaudited interim condensed financial statements include certain amounts and assumptions that are based on management's best estimates and have been derived with careful judgment.

In fulfilling its responsibilities, management has developed and maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the financial records are reliable for preparation of the unaudited interim condensed financial statements. The Audit Committee of the Board of Directors reviewed and approved the Company's unaudited interim condensed financial statements, and recommended their approval by the Board of Directors.

These financial statements have not been reviewed by the external auditors of the Company.

(signed) "*James Nicoll*"
Executive Chairman
Halifax, Nova Scotia

(signed) "*Glenn Holmes*"
Chief Financial Officer
Halifax, Nova Scotia

NSX Silver Inc.

Unaudited Condensed Interim Statements of Financial Position

As at June 30, 2017 and December 31, 2016

(expressed in Canadian dollars)

	June 30, 2017 \$	December 31, 2016 \$
Assets		
Current assets		
Cash and cash equivalents	32,519	133,046
Sales tax recoverable	33,417	24,866
Deposits and prepaids	—	25,364
	<hr/>	<hr/>
	65,936	183,276
	<hr/>	<hr/>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	250,537	206,707
Amount due to shareholders (note 5)	59,676	59,676
	<hr/>	<hr/>
	310,213	266,383
Equity (note 6)	<hr/>	<hr/>
	(244,277)	(83,107)
	<hr/>	<hr/>
	65,936	183,276
	<hr/>	<hr/>

Nature of operations and going concern (note 1)

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

Approved by the Board of Directors

(signed) "Hans van Hoof", Director

(signed) "Glenn Holmes", Director

NSX Silver Inc.

Unaudited Interim Condensed Statements of Changes in Equity For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

	Share capital \$ (note 9)	Warrants \$ (note 9)	Contributed surplus \$ (note 9)	Deficit \$	Total \$
Balance – December 31, 2015	5,600,249	–	310,000	(5,999,230)	(88,981)
Net loss and comprehensive loss for the period	–	–	–	(24,468)	(24,468)
Balance – June 30, 2016	<u>5,600,249</u>	<u>–</u>	<u>310,000</u>	<u>(6,023,698)</u>	<u>(113,449)</u>
Balance – December 31, 2016	5,869,221	25,000	310,000	(6,287,328)	(83,107)
Net loss and comprehensive loss for the period	–	–	–	(161,170)	(161,170)
Balance – June 30, 2017	<u>5,869,221</u>	<u>25,000</u>	<u>310,000</u>	<u>(6,448,498)</u>	<u>(244,277)</u>

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

NSX Silver Inc.

Unaudited Interim Condensed Statements of Loss and Comprehensive Loss For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

	Three months ended June 30, 2017 \$	Three months ended June 30, 2016 \$	Six months ended June 30, 2017 \$	Six months ended June 30, 2016 \$
Operating expenses				
Consulting fees	40,200	8,000	127,107	8,000
Professional dues	1,259	2,455	3,036	3,705
Insurance	1,530	1,144	3,036	2,332
Professional fees	5,000	4,052	17,612	4,717
Travel	–	1,762	5,265	1,762
Other	4,222	2,879	5,114	3,952
	<hr/>	<hr/>	<hr/>	<hr/>
Net loss and comprehensive loss for the period	(52,211)	(20,292)	(161,170)	(24,468)
	<hr/>	<hr/>	<hr/>	<hr/>
Loss per share - basic and diluted	(\$0.005)	(\$0.004)	(\$0.02)	(\$0.005)
	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average outstanding common shares – basic and diluted	9,592,949	4,592,957	9,592,949	4,592,957
	<hr/>	<hr/>	<hr/>	<hr/>

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

NSX Silver Inc.

Unaudited Interim Condensed Statements of Cash Flows For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

	2017 \$	2016 \$
Cash provided by (used in)		
Operating activities		
Net loss and comprehensive loss for the periods	(161,170)	(4,176)
Net changes in non-cash working capital balances related to operations		
Decrease (increase) in sales tax recoverable	(8,551)	(977)
Decrease (increase) in deposits and prepaid expenses	25,364	–
Increase (decrease) in accounts payable and accrued liabilities	43,830	3,272
	<hr/>	<hr/>
Net change in cash and cash equivalents for the periods	(100,527)	(1,881)
Cash and cash equivalents – Beginning of periods	<hr/> 133,046	<hr/> 1,918
Cash and cash equivalents – End of periods	<hr/> 32,519	<hr/> 37

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

NSX Silver Inc.

Notes to Unaudited Interim Condensed Financial Statements For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

1 Nature of operations and going concern

Nature of operations

NSX Silver Inc. (the "Company") was incorporated under the Canada Business Corporations Act on August 9, 2011 as a wholly owned subsidiary of NSGold Corporation ("NSGold"). The common shares of the Company commenced trading on the TSX Venture Exchange, on March 14, 2012, as a mining issuer with the symbol NSY. As a result of the Company's disposition of its only resource property in 2015, the Company no longer met the minimum listing requirements of the TSX Venture Exchange. As a result, the listing of the Company's common shares was transferred to the NEX, a separate board of the TSX Venture Exchange, effective February 8, 2016.

On July 31, 2017, the Company announced that it entered into a letter of intent with Village View Limited Partnership No.1 to acquire all of the real property located at 41 Noel Avenue, Saint John, New Brunswick ("41 Noel Avenue") ("the Transaction"). 41 Noel Avenue is a multi-unit residential property totaling 31 units. Completion of the Transaction as contemplated would constitute a change of business in accordance with TSX Venture Exchange ("TSXV" or the "Exchange") Policy 5.2., *Changes of Business and Reverse Take-overs*, as the Company's current business is exploration for minerals. The proposed Transaction would see the Company engage in the ownership and management of multi-unit residential real estate. As a result, the Transaction is subject to Exchange acceptance and will also require the approval of the shareholders of NSX Silver.

Going concern

These unaudited condensed interim financial statements as at June 30, 2017 have been prepared on the basis of International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption, as the Company has an accumulated deficit of \$6.4 million and has no operations at this time which will generate revenue.

The ability of the Company to continue as a going concern, and to realize its assets and discharge its liabilities when due, is dependent upon its ability to secure sufficient financing to fund ongoing operations and its general and administrative costs. The Company is in the process of attempting to source additional financing to meet the Company's cash requirements and to recommence operating activities. Management cannot provide assurance that the Company will ultimately achieve profitable operations, become cash flow positive, or raise additional debt and/or equity capital.

2 Basis of presentation

Statement of compliance

The Company prepares its unaudited condensed interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information normally included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, has been omitted or condensed. These financial statements should be read in conjunction with the Company's annual audited financial statements for the year-ended December 31, 2016.

NSX Silver Inc.

Notes to Unaudited Interim Condensed Financial Statements For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

2 Basis of presentation (continued)

Statement of compliance (continued)

These financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Company's results of operations, financial position and cash flows. The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

The Board of Directors approved these financial statements for issue on August 29, 2017.

Basis of measurement

These unaudited interim condensed financial statements have been prepared under the historical cost basis.

Use of estimates and judgments

The preparation of the financial statements requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current as well as expected economic conditions. Actual results may differ from these estimates.

3 Significant accounting policies

These financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements of the Company for the year ended December 31, 2016. Refer to note 3 – Significant Accounting Policies, of the Company's annual consolidated financial statements for the year ended December 31, 2016 for information on accounting policies, as well as, new accounting standards not yet effective.

4 Accounts payable and accrued liabilities

	June 30, 2017 \$	December 31, 2016 \$
Accounts payable	191,037	186,707
Accrued liabilities	59,500	20,000
	<u>250,537</u>	<u>206,707</u>

As at June 30, 2017, \$33,500 (December 31, 2016 - \$12,000) of accounts payable and accrued liabilities is due to the officers and directors of the Company.

5 Amount due to shareholders

The amount due to shareholders is comprised of cash advances which are non-interest bearing, unsecured and are payable upon demand.

NSX Silver Inc.

Notes to Unaudited Interim Condensed Financial Statements For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

6 Share capital

a) Authorized capital stock

Unlimited number of common shares, without nominal or par value
Unlimited number of preferred shares, without nominal or par value, issuable in one or more series

	# of shares	Amount \$
Common shares issued and fully paid		
Balance – December 31, 2015 and June 30, 2016	4,592,957	5,600,249
Shares issued for cash, net of issue costs	4,999,992	268,972
Balance – December 31, 2016 and June 30, 2017	<u>9,592,949</u>	<u>5,869,221</u>

b) Private placement

On August 16, 2016, the Company completed a non-brokered private placement raising gross proceeds of \$300,000 through the issuance of 4,999,992 units at a price of \$0.06 per unit. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company for \$0.12 for a period of 12 months from the closing date. The capital stock value of the 4,999,992 shares issued is net of the warrant valuation of \$25,000 and share issue costs of \$6,028.

c) Options

The Company adopted a stock option plan for directors, officers, employees and consultants of the Company in 2011. During the year ended December 31, 2013, the Board of Directors approved an increase, in the maximum number of shares that may be issued under the stock option plan, from 300,000 to 400,000 shares. During the quarter ended March 31, 2017, the Board of Directors approved an increase, in the maximum number of shares that may be issued under the stock option plan, from 400,000 to 1,000,000. The exercise price of the stock options is determined by the Board of Directors when the options are granted, but cannot be less than the closing price of the Company's shares on the TSX Venture Exchange on the business day immediately preceding the day on which the option is granted. The maximum exercise period of the stock options is ten years.

During the periods ended June 30, 2017 and June 30, 2016, the Company did not grant any stock options. At June 30, 2017 and June 30, 2016, the Company did not have any stock options granted and outstanding.

NSX Silver Inc.

Notes to Unaudited Interim Condensed Financial Statements For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

6 Share capital (continued)

d) Warrants

The following table summarizes the changes in the Company's warrants for the periods ended June 30, 2017 and 2016:

	Expiry date	Exercise price \$	Number	Ascribed value \$
Balance – December 31, 2015 and June 30, 2016			–	–
Warrants issued pursuant to August 2016 private placement financing	August 16, 2017	0.12	<u>4,999,992</u>	<u>25,000</u>
Balance – December 31, 2016 and June 30, 2017			<u>4,999,992</u>	<u>25,000</u>

The fair value of warrants issued pursuant to the August 2016 private placement financing of \$25,000 has been estimated at the issue date using the residual method of valuation.

e) Contributed surplus

	June 30, 2017 \$	December 31, 2016 \$
Balance – Beginning and end of periods	<u>310,000</u>	<u>310,000</u>

7 Related party transactions

During the six month period ended June 30, 2016, the Company received advances from a director aggregating \$ 18,000. These advances are non-interest bearing and are payable upon demand.

During the six month period ended June 30, 2016, the Company incurred legal fees aggregating \$3,727 from a law firm of which one of the officers is a partner.

8 Financial instruments and other

Credit risk

The Company manages credit risk by holding its cash with high quality financial institutions in Canada, where management believes the risk of loss to be low.

NSX Silver Inc.

Notes to Unaudited Interim Condensed Financial Statements For the periods ended June 30, 2017 and 2016

(expressed in Canadian dollars)

8 Financial instruments and other (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Company must secure financing during 2017 to avoid disruption in planned expenditures (see note 1).

Market risk

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

The Company has no interest-bearing debt and is not exposed to any significant interest rate risk

9 Subsequent event

On July 31, 2017, the Company announced that it entered into a letter of intent with Village View Limited Partnership No.1 to acquire all of the real property located at 41 Noel Avenue, Saint John, New Brunswick ("41 Noel Avenue") ("the Transaction"). 41 Noel Avenue is a multi-unit residential property totaling 31 units. Completion of the Transaction as contemplated would constitute a change of business in accordance with TSX Venture Exchange ("TSXV" or the "Exchange") Policy 5.2., *Changes of Business and Reverse Take-overs*, as the Company's current business is exploration for minerals. The proposed Transaction would see the Company engage in the ownership and management of multi-unit residential real estate. As a result, the Transaction is subject to Exchange acceptance and will also require the approval of the shareholders of NSX Silver.

The Company intends to change its name from NSX Silver Inc. to Vivere Communities Inc, as approved by its shareholders at the Company's Annual and Special Meeting of Shareholders held on June 28, 2017. The company will reserve an appropriate trading symbol to correspond with the name change. Both the change of name and trading symbol are subject to approval by the Exchange.

It is contemplated that the proposed Transaction would meet the criteria for a listing on the TSXV and allows the company to move from the NEX to TSXV, subject to approval of the Exchange.

Subsequent to June 30, 2017, a total of 499,998 warrants were exercised for aggregate proceeds of \$60,000 and the remaining 4,499,994 warrants expired unexercised. A director of the Company exercised 166,666 warrants.