

NSX Silver Inc.

Unaudited Condensed Interim
Financial Statements
(expressed in Canadian dollars)

September 30, 2016

November 29, 2016

Management's Report

The accompanying unaudited condensed interim financial statements of **NSX Silver Inc.** are the responsibility of management and have been approved by the Board of Directors. The financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The 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 financial statements. The Audit Committee of the Board of Directors reviewed and approved the Company's financial statements, and recommended their approval by the Board of Directors.

(signed) "*Johannes H.C. van Hoof*"
President and Chief Executive Officer
Buenos Aires, Argentina

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

NSX Silver Inc.

Unaudited Condensed Interim Statements of Financial Position

As at September 30, 2016 and December 31, 2015

(expressed in Canadian dollars)

	September 30, 2016 \$	December 31, 2015 \$
Assets		
Current assets		
Cash and cash equivalents	210,576	1,918
Sales tax recoverable	15,637	4,437
Prepaid expenses	1,517	—
	<u>227,730</u>	<u>6,355</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	113,907	45,680
Amount due to shareholders (note 5)	59,676	49,656
	<u>173,583</u>	<u>95,336</u>
Equity (note 6)	<u>54,147</u>	<u>(88,981)</u>
	<u>227,730</u>	<u>6,355</u>

Nature of operations and going concern (note 1)

Subsequent event (note 9)

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

Approved by the Board of Directors

(signed) "Johannes H.C. Van Hoof", Director

(signed) "Glenn Holmes", Director

NSX Silver Inc.

Unaudited Condensed Interim Statements of Changes in Equity For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

	Share capital \$ (note 6)	Warrants \$ (note 6)	Contributed surplus \$ (note 6)	Deficit \$	Total \$
Balance – January 1, 2015	5,600,249	–	310,000	(5,660,354)	249,895
Net loss and comprehensive loss for the period	–	–	–	(13,924)	(13,924)
Balance – September 30, 2015	<u>5,600,249</u>	<u>–</u>	<u>310,000</u>	<u>(5,674,278)</u>	<u>235,971</u>
Balance – January 1, 2016	5,600,249	–	310,000	(5,999,230)	(88,981)
Net loss and comprehensive loss for the period	–	–	–	(125,844)	(125,844)
Shares issued for cash, net of share issue costs	245,972	–	–	–	245,972
Warrants issued for cash	–	23,000	–	–	23,000
Balance – September 30, 2016	<u>5,846,221</u>	<u>23,000</u>	<u>310,000</u>	<u>(6,125,074)</u>	<u>54,147</u>

On January 23, 2015, the Company completed a one-for-ten share consolidation. All references to the number of common shares have been adjusted retrospectively to reflect the Company's one-for-ten share consolidation for the prior periods disclosed in these financial statements.

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

NSX Silver Inc.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

	Three months ended Sept 30, 2016 \$	Three months ended Sept 30, 2015 \$	Nine months ended Sept 30, 2016 \$	Nine months ended Sept 30, 2015 \$
Operating expenses				
Consulting fees	76,332	–	84,332	–
Dues and fees	12,466	1,915	16,172	5,604
Insurance	1,153	1,250	3,485	3,750
Professional fees	790	–	5,507	3,055
Foreign exchange loss	–	2,347	–	12,340
Gain on settlement of accounts payable	–	(25,000)	–	(25,000)
Travel	3,209	–	4,971	–
Other	7,425	4,637	11,377	14,175
Net income (loss) and comprehensive income (loss) for the period	(101,375)	14,851	(125,844)	(13,924)
Income (loss) per share - basic and diluted	(\$0.02)	\$0.003	(\$0.02)	(\$0.003)
Weighted average outstanding common shares – basic and diluted	6,667,229	4,592,957	5,289,428	4,592,957

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

NSX Silver Inc.

Unaudited Condensed Interim Statements of Cash Flows

For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

	Nine Months ended Sept 30, 2016	Nine Months ended Sept 30, 2015
Cash provided by (used in)		
Operating activities		
Net loss and comprehensive loss for the periods	(125,844)	(13,924)
Gain on settlement of accounts payable	–	(25,000)
	<hr/>	<hr/>
	(125,844)	(38,924)
Net changes in non-cash working capital balances related to operations		
Increase in sales tax recoverable	(11,200)	(2,226)
Increase in deposits and prepaid expenses	(1,517)	(2,550)
Increase in accounts payable and accrued liabilities	68,227	14,792
	<hr/>	<hr/>
	(70,334)	(28,908)
Financing activities		
Proceeds from issuance of common shares, net of issue costs	268,972	–
Advances from (repayments to) shareholders - net	10,020	16,500
	<hr/>	<hr/>
	278,992	16,500
Net change in cash and cash equivalents for the periods	208,658	(12,408)
Cash and cash equivalents – Beginning of periods	<hr/>	<hr/>
	1,918	13,446
Cash and cash equivalents – End of periods	<hr/>	<hr/>
	210,576	1,038

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

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements For the periods ended September 30, 2016 and September 30, 2015

(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, with the symbol NSY. As a result of the Company's disposition of the shares of its Mexican subsidiary company, Compania Minera Oso Blanco SA de CV during 2015 (see note 4), 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.

Going concern

These unaudited condensed interim financial statements as at September 30, 2016 and September 30, 2015 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 \$6.1 million (December 31, 2015 – \$6 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 has raised gross proceeds of \$300,000 through the issuance of units in a non-brokered private placement (note 6(a)) and has entered into a share purchase agreement as part of its strategy to focus on the ownership and management of multi-unit residential real estate. The Company will need to raise additional equity in order to complete the proposed transaction (note 9). Management cannot provide assurance that the Company will ultimately achieve profitable operations, become cash flow positive, or raise additional debt and/or equity capital.

These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern, and these adjustments could be material.

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. The unaudited condensed interim financial statements should be read in conjunction with the Company's annual audited financial statements for the year-ended December 31, 2015.

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements For the periods ended September 30, 2016 and September 30, 2015

(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 the statements for issue on November 29, 2016.

Basis of measurement

These 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, 2015. Refer to note 3 – Significant Accounting Policies, of the Company's annual financial statements for the year ended December 31, 2015 for information on accounting policies, as well as, new accounting standards not yet effective.

4 Accounts payable and accrued liabilities

	September 30, 2016	December 31, 2015
	\$	\$
Accounts payable	97,907	26,580
Accrued liabilities	16,000	19,100
	<u>113,907</u>	<u>45,680</u>

5 Amount due to shareholders

The amounts due to shareholders are non-interest bearing, unsecured and are payable upon demand.

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements For the periods ended September 30, 2016 and September 30, 2015

(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 – September 30, 2015 and December 31, 2015	4,592,957	5,600,249
Shares issued for cash, net of issue costs	<u>4,583,326</u>	<u>245,972</u>
Balance – September 30, 2016	<u>9,176,283</u>	<u>5,846,221</u>

During 2015, the Company completed a one-for-ten share consolidation. Effective at the opening of trading on January 23, 2015, the Company's common shares commenced trading on the TSX Venture Exchange on a consolidated basis.

On February 8, 2016, the Company's listing of its common shares was transferred to the NEX Board of the TSX Venture Exchange (the "NEX"). The NEX trading platform is a separate board of the TSXV which provides a unique trading forum for listed companies that have fallen below TSX Venture's ongoing listing standards.

During the three months ended September 30, 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 closing date of the private placement was August 16, 2016 and as at September 30, 2016 the transfer of subscription proceeds aggregating \$25,000 from a subscriber's registered brokerage account remained outstanding. The 416,666 common shares and 416,666 warrants relating to this subscription were held in trust as at September 30, 2016 and for accounting purposes were excluded from the issued number of common shares and warrants. The capital stock value of the common shares issued as at September 30, 2016 is net of share issue costs of \$6,028.

All securities issued in connection with the private placement are subject to a four-month hold period that expires on December 17, 2016.

Officers and directors subscribed to an aggregate of 1,021,665 units for aggregate subscription proceeds of \$61,300.

b) Options

The Company has a common share purchase option plan (the "Plan") for directors, officers, employees and consultants. The total number of options issued and outstanding at any time cannot exceed 10% of the issued and outstanding common shares of the Company unless shareholder and regulatory approvals are

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

6 Share Capital (continued)

b) Options (continued)

obtained. The maximum exercise period of the stock options is ten years. 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. In determining the stock-based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model. Expected volatility is based on actual volatility of similar companies.

During the year ended December 31, 2015, the Company, with agreement of the optionees, cancelled all outstanding stock options. At September 30, 2016, the Company has no stock options outstanding.

c) Warrants

The following table summarizes the changes in the Company's warrants for the periods ended September 30, 2016 and 2015:

	Expiry date	Exercise price \$	Number	Ascribed value \$
Balance – September 30 and December 31, 2015			–	–
Warrants issued pursuant to August 2016 private placement financing	August 16, 2017	0.12	4,583,326	23,000
Balance – September 30, 2016			<u>4,583,326</u>	<u>23,000</u>

The fair value of warrants issued pursuant to the August 2016 private placement financing of \$23,000 has been estimated at the issue date using the residual method of valuation. In addition 416,666 warrants were held in trust as at September 30, 2016 and for accounting purposes were excluded from the issued number of warrants.

d) Contributed surplus

	September 30, 2016 \$	December 31, 2015 \$
Balance – Beginning and end of periods	<u>310,000</u>	<u>310,000</u>

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements

For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

7 Related party transactions

During the nine month period ended September 30, 2016, the Company incurred legal fees aggregating \$3,727 (nine month period ended September 30, 2015 - \$2,425) 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.

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 2016 to complete the Change of Business transaction (note 9) and to fund its ongoing operations (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.

Interest rate risk

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

9 Subsequent events

Subsequent to September 30, 2015, the Company received outstanding subscription proceeds of \$25,000 and 416,666 common shares and 416,666 warrants were released from trust.

On October 2011, 2016, the Company entered into a share purchase agreement (the "SPA") with Residence Cameron Ltd. and Dr. Marc Louis Girouard to acquire all of the issued and outstanding shares of Residence Cameron Ltd. ("Cameron"). Cameron owns multi-unit residential properties totaling 63 units, at 64, 66 and 86 Cameron Street in Moncton, NB. Cameron is a New Brunswick incorporated company whose sole assets are the multi-unit residential properties in New Brunswick.

The Transaction is subject to a number of conditions including, but not limited to, completion of satisfactory due diligence, arrangement of financing, approval by the shareholders of NSX Silver and approval by the Exchange.

NSX Silver Inc. will acquire all of the shares of Cameron for an aggregate purchase price of \$4,995,000 subject to adjustments at closing. NSX Silver will assume collateral mortgages currently held by Cameron with Caisse Populaire Sud-Est Ltee. and New Brunswick Housing Corporation in the aggregate amount of \$4,186,000 with the balance of the purchase price payable in cash from the proceeds of a private placement financing that NSX Silver expects to complete concurrent with the closing of this transaction (the "Transaction").

NSX Silver Inc.

Notes to Unaudited Condensed Interim Financial Statements For the periods ended September 30, 2016 and September 30, 2015

(expressed in Canadian dollars)

9 Subsequent event (continued)

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 29, 2016. 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.