INPUT CAPITAL

THE AGRICULTURE STREAMING COMPANY

Unaudited Condensed Interim Consolidated

Financial Statements

for the three months ended June 30, 2013

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, Input Capital Corp. discloses that its auditors have not reviewed the unaudited condensed interim consolidated financial statements for the three month period ended June 30, 2013 and 2012.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Canadian dollars)
(Unaudited)

	Note	June 30, 2013	March 31, 2013
ASSETS			
Current			
Cash and cash equivalents		$ 2,076,716	$ 1,510,470
Marketable securities		2,005,905	12,805,905
Trade and other receivables		437,622	2,593,389
Current portion of canola interests	7	4,035,014	990,014
Prepaid expenses		22,000	-
		$ 8,577,257	$ 17,899,778
Non-current			
Canola interests	7	13,096,548	5,022,968
Deferred income tax assets	11	820,846	378,422
Intangible assets		15,733	5,885
Investment in Input Capital Limited Partnership	8	81,860	860,746
		$ 22,592,244	$ 24,167,799
LIABILITIES			
Current			
Trade and other payables		$ 346,813	$ 399,382
		$ 346,813	$ 399,382
EQUITY			
Share capital - Input	9	23,653,482	23,653,482
Contributed surplus	9	215,644	123,080
Retained earnings (deficit)		(1,653,527)	(364,798)
Equity holders of Input Capital Corp.		**$** 22,215,599	**$** 23,411,764
Non –controlling interests	9	29,832	356,653
Total equity		**$** 22,245,431	**$** 23,768,417
		$ 22,592,244	$ 24,167,799

Subsequent events (note 17)

ON BEHALF OF THE BOARD

"Douglas Emsley", Director

"Brad Farquhar", Director

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

(Expressed in Canadian dollars)
(Unaudited)

	Note	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012
Sales		$ -	$ -
Expenses and other (income)			
Advertising and promotion		3,238	-
Amortization of intangible assets		834	-
Corporate administration	12	203,567	-
Gain on canola contracts		(395)	-
Listing expense	13	564,935	-
Interest and bank charges		278	-
Interest on marketable securities		(16,956)	-
Professional fees – legal, accounting and tax		26,306	-
Professional fees – other		3,200	-
Share of loss of equity-accounted investment	8	122	-
Travel		19,621	-
Loss before the undernoted		$ (804,750)	$ -
Unrealized market value adjustment	7	(926,420)	-
Loss before income tax		$ (1,731,170)	$ -
Income tax recovery	11	(442,424)	-
Net loss and comprehensive loss		$ (1,288,746)	$ -
Total comprehensive loss attributable to:			
Shareholders		$ (1,288,729)	$ -
Non-controlling interests		(17)	-
Net loss and comprehensive loss		$ (1,288,746)	$ -
Basic and diluted loss per share	10	**$** (0.04)	**$** -
Weighted average number of common shares outstanding	10	34,796,023	500

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

(Expressed in Canadian dollars)
(Unaudited)

Cash flow from (used in)	Note	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012
Operating activities			
Net loss for the period		$ (1,288,746)	$ -
Adjustments			
Amortization of intangible assets		834	-
Equity pick up Input Capital Limited Partnership	8	122	-
Income tax recovery	11	(442,424)	-
Interest income		(16,956)	-
Share based payments	9	92,564	-
Unrealized market value adjustment	7	926,420	-
Interest received from marketable securities		54,381	-
Changes in non-cash working capital	14	1,716,969	-
		$ 1,043,164	$ -
Investing activities			
Acquisition of canola interests	7	(12,045,000)	-
Proceeds from sale of marketable securities		10,800,000	-
Proceeds from Input Capital Limited Partnership	8	778,764	-
Purchase of intangible assets		(10,682)	-
		$ (476,918)	$ -
Financing activities			
		$ -	$ -
Net increase in cash		566,246	-
Cash – beginning of period		1,510,470	-
Cash - end of period		$ 2,076,716	$ -

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Expressed in Canadian dollars)

(Unaudited)

	Note	Share Capital		Contributed Surplus		Non-controlling interests	Retained earnings (deficit)	Total
		Number	Amount	Share Options	Share purchase warrants			
At April 1, 2013		500	500	-	-	-	-	500
At June 30, 2012		500	$ 500	$ -	$ -	$ -	$ -	$ 500
Shares issued		30,472,407	20,352,522	-	-	-	-	20,352,522
Acquisition of Input Capital Limited Partnership		947,354	871,871	-	-	-	-	871,871
Acquisition of Input Capital Limited Partnership 2		1,026,306	944,966	-	-	140,533	-	1,085,499
Acquisition of Input Capital Limited Partnership 3		2,349,456	2,191,603	-	-	220,928	-	2,412,531
Share issue costs net of tax		-	(707,980)	-	-	-	-	(707,980)
Share based payment – warrants		-	-	-	18,610	-	-	18,610
Share based payment – options		-	-	104,470	-	-	-	104,470
Total comprehensive loss		-	-	-	-	(4,808)	(364,798)	(369,606)
At March 31, 2013	9	34,796,023	$ 23,653,482	$ 104,470	$ 18,610	$ 356,653	$ (364,798)	$ 23,768,417
Distribution paid from Input Capital Limited Partnership 2	9	-	-	-	-	(127,074)	-	(127,074)
Distribution paid from Input Capital Limited Partnership 3	9	-	-	-	-	(199,730)	-	(199,730)
Share based payment – warrants	9	-	-	-	13,996	-	-	13,996
Share based payment – options	9	-	-	78,568	-	-	-	78,568
Total comprehensive loss		-	-	-	-	(17)	(1,288,729)	(1,288,746)
At June 30, 2013		34,796,023	$ 23,653,482	$ 183,038	$ 32,606	$ 29,832	$ (1,653,527)	$ 22,245,431

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

1. Nature of operations

Input Capital Corp. was incorporated under the Business Corporations Act of Saskatchewan on October 25, 2011. Input Capital Corp. (“Input Capital” or the “Company”) is an agriculture-based company that acquires canola purchase agreements (“Canola Streams”) from farmers. In return for making an upfront payment to acquire a Canola Stream, Input Capital receives the right to purchase, at a fixed price per unit, a specified number of units of canola in each year of the agreement.

The head office, principal address and registered office of the Company is located at Suite 300, 1914 Hamilton Street, Regina, Saskatchewan, S4P 3N6.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on August 28, 2013.

2. Basis of preparation

A. STATEMENT OF COMPLIANCE

These unaudited condensed interim consolidated financial statements, including comparatives, 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 Committee ("IFRIC"). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual consolidated financial statements as at and for the year ended March 31, 2013.

B. FUNCTIONAL AND PRESENTATIONAL CURRENCY

The unaudited condensed interim consolidated financial statements are presented in Canadian dollars, the functional currency of the Company, and all values are rounded to the nearest dollar with the exception of unit and per unit value.

C. USE OF ESTIMATES AND JUDGMENTS

In preparing these unaudited condensed interim consolidated financial statements, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended March 31, 2013. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financials statements are disclosed in note 4.

3. *Summary of significant accounting policies*

Except as described below, the accounting policies applied in these unaudited condensed interim consolidated financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended March 31, 2013.

CHANGES IN ACCOUNTING POLICIES

The Company has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of April 1, 2013.

Amendments to IFRS 7 Financial Instruments: Disclosures

The amendments introduce additional disclosures, designed to allow users of financial statements to improve their understanding of transfer transactions of financial assets, including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

IFRS 10, Consolidated Financial Statements and IAS 27, Separate Financial Statements

In May 2011, the IASB issued IFRS 10 - Consolidated Financial Statements to replace IAS 27 - Consolidated and Separate Financial Statements and SIC 12 - Consolidation – Special Purpose Entities. The new consolidation standard changes the definition of control so that the same criteria apply to all entities, both operating and special purpose entities, to determine control. The revised definition focuses on the need to have both power over the investee to direct relevant activities and exposure to variable returns before control is present. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

IFRS 11, Joint Arrangements

In May 2011, the IASB issued IFRS 11 - Joint Arrangements to replace IAS 31 - Interests in Joint Ventures. The new standard defines two types of arrangements: Joint Operations and Joint Ventures. Focus is on the rights and obligations of the parties to the joint arrangement, thereby requiring parties to recognize the individual assets and liabilities to which they have rights or for which they are responsible, even if the joint arrangement operates in a separate legal entity. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

IFRS 12, Disclosure of Interests in Other Entities

In May 2011, the IASB issued IFRS 12 - Disclosure of Interests in Other Entities to create a comprehensive disclosure standard to address the requirements for subsidiaries, joint arrangements and associates and the reporting entity's involvement with other entities. It also includes the requirements for unconsolidated structured entities (i.e. special purpose entities). The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

IFRS 13 - Fair Value Measurement

In May 2011, the IASB issued IFRS 13 - Fair Value Measurement as a single source of guidance for all fair value measurements required by IFRS to reduce the complexity and improve consistency across its application. The standard provides a definition of fair value and guidance on how to measure fair value as well as a requirement for enhanced disclosures. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

Amendments to IAS 1, Presentation of Financial Statements

An amended version of IAS 1 was issued by the IASB on June 16, 2011. The amendments to IAS 1 require items within other comprehensive income that may be reclassified to profit or loss to be grouped together. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

IAS 28, Investments in Associates and Joint Ventures

This Standard supersedes IAS 28 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The adoption of this new standard did not result in a material impact on the Company's consolidated financial statements.

FUTURE CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following new or amended standards:

Standards required to be applied for periods beginning on or after January 1, 2014:

- IAS 32 – Financial Instruments: Presentation (amended 2011)

Standards required to be applied for periods beginning on or after January 1, 2015:

- IFRS 9 (2010) – Financial Instruments (amended 2010)

The Company is reviewing theses standards to determine the potential impact, if any, on its consolidated financial statements.

4. *Key sources of estimation uncertainty and critical accounting judgments*

Information about significant areas of estimation uncertainty and judgments made by management in preparing the unaudited condensed interim consolidated financial statements are described below.

A. CANOLA INTERESTS

Canola interests are agreements for which settlements are called for in tonnes of canola, the amount of which is determined based on terms in the canola purchase agreements which are considered an investing activity and capitalized on a contract by contract basis and are recorded at fair value. As the contracts contain an embedded derivative relating to the market value of canola, at each reporting date the fair value of each contract is calculated using internal discounted cash flow models that rely on forward canola and other correlated commodity pricing provided by independent sources. Subsequent changes in fair value of these derivative financial instruments are recognized in profit/loss unrealized market value adjustments.

B. COST OF SALES

The value allocated to canola interests is capitalized and depleted on a unit-of-sale basis over the contracted known units corresponding to each specific contract. The company assesses each canola interests contract at each reporting date to determine whether any indications of impairment exist. Any impairment losses are recognized in profit or loss.

C. VALUATION OF STOCK BASED COMPENSATION

The Company recognizes share based compensation expense for all share purchase options and share purchase warrants awarded to employees, officers, directors and consultants based on the fair values of the share purchase options and the share purchase warrants at the date of grant. The fair values of share purchase options and share purchase warrants at the date of grant are expensed over the vesting periods of the share purchase options and share purchase warrants, respectively, with a corresponding increase to equity in contributed surplus. The fair value of share purchase options is determined using the Black-Scholes option pricing model with market related inputs as of the date of grant. The fair value of share purchase warrants is determined using a Monte Carlo simulation model with market related inputs as of the grant date. At the end of each reporting period, the Company re-assesses its estimates of the number of awards that are expected to vest and recognizes the impact of any revisions to this estimate in the consolidated statement of comprehensive income.

The Black-Scholes model requires management to estimate the expected volatility and term of the equity instrument, the risk-free rate of return over the term, expected dividends, and the number of equity instruments expected to ultimately vest. Volatility is estimated using the historical volatility of Canola, the expected term is estimated using historical exercise data, and the expected number of equity instruments expected to vest is estimated using historical forfeiture data. If and when share-based awards are ultimately exercised, the applicable amounts in Contributed Surplus are transferred to Share Capital.

D. DEFERRED INCOME TAXES

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. 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.

5. Seasonality of operations

The agriculture industry is subject to a high degree of seasonality. The Company's revenue is received from canola deliveries and sales over the several months after the harvest has been completed. The company expects to recognize the majority of its annual revenues during its fiscal third and fourth quarters, while capital deployment will be spread throughout the year.

June 30, 2013 / Expressed in Canadian dollars - unaudited

6. Financial instruments

Fair value is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

- Level 1 – Fair values are determined using inputs that are quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. The fair values for cash and cash equivalents and marketable securities were based on carrying value as an approximation of market value due to the short time frame to maturity.
- Level 2 – Fair values are determined using inputs, other than quoted prices in level 1, that are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liabilities.
- Level 3 – Fair values are determined based on inputs for the asset or liability that are not based on observable market data. Canola interest values are calculated using internal discounted cash flow models that rely on forward canola and other correlated commodity pricing provided by independent sources and long term basis assumptions.

The following sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy. As required by IFRS 13, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Classification	Level	June 30, 2013	March 31, 2013
Marketable securities	Fair value through profit or loss	1	$ 2,005,905	$12,805,905
Canola interests	Fair value through profit or loss	3	16,761,562	6,012,982

The fair value of short-term financial instruments approximates their carrying amounts due to the relatively short period to maturity. These include cash and cash equivalents, trade and other receivables, prepaid expenses and trade and other payables.

7. Canola interests

	June 30, 2013	March 31, 2013
Canola interests:		
Opening balance	$ 6,012,982	$ -
Acquisition of canola interest during the period	12,045,000	6,133,703
Unrealized market value adjustment	(926,420)	(120,721)
	$ 17,131,562	$ 6,012,982

June 30, 2013 / Expressed in Canadian dollars - unaudited

8. *Investment in Input Capital Limited Partnership*

The Company holds a 25.7% interest in Input Capital Limited Partnership. Input Capital Limited Partnership is in the process of winding down operations, collecting accounts receivable relating to canola crop share contracts, and distributing cash to the unit holders.

The Company's interest in Input Capital Limited Partnership is summarized below:

	Beginning of period	Distribution	Equity pick-up	June 30, 2013
Statement of financial position				
Current assets	$ 920,927	$ (778,764)	$ (52,660)	$ 89,503
Current liabilities	(60,181)	-	52,538	(7,643)
Investment in Input Capital Limited Partnership accounted for using the equity method	$ 860,746	$ (778,764)	$ (122)	$ 81,860

	Three months ended June 30, 2013	Three months ended June 30, 2012
Statement of loss		
Revenue	$ (123)	$ -
Expenses	1	-
Loss	$ (122)	$ -

9. *Share capital, contributed surplus, and non-controlling interests*

A. SHARES AUTHORIZED

The Company's authorized share capital consists of an unlimited number of:

Class "A" common voting shares;
Class "B" common voting shares;
Class "C" common voting shares;
Class "D" common non-voting shares;
Class "E" common non-voting shares;
Class "F" common non-voting shares;
Class "G" common non-voting shares;
Class "H" common non-voting shares;
Class "I" preferred shares;
Class "J" preferred shares; and
Class "K" preferred shares.

The par value of these shares at June 30, 2013 is $nil (March 31, 2013 $nil).

June 30, 2013 / Expressed in Canadian dollars - unaudited

B. SHARES ISSUED

At June 30, 2013 there are 34,796,023 shares outstanding (March 31, 2013 – 34,796,023). All shares outstanding and are Class "A" common voting shares.

C. SHARE PURCHASE OPTIONS

The Company has an incentive share purchase option plan (the "Option Plan") whereby the Company may grant share options to eligible employees, officers, directors and consultants at an exercise price, expiry date, and vesting conditions to be determined by the Board of Directors. The maximum expiry date is five years from the grant date. All options are equity settled.

Upon Closing of the November 30, 2012 Private Placement, options equal to 10% of the then issued and outstanding shares were reserved for issuance pursuant to the terms of the Option Plan. The options vest to the option holders (subject to certain other conditions) one-third each year during the first 3 years of the 5 year option term. The options vest immediately in the event of a liquidity event. The Exercise Price of the Options granted concurrent with closing of this Private Placement was $1.00 per share. The Private Placement that closed on November 30, 2012 resulted in 3,479,602 options being reserved for issuance. As of June 30, 2013 - 3,129,602 (March 31, 2013 - 3,129,602) options had been granted. All options expire on November 30, 2017.

Black-Scholes assumptions		Year ended March 31, 2013
Grant date share price and exercise price	$	1.00
Expected dividend yield		0.00%
Expected volatility		13.30%
Risk-free interest rate		1.28%
Expected life of options		5 years

The fair value of the options granted during the year ended March 31, 2013 was $512,893. All 3,479,602 options remain outstanding as at June 30, 2013. All options expire on November 30, 2017. A continuity schedule of the Company's share option purchase reserve from June 30, 2012 to June 30, 2013 is presented below:

		Share Purchase Option Reserve
At June 30, 2012	$	-
Amortization of fair value of share options issued		104,470
At March 31, 2013		104,470
Amortization of fair value of share options issued		78,568
At June 30, 2013	$	183,038

June 30, 2013 / Expressed in Canadian dollars - unaudited

D. SHARE PURCHASE WARRANTS

The Company has a performance incentive share warrants plan (the "Warrant Plan") whereby the Company may grant share warrants to eligible employees, officers, directors and consultants at an exercise price, expiry date, and vesting conditions to be determined by the Board of Directors. The maximum expiry date is five years from the grant date. All warrants are equity settled.

The share warrants will become exercisable, if and when the Company realizes a liquidity event within predetermined timelines and the threshold price realized at the time of such liquidity event is equal to or greater than:

- On or before September 1, 2013, $1.33 per share (33% vest);
- On or before September 1, 2014, $1.67 per share (67% vest);
- On or before September 1, 2015, $2.00 per share (100% vest); or
- Sixty days prior to the expiry date, (in the absence of a prior Liquidity Event), should the Board determine that the current market price of the shares is not less than $2.00 per share, all of the performance share warrants shall be exercisable.

Upon Closing of the November 30, 2012 Private Placement, warrants equal to 20% of the then issued and outstanding shares were reserved for issuance pursuant to the terms of the Warrants Plan, at an exercise price of $1.00 per Common Share, based on an allocation determined by the Board of Directors. Subject to certain investment thresholds and time lines being achieved, the performance warrants will be exercisable by the holders thereof into an equal number of shares, on or before the earlier of five years from the date of granting the performance warrants, or the day immediately prior to a Liquidity Event occurring. On November 30, 2012, 6,959,204 warrants were issued.

Monte Carlo assumptions	Year ended March 31, 2013	
Grant date share price and exercise price	$	1.00
Expected dividend yield		0.00%
Expected volatility		19.00%
Risk-free interest rate		1.28%
Expected life of warrants		5 years

The fair value of the warrants granted during the year ended March 31, 2013 was determined using a Monte Carlo simulation model to be $92,000. All 6,959,204 warrants remain outstanding as at June 30, 2013. All warrants expire on November 30, 2017. A continuity schedule of the Company's share purchase warrant reserve from June 30, 2012 to June 30, 2013 is presented below:

	Share Purchase Warrant Reserve	
At June 30, 2012	$	-
Amortization of fair value of share warrants issued		18,610
At March 31, 2013		18,610
Amortization of fair value of share options issued		13,996
At June 30, 2013	$	32,606

June 30, 2013 / Expressed in Canadian dollars - unaudited

E. NON-CONTROLLING INTERESTS

The Company owns 87.1% of the outstanding partnership units of Input Capital Limited Partnership 2, a partnership under common management. Earnings from Input Capital Limited Partnership 2 have been included in Input Capital Corp.'s consolidated financial statements commencing from the acquisition date, November 30, 2012. Input Capital Limited Partnership 2 is in the process of winding down operations, collecting accounts receivable relating to canola crop share contracts, and distributing cash to the unit holders. A distribution of $854,444 was received in the three months ending June 30, 2013, which resulted in a reduction in non-controlling interests of $127,074.

The Company owns 90.8% of the outstanding partnership units of Input Capital Limited Partnership 3, a partnership under common management. Earnings from Input Capital Limited Partnership 3 have been included in Input Capital Corp.'s consolidated financial statements commencing from the acquisition date, November 30, 2012. Input Capital Limited Partnership 3 is in the process of winding down operations, collecting accounts receivable relating to canola crop share contracts, and distributing cash to the unit holders. A distribution of $1,981,748 was received in the three months ending June 30, 2013, which resulted in a reduction in non-controlling interests of $199,730.

10. Basic and diluted weighted average number of common shares

Diluted weighted average number of common shares is based on the following:

	Three months ended June 30, 2013	Three months ended June 30, 2012
Basic weighted average number of shares	34,796,023	500
Dilutive securities:		-
Share options	3,479,602	-
Share warrants	6,959,204	-

The share options and share warrants are anti-dilutive and therefore the diluted loss per share is the same as the basic earnings per share.

June 30, 2013 / Expressed in Canadian dollars - unaudited

11. *Income taxes*

The income tax expense differs from the amounts that would result from applying the federal and provincial income tax rate to the net income before income taxes. These differences result for the following items:

	Three months ended June 30, 2013	Three months ended June 30, 2012
Net loss before taxes	$ (1,731,170)	$ -
Canadian federal and provincial tax rates	27%	27%
Income tax (recovery) based on the above rates	$ (467,416)	$ -
Increase (decrease) due to the tax effect of:		
Non-deductible stock compensation	24,992	-
Deferred income tax expense (recovery)	$ (442,424)	$ -

The components of deferred income taxes recognized on the statement of financial position are as follows:

	Three months ended June 30, 2013	Three months ended June 30, 2012
Deferred income tax assets		
Share issuance costs	$ 196,392	$ -
Unused tax losses	334,830	-
Other	289,624	
Total deferred income tax asset	$ 820,846	$ -

12. *Corporate administration*

The corporate administration expenses of the Company are as follows:

	Three months ended June 30, 2013	Three months ended June 30, 2012
Contractors, employee salaries and benefits	$ 100,639	$ -
Office expenses	10,364	-
Share option and warrant based compensation	92,564	-
Total corporate administration expense	$ 203,567	$ -

13. *Listing expense*

Listing expenses relate to the identification and evaluation of businesses or assets with a view to completing a potential going public transaction.

June 30, 2013 / Expressed in Canadian dollars - unaudited

14. Supplemental cash flow information

	Three months ended June 30, 2013	Three months ended June 30, 2012
Change in non-cash working capital items		
Trade and other receivables	$ 1,776,077	$ -
Prepaid expenses	(22,000)	-
Trade and other payables	(37,108)	-
Net increase (decrease) in cash	$ 1,716,969	$ -

15. Key management personnel compensation

	Three months ended June 30, 2013	Three months ended June 30, 2012
Contractors, employee salaries and benefits	$ 78,194	$ -
Share based payments	75,291	-
Total key management compensation expense	$ 153,485	$ -

16. Related party transactions

The Company is related to Assiniboia Capital Corp., Emsley & Associates (2002) Inc., and Nomad Capital Corp. as a result of common management. The services provided by these related entities to Input Capital Corp. are governed by agreement. 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 related parties. Related party expenses are summarized in the following table:

	Three months ended June 30, 2013	Three months ended June 30, 2012
Advertising and promotion	$ 2,153	$ -
Corporate administration	82,010	-
Listing expense	84,967	-
Travel	12,900	-
Total related party expenses	$ 182,030	$ -

17. Subsequent events

On July 18, 2013 the Company announced that it completed its going public transaction by way of a reverse takeover of WB II Acquisition Corp. (“WB II”), a capital pool company pursuant to the TSX Venture Exchange Corporate Finance Manual Policy 2.4 - Capital Pool Companies. The reverse takeover proceeded by way of a “three-cornered” amalgamation (the “Amalgamation”) among Input Capital, WB II and 101235315 Saskatchewan Ltd. Immediately prior to the Amalgamation, WB II changed its name to “Input Capital Corp.” (the “New Input”) and completed a consolidation of its share capital on a basis of one post-consolidation WB II common share for every 16 WB II common shares existing immediately before the consolidation (the “Consolidation”).

As a result of the reverse takeover, Input Capital shareholders hold approximately 97.8% of the issued and outstanding common shares of the New Input and WB II shareholders hold approximately 2.2% of the issued and outstanding common shares of the New Input. Subject to applicable regulatory approvals, the New Input has been continued under The Business Corporations Act (Saskatchewan). The Amalgamation completes the previously announced qualifying transaction of WB II in accordance with the rules and policies of the TSX Venture Exchange (the “Qualifying Transaction”).

On July 18, 2013, the TSX Venture Exchange provided final approval of the listing of additional common shares of the New Input pursuant to the Qualifying Transaction.

As part of the above going public transaction, each holder of a share purchase warrant outstanding immediately before the transaction surrendered for cancellation the share purchase warrants and the warrants were cancelled without payment of any consideration.

Expenses associated with the above going public transaction are included in listing expense in the condensed interim consolidated statement of comprehensive loss.

On August 16, 2013, the Company, announced that it had completed its previously announced continuation (the "Continuation") under The Business Corporation Act (Saskatchewan) and vertical amalgamation (the "Vertical Amalgamation") with its wholly-owned subsidiary Input Capital Corp., a private company incorporated under The Business Corporations Act (Saskatchewan). The Vertical Amalgamation did not require shareholder approval and was completed to simplify the capital structure of Input. The Continuation was completed to move the Company into its principal operating jurisdiction. The completion of the Continuation and Vertical Amalgamation finalizes the post-transaction steps to the Company's going public transaction previously announced on July 18, 2013.