INPUT CAPITAL
THE AGRICULTURE STREAMING COMPANY

Financial Statements

for the periods ended September 30, 2016 and March 31, 2016

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Input Capital Corp.

We have audited the accompanying financial statements of Input Capital Corp., which comprise the statements of financial position as at September 30, 2016 and March 31, 2016, and the statements of comprehensive income (loss), statements of changes in equity and statements of cash flows for the six month period ended September 30, 2016 and the twelve month period ended March 31, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Input Capital Corp. as at September 30, 2016 and March 31, 2016, and its financial performance and its cash flows for the six month period ended September 30, 2016 and the twelve month period ended March 31, 2016 in accordance with International Financial Reporting Standards.

Deloitte LLP

Chartered Professional Accountants
Licensed Professional Accountants
December 6, 2016
Regina, Saskatchewan, Canada

STATEMENTS OF FINANCIAL POSITION

	Note	As at September 30, 2016 (Note 2)		As at March 31, 2016	
ASSETS					
Current					
Cash		$	16,642,665	$	24,772,200
Trade and other receivables	6, 7		4,257,605		442,326
Income tax recoverable			886,877		-
Current portion of canola interests	6, 7		28,878,396		34,858,577
Other financial assets	6, 7		3,852,643		78,987
Assets held for sale	7		18,681,068		4,411,155
Prepaid expenses			206,733		210,607
		$	73,405,987	$	64,773,852
Non-current					
Canola interests	6, 7	$	45,025,627	$	56,151,693
Capital and intangible assets			116,077		74,488
		$	118,547,691	$	121,000,033
LIABILITIES					
Current					
Trade and other payables	6, 15	$	2,225,097	$	3,638,902
Income tax payable			-		1,073,156
		$	2,225,097	$	4,712,058
Non-current					
Deferred income tax liabilities	12	$	709,757	$	266,121
		$	709,757	$	266,121
EQUITY					
Share capital	8	$	108,384,935	$	108,294,755
Contributed surplus	8		2,378,506		2,016,829
Retained earnings			4,849,396		5,710,270
		$	115,612,837	$	116,021,854
		$	118,547,691	$	121,000,033

ON BEHALF OF THE BOARD

"Douglas Emsley", Director

"David H. Laidley", FCPA, FCA, Director

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

STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Note	Six Months Ended September 30, 2016 (Note 2)		Year Ended March 31, 2016	
Revenue	10	$	8,042,239	$	46,704,461
Expenses and other income					
Amortization of capital and intangible assets			11,419		14,792
Corporate administration	11, 15		4,660,844		4,618,529
Interest income			(84,217)		(362,689)
Other gain	7		(344,162)		(666,257)
Purchase of canola and other direct expenses	10		550,987		16,762,189
Realization of canola interests	10		6,539,318		19,986,945
(Loss) profit before the undernoted		$	(3,291,950)	$	6,350,952
Market value adjustment	7		2,256,124		7,815,696
Net income (loss) before income tax		$	(1,035,826)	$	14,166,648
Income tax (recovery) expense	12		(174,952)		3,990,235
Net (loss) income and comprehensive (loss) income		$	(860,874)	$	10,176,413
Basic (loss) earnings per share	9	$	(0.01)	$	0.12
Fully diluted (loss) earnings per share	9		(0.01)	$	0.12

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

STATEMENTS OF CASH FLOWS

Cash flow from (applied to)	Note	Six Months Ended September 30, 2016 (Note 2)	Year Ended March 31, 2016
Operating activities			
Net (loss) income for the period		$ (860,874)	$ 10,176,413
Adjustments			
Amortization of capital and intangible assets		11,419	14,792
Deferred share unit expense (gain)	15	174,729	(208,548)
Deferred income tax (recovery) expense	12	234,498	2,498,801
Interest income		(84,217)	(362,689)
Interest received		96,901	391,313
Realization of canola interests	7, 10	6,539,318	19,986,945
Share based payments	8	387,857	626,518
(Gain) loss from buy back of canola interests	7	(9,614)	154,909
(Gain) loss from sale of canola futures and options	7	(185,028)	(585,515)
Unrealized market value adjustment	7	(2,256,124)	(7,815,696)
Changes in non-cash working capital	13	(5,657,785)	4,314,123
Cash generated from (applied to) operating activities		$ (1,608,920)	$ 29,191,366
Investing activities			
Acquisition of canola interests	7	(11,595,724)	(47,056,077)
Proceeds from buy back of canola interests	7	1,144,850	2,355,090
Proceeds from terminated contracts	7	3,692,239	-
Net proceeds of canola futures and options	7	227,028	617,130
Purchase of capital and intangible assets		(53,008)	(73,535)
Cash applied to investing activities		$ (6,584,615)	$ (44,157,392)
Financing activities			
Proceeds from shares issued	8	64,000	140,000
Cash generated from financing activities		$ 64,000	$ 140,000
Net decrease in cash		(8,129,535)	(14,826,026)
Cash – beginning of year		24,772,200	39,598,226
Cash - end of year		$ 16,642,665	$ 24,772,200

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

STATEMENTS OF CHANGES IN EQUITY

	Note	Share Capital				Contributed Surplus		Retained earnings (deficit)		Total
		Number		Amount		Share Options				
At March 31, 2015		81,472,758	$	108,134,007	$	1,411,059	$	(4,466,143)	$	105,078,923
Options exercised	8	140,000		160,748		(20,748)		-		140,000
Share based payment – options	8	-		-		626,518		-		626,518
Total comprehensive income		-		-		-		10,176,413		10,176,413
At March 31, 2016		81,612,758	$	108,294,755	$	2,016,829	$	5,710,270	$	116,021,854
Options exercised	8	50,000		90,180		(26,180)		-		64,000
Share based payment – options	8	-		-		387,857		-		387,857
Total comprehensive loss		-		-		-		(860,874)		(860,874)
At September 30, 2016		81,662,758	$	108,384,935	$	2,378,506	$	4,849,396	$	115,612,837

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

1. Nature of operations

Input Capital Corp. (the "Company" or "Input") is an agriculture streaming company that acquires canola purchase agreements ("Canola Streams") from farmers. In return for making an upfront payment to acquire a Canola Stream, the Company receives the right to receive, or purchase, a specified number of tonnes of canola in each year of the agreement.

The predecessor of Input was incorporated under The Business Corporations Act (Saskatchewan) (the "Act") on October 25, 2011. The existing Company was formed by an amalgamation under the Act on August 8, 2013. The Company's shares are publicly traded on the TSX Venture Exchange, under the symbol "INP".

The head office of the Company is located at 300 – 1914 Hamilton Street, Regina, Saskatchewan, S4P 3N6. The Company's registered and records office is located at 800 – 1801 Hamilton Street, Regina, Saskatchewan, S4P 4B4.

The agriculture industry is subject to a high degree of seasonality. The Company's revenue is received from canola deliveries and sales over several months after the harvest has been completed. The Company normally expects to recognize the majority of its annual revenues during its first and second quarters (September to March), while capital deployment will be spread throughout the year, with concentration in the October to March period.

These financial statements were authorized for issue by the Board of Directors on December 6, 2016.

2. Change in fiscal year end

On July 11, 2016, the Company announced that it will change its financial year end from March 31 to September 30 to better align its financial reporting periods with its business cycle.

The new September 30 year end lines up with Input's capital deployment season, which begins October 1, and aligns with the crop sales cycle, which normally begins in October as well. By making this change, capital deployment in one fiscal year will lead to crop sales in the following fiscal year, without the uncertainties of potentially material amounts of capital deployment and crop sales falling unexpectedly into different fiscal periods, making year-over-year comparisons more useful.

The six month period of April 1, 2016 to September 30, 2016 will form a transition year. The new twelve month 2017 fiscal year will begin on October 1, 2016 and end on September 30, 2017.

3. New standards and interpretations

The International Accounting Standards Board ("IASB") issued a number of new and revised accounting standards which are effective for future periods.

Standards required to be applied for annual periods beginning on or after January 1, 2018:

- *International Financial Reporting Standard ("IFRS") 15 – Revenue from Contracts with Customers* - specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

- *IFRS 9 – Financial Instruments* - a finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement.

Standards required to be applied for annual periods beginning on or after January 1, 2019:

- *IFRS 16 – Leases -* specifies how an IFRS reporter will recognize, measure, present and disclose

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

4. Basis of presentation

A. STATEMENT OF COMPLIANCE

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB and interpretations of the International Financial Reporting Committee ("IFRIC").

B. BASIS OF PREPARATION

These financial statements have been prepared on a historical cost basis except for the following material items in the statement of financial position:

- Financial instruments that are accounted for according to the financial instrument categories defined in Note 5C.
- Share purchase options and deferred share units that are accounted for according to the share-based payments criteria defined in Note 5L.

C. FUNCTIONAL AND PRESENTATIONAL CURRENCY

The 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 share and per share value.

D. USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

Significant areas requiring the use of management estimates are further described in the following summary of significant accounting policies and notes:

- Fair value of financial instruments (Note 5C).
- Fair value of assets held for sale (Note 5C).

Areas of judgment in applying accounting policies that have the most significant effect on the amount recognized in the financial statements include:

- Fair value of financial instruments (Notes 5E and Note 6);
- Fair value of assets held for sale (Note 5E and Note 7).
- Deferred income tax assets and recovery of deferred income tax assets (Note 5J and Note 12); and
- The acquisitions of canola interests are considered an investing activity.

The canola purchase agreements give the Company the annual right to purchase bonus tonnes from the farmer which constitute a fixed percentage share of the farmer's actual realized canola yield when that yield exceeds a pre-determined baseline yield. Once the bonus tonnes can be reasonably estimated, the net amount is recorded as an adjustment to the market value. Additional revenue and expense is recognized when the Company purchases and sells the bonus tonnes.

In preparing these financial statements, management makes 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.

5. *Summary of significant accounting policies*

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash.

B. CAPITAL AND INTANGIBLE ASSETS

The Company's only capital asset is computer software. Computer software is recorded at cost less accumulated amortization and accumulated provisions for impairment. Amortization is calculated on a straight-line basis over five years – the estimated useful life of the computer software. Estimated useful lives of capital assets are reviewed annually and any changes are applied prospectively. At each reporting date, the Company evaluates its capital assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable.

The Company's only identifiable intangible asset is trademarks. Trademarks are recorded at cost less accumulated amortization and accumulated provisions for impairment. Amortization is calculated on a straight-line basis over five years – the estimated useful life of the trademarks. Estimated useful lives of intangible assets are reviewed annually and any changes are applied prospectively. At each reporting date, the Company evaluates its intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable.

C. FINANCIAL INSTRUMENTS

The Company classifies its financial instruments into one of the following categories: financial instruments at fair value through profit or loss ("FVTPL"); loans and receivables; and other liabilities. All financial instruments are measured at fair value on initial recognition and recorded on the statement of financial position. Transaction costs are included in the initial carrying amount of the financial instruments unless the financial instruments are classified as fair value through profit or loss. Transaction costs attributable to the acquisition of financial instruments classified as fair value through profit or loss are recognized immediately in net income. Measurement in subsequent periods depends on the classification of the financial instrument.

Marketable securities are initially recognized at fair value. Subsequent to initial measurement these financial assets are measured at FVTPL. Cash, trade and other receivables and canola interests relating to terminated contracts are classified as loans and receivables and are measured at amortized cost. Trade and other payables are classified as other liabilities and these are measured at amortized cost using the effective interest method.

Derivative financial instruments, including canola interests, are recognized as a financial asset on the trade date. All derivative financial instruments are classified as FVTPL and recorded at fair value on the statements of financial position. Subsequent changes in fair value of these derivative financial instruments are recognized in the statement of comprehensive income (loss) in market value adjustments. Realized gains and losses that result from the sale of tonnes of canola are recognized in profit or loss in realization of canola interests.

Financial assets are derecognized when the contractual rights to the cash flows from the asset are settled or they expire. Financial liabilities are derecognized only when the Company's obligations are discharged, cancelled or they expire. All gains and losses as a result of changes in fair value for FVTPL financial instruments are included in income (loss) and comprehensive income (loss) in the period they occur.

D. IMPAIRMENT OF FINANCIAL INSTRUMENTS

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Financial assets are considered to be impaired if objective evidence indicates that a change in the market, economic or legal environment in which the Company invested has had a negative effect on the estimated future cash flows of that asset. An impairment loss for a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rates. Impairment losses are recognized in profit or loss. For financial assets measured at amortized cost, any reversal of impairment is recognized in profit or loss.

E. FAIR VALUE

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.

F. OTHER FINANCIAL ASSETS

Other financial assets include canola delivery and basis price contracts with grain companies, farmers and canola crushing facilities. These contracts are generally settled by delivery of canola tonnes or in cash. At each reporting date the fair value of each contract is calculated using current and future canola pricing provided by independent sources. Subsequent changes in fair value of these derivative financial instruments are recognized in profit or loss in market value adjustments.

Part of the Company's strategic in-year canola marketing program involves the purchase of canola futures and options contracts to maintain an open pricing position. These contracts are settled in cash and at each reporting date the fair value of open contracts is calculated using current canola pricing provided by independent sources. Subsequent changes in fair value of these derivative financial instruments are recognized in profit or loss in market value adjustments. Realized gains and losses relating to these contracts is recorded in other (gain) loss in the statement of comprehensive income (loss).

G. ASSETS HELD FOR SALE

Assets held for sale consist of land and other assets registered in Input's name resulting from Input enforcing security under contracts being terminated or as a result of contract buy backs. These assets are recorded at fair value based on quoted market prices for similar assets with an offsetting reduction in Canola interests. These assets are expected to be sold in the near term. Subsequent declines in the fair value, if any, are recorded in other (gain) loss in the statement of comprehensive income (loss).

H. 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 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 or loss in market value adjustments. Realized gains and losses that result from the sale of tonnes of canola are recognized in profit or loss in realization of canola interests.

Included in canola interests are contracts that have been terminated due to default and are in the process of security realization. Contracts that are terminated are fair valued at the time of termination and subsequently recorded at cost less any write downs for impairment. Legal and other expenses relating to enforcement of security are expensed as incurred. Costs directly attributable to additions to the security position are included as additions to canola interests. Contracts that are terminated are fair valued at each reporting date based on the expected amount of capital to be recovered net of legal and other costs to determine if impairment exists.

I. REALIZATION OF CANOLA INTERESTS

The initial upfront payment allocated to canola interests is capitalized. Upfront payments allocated to canola interests are recorded as realization of canola interests on a proportionate contractual unit basis as sales are recorded for each specific contract. Crop payments are recorded as realization of canola interests on a unit basis as sales are recorded for each specific contract. Realized gains and losses that result from the sale of tonnes of canola are recognized in profit or loss in realization of canola interests.

J. INCOME TAXES

Taxation on earnings comprises current and deferred income tax. Taxation is recognized in the statements of comprehensive income (loss) except to the extent that it relates to items recognized in equity, in which case the tax is recognized directly in equity.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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.

K. REVENUE RECOGNITION

Sales of canola from streaming contracts are recognized when persuasive evidence of an arrangement exists, title and risk passes to the buyer, the amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the sale will flow to the Company and the costs incurred in respect of the transaction can be measured reliably.

Sales from canola trading are recognized when persuasive evidence of an arrangement exists, title and risk passes to the buyer from the seller, the amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the sale will flow to the Company and the costs of purchasing the canola from the seller can be measured reliably.

L. SHARE BASED PAYMENTS

The Company recognizes share based compensation expense for all share purchase options awarded to employees, officers and directors based on the fair values of the share purchase options at the date of grant. The fair values of share purchase options at the date of grant are expensed over the vesting periods of the options 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. 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 statement of comprehensive income (loss).

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 stock price of the Company, 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.

The Company has a Deferred Share Unit Plan (the "DSU Plan") whereby the Company grants deferred share units ("DSUs") to eligible directors. The DSUs are cash-settled payment transactions and are valued at the fair value of the rights based on the closing share price at the end of the reporting period.

6. *Financial instruments*

CAPITAL RISK MANAGEMENT - The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the capital structure. The Company's capital consists of $115,612,837 ($116,021,854 – March 31, 2016) of equity attributable to common shareholders, comprised of issued capital (Note 8), contributed surplus (Note 8), and accumulated surplus.

CREDIT RISK MANAGEMENT - The Company's credit risk includes cash, trade and other receivables in the ordinary course of business and amounts included in canola interests from terminated contracts. Management's view is that the amounts outstanding do not represent significant credit risk.

The carrying amount of these assets represents the maximum credit exposure. The maximum exposure to credit risk was:

	September 30, 2016	March 31, 2016
Cash and cash equivalents	$ 16,642,665	$ 24,772,200
Trade and other receivables	4,257,605	442,326
Canola interests from terminated contracts	6,643,710	16,080,892
	$ 27,543,980	$ 41,295,418

The aging of trade and other receivables and allowance for doubtful accounts are as follows:

	September 30, 2016	March 31, 2016
Not past due	$ 4,257,605	$ 442,326
Past due 0-90 days	-	-
More than 90 days past due	-	-
	4,257,605	442,326
Allowance for doubtful accounts	-	-
Total trade and other receivables net of allowance	$ 4,257,605	$ 442,326

COMMODITY PRICE RISK - The Company's financial results may be significantly affected by fluctuations in the price of canola. The price of canola is affected by numerous factors beyond the Company's control, including but not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of foreign currencies, global and regional supply and demand, and the political and economic conditions of major canola countries throughout the world.

Based on the Company's canola interests as at September 30, 2016, a 1% increase, or decrease, in the price of canola would result in a $1,024,007 (March 31, 2016 - $1,097,380) increase, or decrease, in the market value adjustment amount recorded on the statement of comprehensive income (loss).

OTHER RISKS - The Company is not subject to other significant interest rate, foreign currency, or other price risks.

LIQUIDITY RISK - The Company's business will depend on the creditworthiness of the farm operators and their ability to fulfill their obligations to the Company. While the Company takes security in the form of a general security agreement and in most cases, mortgages on the farm operator's farmland, there is no assurance that such security will be enforceable, properly perfected or will have priority as against other creditors. The value of the collateral securing the Streaming Contracts may not protect the Company from suffering a partial or complete loss if the farm operator fails to meet its commitments.

FAIR VALUE - 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	September 30, 2016	March 31, 2016
Other financial assets	Fair value through profit or loss	2	$ 3,852,643	$ 78,987
Canola interests	Fair value through profit or loss	3	73,904,023	91,010,270

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, and trade and other payables.

Canola interests from terminated contracts are fair valued at the time of termination and subsequently, if necessary, written down for any impairment.

Canola purchase agreements contain obligations in that the Company agrees to purchase canola at a specified price at a future date. A summary of the payments due by period is summarized below:

	Payment due by period				
	< 1 year	1 - 3 years	4 - 5 years	> 5 years	Total
Purchase obligations	$ 2,781,480	$ 10,966,074	$ 5,120,061	$ 180,000	$ 19,047,615

Financial liabilities and other contractual obligations at September 30, 2016, and their maturities are summarized

	Payment due by period				
	< 1 year	1 - 3 years	4 - 5 years	> 5 years	Total
Trade and other payables	$ 2,225,097	$ -	$ -	$ -	$ 2,225,097

LOANS AND BORROWINGS - The Company has a $25 million revolving credit facility with HSBC Canada. As of September 30, 2016 there was $nil drawn on the facility. The covenants of the new facility include a maximum total liabilities to tangible net worth ratio of 0.05 to 1 and a minimum current ratio of 2 to 1. At September 30, 2016, the Company met all of its covenants as required by the facility.

The liability and obligations of the Company are secured by all property of the Company including an assignment of the rights of the Company under the canola streaming contracts and any collateral security granted in favour of the Company in connection with each contract.

7. Canola interests, other financial assets and assets held for sale

	September 30, 2016	March 31, 2016
Canola interests:		
Opening balance	$ 91,010,270	$ 70,129,659
Acquisition of canola interests - upfront payments	7,908,433	35,430,713
Acquisition of canola interests - crop payments	2,001,555	3,338,342
Realization of canola interests - upfront payments	(4,752,564)	(16,250,410)
Realization of canola interests - crop payments	(863,595)	(3,468,346)
Realization of canola interests - realized market value adjustment	(923,159)	(268,189)
Recoveries on terminated contracts	(9,889,415)	(4,409,191)
Acquisition of security	921,450	1,077,797
Buy back of canola contracts	(9,949,420)	(2,510,000)
Market value adjustment	(1,559,532)	7,939,895
	$ 73,904,023	$ 91,010,270
Canola interests (including amounts relating to terminated contracts):		
Current portion of canola interests	$ 28,878,396	$ 34,858,577
Non-current canola interests	45,025,627	56,151,693
	$ 73,904,023	$ 91,010,270

Included in Trade and other receivables at September 30, 2016 is $3,748,837 relating to canola deliveries made for which the payment has not yet been received as at September 30, 2016 (March 31, 2016 - $171,801). Also included in trade and other receivables at September 30, 2016 is short-term advances to farmers of $365,472 (March 31, 2016 - $nil). These advances are non-interest bearing and approximate fair value given their short-term nature.

Included in Trade and other payables at September 30, 2016 is $nil relating to the acquisition of canola interests - upfront payment commitments for which the disbursement has not yet been made as at September 30, 2016 (March 31, 2016 - $1,580,736).

A producer or the Company may negotiate a buy back of a streaming contract. Funds received or assets held for sale received are used to bring the contract current and then purchase back future obligations under the contract. During the six months ended September 30, 2016, the Company received $1,144,850 in proceeds (year ended March 31, 2016 - $2,355,090) and $8,994,188 in assets held for sale (year ended March 31, 2016 - $nil) relating to the settlement of future obligations under streaming contracts. The buy back of canola interests resulted in a gain of $9,615 being recognized in Other income and Realization of canola interest - realized market value adjustment expense of $1,113,997 being recognized in the statement of comprehensive income (loss).

As at September 30, 2016 there are three streaming contracts (March 31, 2016 - three) that have been terminated due to default and are in the process of security realization. The value of the contracts in default included in canola interests at September 30, 2016 is $6,643,710 (March 31, 2016 - $16,080,892) of which $312,892 is recorded as a current asset and the balance of $6,330,819 is recorded as a non-current asset. Input believes it will fully recover the outstanding value of these contracts through the enforcement of security. Contracts that are terminated are fair valued at the time of termination and subsequently, if necessary, written down for any impairment. Included in Professional fees – legal, accounting, tax and collection expenses under corporate administration expense for the six months ended September 30, 2016 is an expense of $1,705,586 (year ended March 31, 2016 - $245,847) relating to the collection of terminated accounts.

Assets held for sale result from Input enforcing security under contracts being terminated or as a result of contract buy backs. These assets are expected to be sold in the near term. Included in assets held for sale is:

	September 30, 2016	March 31, 2016
Land	$ 17,929,218	$ 3,845,655
Buildings, storage bins and other assets	751,850	565,500
	$ 18,681,068	$ 4,411,155

Changes in the fair value of other financial assets are recognized in profit or loss in market value adjustment and as follows:

	Six months ended September 30, 2016	Year ended March 31, 2016
Market value adjustment	$ 3,815,656	$ (124,199)

Part of the Company's strategic in-year canola marketing program involves the purchase of canola futures and options contracts to maintain an open pricing position. Included in Other (gain) loss is a gain of $185,028 for the six months ended September 30, 2016 (for the year ended March 31, 2016 a gain of $585,515) relating to realized gains on these contracts.

8. *Share capital and contributed surplus*

A. SHARES AUTHORIZED

The Company’s authorized share capital consists of an unlimited number of Class “A” common voting shares ("common shares") without par value.

B. SHARES ISSUED

	September 30, 2016		March 31, 2016	
	Number	$	Number	$
Common shares	81,662,758	$ 108,384,935	81,612,758	$ 108,294,755

A continuity schedule of the Company's shares issued from March 31, 2015 to September 30, 2016, is presented below:

	Number of Common Shares	Net share capital
At March 31, 2015	81,472,758	$ 108,134,007
Options exercised or cancelled (see Note 8C)	140,000	160,748
At March 31, 2016	81,612,758	$ 108,294,755
Options exercised or cancelled (see Note 8C)	50,000	90,180
At September 30, 2016	81,662,758	$ 108,384,935

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. Each share option converts into one common share of the Company on exercise.

The following option plans were in existence during the current and prior years:

Option series	Number	Expiry date	Exercise price	Fair value at date of grant
(1) granted on November 30, 2012	3,129,602	November 30, 2017	$ 1.00	$ 1.00
(2) granted on July 18, 2013	350,000	November 30, 2017	$ 1.28	$ 1.60
(3) granted on December 1, 2013	2,386,622	December 1, 2018	$ 1.73	$ 1.73
(4) granted on May 27, 2014	36,600	May 27, 2019	$ 2.20	$ 2.20
(5) granted on November 28, 2014	37,218	November 28, 2019	$ 2.01	$ 2.01
(6) granted on February 6, 2015	10,000	February 6, 2020	$ 2.80	$ 2.80
(7) granted on June 10, 2015	732,100	June 10, 2020	$ 3.05	$ 3.05
(8) granted on November 16, 2015	30,900	November 16, 2020	$ 1.88	$ 1.88
(9) granted on June 8, 2016	912,700	June 8, 2021	$ 2.18	$ 2.18

The fair value of the stock options is estimated at the grant date based on the Black-Scholes pricing model using the assumptions below. The assumptions below are for options issued since April 1, 2015 and are based on management's best estimates at the time of issuance.

	Option Series		
Inputs into the model	Series 7	Series 8	Series 9
Grant date share price	$ 3.05	$ 1.88	$ 2.18
Exercise price	$ 3.05	$ 1.88	$ 2.18
Volatility	38.29%	49.07%	48.38%
Expected life	5.00 years	5.00 years	5.00 years
Dividend yield	0.00%	0.00%	0.00%
Risk free interest rate	1.06%	0.94%	0.63%

A continuity schedule of the Company's share options from March 31, 2015 to September 30, 2016, which is included in contributed surplus, is presented below:

	Contributed surplus - share options
At March 31, 2015	$ 1,411,059
Amortization of fair value of share options (series 3 to 8)	626,518
Options exercised during the period	(20,748)
At March 31, 2016	$ 2,016,829
Amortization of fair value of share options (series 3 to 9)	387,857
Options exercised during the period	(26,180)
At September 30, 2016	$ 2,378,506

At September 30, 2016, the following options to purchase common shares were outstanding:

		Options outstanding				
Option series	Average remaining life (in years)	Vested	Unvested	Exercised	Expired or cancelled	Total
Series 1	1.17	3,129,602	-	190,000	-	2,939,602
Series 2	1.17	350,000	-	50,000	-	300,000
Series 3	2.17	2,268,880	117,742	-	-	2,386,622
Series 4	2.65	36,600	-	-	-	36,600
Series 5	3.16	34,210	3,008	-	-	37,218
Series 6	3.35	5,489	4,511	-	-	10,000
Series 7	3.69	324,033	408,067	-	1,800	730,300
Series 8	4.13	13,461	17,439	-	-	30,900
Series 9	4.69	95,729	816,971	-	7,900	904,800
Weighted average	2.18	6,258,004	1,367,738	240,000	9,700	7,376,042

A vesting schedule of unvested options is presented below:

Vesting date	Option series	Shares vesting 2016	2017	2018	2019	Total
November 16	8	15,450	15,450	-	-	30,900
November 28	5	18,609	-	-	-	18,609
December 1	3	693,160	-	-	-	693,160
February 6	6	-	3,333	3,333	-	6,666
June 8	9	-	306,500	306,500	299,700	912,700
June 10	7	-	247,950	236,200	-	484,150
		727,219	573,233	546,033	299,700	2,146,185

9. *Basic and diluted weighted average number of common shares*

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

	Six months ended September 30, 2016	Year ended March 31, 2016
Basic weighted average number of shares	81,638,441	81,524,780
Dilutive securities:		
Share options	7,064,879	6,455,278

When there is a net loss and comprehensive loss the share options are anti-dilutive and therefore the diluted loss per share is the same as the basic loss per share.

10. *Revenue, purchase of canola and other direct expenses, and realization of canola interests*

Revenue and realization of canola interests for canola streaming revenue is presented below:

	Six months ended September 30, 2016	Year ended March 31, 2016
Revenue from canola streaming contracts	$ 7,770,780	$ 30,076,294
Realization of canola interests		
Upfront payments	4,752,564	16,250,410
Crop payments	863,595	3,468,346
Realized market value adjustment	923,159	268,189
Other direct expenses	292,764	356,660
Profit from canola streaming	$ 938,698	$ 9,732,689

Revenue and purchase of canola for canola trading is presented below:

	Six months ended September 30, 2016	Year ended March 31, 2016
Revenue from canola trading	$ 271,459	$ 16,628,167
Purchase of canola and other direct expenses	258,223	16,405,529
Profit from canola trading	$ 13,236	$ 222,638

11. *Corporate administration*

The corporate administration expenses of the Company are as follows:

	Six months ended September 30, 2016	Year ended March 31, 2016
Advertising and client development	$ 260,986	$ 681,321
Board and executive (gain) expenses	200,190	(138,886)
Contractors, employee salaries and benefits	1,341,040	2,287,791
Investor relations	101,946	140,327
Licenses, dues and filing fees	136,323	198,204
Office expenses	180,574	192,731
Professional fees – legal, accounting, tax and collection	2,051,929	630,523
Share option based compensation (Note 8C)	387,856	626,518
Total corporate administration expense	$ 4,660,844	$ 4,618,529

12. *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 from the following items:

	Six months ended September 30, 2016	Year ended March 31, 2016
Net (loss) income before income tax	$ (1,035,826)	$ 14,166,648
Canadian federal and provincial tax rates	27%	27%
Income tax (recovery) expense based on the above rates	(279,673)	3,824,995
Increase (decrease) due to the tax effect of:		
Non-deductible stock compensation	104,721	169,160
Other	-	(3,920)
Income tax (recovery) expense	$ (174,952)	$ 3,990,235

The income tax (recovery) expense consists of the following:

	Six months ended September 30, 2016	Year ended March 31, 2016
Current	$ (409,450)	$ 1,491,434
Deferred	234,498	2,498,801
	$ (174,952)	$ 3,990,235

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

	September 30, 2016	March 31, 2016
Deferred income tax (liability) asset		
Share issuance costs	$ 776,711	$ 985,700
DSU compensation	163,716	116,539
Market value adjustment	(1,650,184)	(1,333,070)
Other	-	(35,290)
Total deferred income tax (liability) asset	$ (709,757)	$ (266,121)

13. *Supplemental cash flow information*

	Six months ended September 30, 2016	Year ended March 31, 2016
Change in non-cash working capital items		
Trade and other receivables	$ (3,827,963)	$ 2,423,088
Income tax recoverable	(886,877)	-
Prepaid expenses	3,874	(133,213)
Trade and other payables	126,337	532,814
Income tax payable	(1,073,156)	1,491,434
Net (decrease) increase in cash	$ (5,657,785)	$ 4,314,123

14. *Key management personnel compensation*

Members of the key management team include the President and Chief Executive Officer, the Executive Vice-President and Chief Financial Officer, and the Vice-President of Market Development.

	Six months ended September 30, 2016	Year ended March 31, 2016
Contractors, employee salaries and benefits	$ 467,445	$ 927,071
Share based payments	316,762	532,433
Total key management compensation expense	$ 784,207	$ 1,459,504

15. Board compensation

The Company has a Deferred Share Unit Plan (the “DSU Plan”) whereby the Company grants deferred share units ("DSUs") to eligible directors. Each eligible director is given the opportunity to elect, in lieu of cash, to receive all, or a portion of, their annual board retainer or board meeting fees in the form of DSUs. The DSUs are cash-settled payment transactions and are valued at the fair value of the rights based on the closing stock price at the end of the reporting period. At September 30, 2016 there were 329,540 DSUs granted, vested and outstanding (March 31, 2016 - 268,090). Included in Trade and other payables at September 30, 2106 is $606,354 (March 31, 2016 - $431,625) relating to the valuation of the DSUs. Included in Board and executive (gain) expenses under corporate administration expense for the six months ended September 30, 2016 is an expense of $174,729 (year ended March 31, 2016 - gain of $208,548) relating to the valuation of the DSUs.

16. Related party transactions

The Company is related to Emsley & Associates (2002) Inc. and Nomad Capital Corp. as a result of common management. The companies share some common personnel and Input leases furnished office space from Emsley & Associates Inc. (see Note 17). These expenses are managed through a Shared Services Agreement whereby expenses are shared between companies. These transactions are in the normal course of operations and are recorded 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:

	Six months ended September 30, 2016	Year ended March 31, 2016
Corporate administration	$ 566,873	$ 962,126

Included in Corporate administration (Note 11) is $330,200 for the six months ended September 30, 2016 (year ended March 31, 2016 - $661,600), relating to key management compensation and is included in contractors, employee salaries and benefits in Note 14.

Included in Trade and other payables is $29,930 (March 31, 2016 - $16,177) payable to related parties.

17. Commitments and Contingencies

In August 2016, the Company signed a five-year lease that commenced September 1, 2016, ending February 28, 2021 with Emsley & Associates (2002) Inc. The Company's annual commitments under the leases is as follows:

Commitments and contingencies	
2017	$ 278,256
2018	278,256
2019	286,369
2020	300,683
2021	127,820
	$ 1,271,384