Unaudited Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

THE WONDERFILM MEDIA CORPORATION

Three and six months ended December 31, 2017 and 2016

NOTICE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

THE WONDERFILM MEDIA CORPORATION

Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	December 31, 2017	June 30, 2017
Assets		
Cash	$ 11,286	$ (24)
Accounts receivable and other receivables (note 5)	129,325	819,000
	140,611	818,976
Movie production royalty asset	3,795,300	3,795,300
	$ 3,935,911	$ 4,614,276
Liabilities and Shareholders' Equity		
Trade payables and accrued liabilities	$ 140,675	$ 854,975
Subscription deposit	-	-
	140,675	854,975
Shareholders' equity:		
Share capital	4,003,043	3,788,278
Accumulated deficit	(207,807)	(28,977)
	3,795,236	3,759,301
Corporate information and going concern (note 1)		
	$ 3,935,911	$ 4,614,276

See accompanying notes to unaudited condensed interim financial statements.

Approved:

_____ Director

THE WONDERFILM MEDIA CORPORATION

Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Income:				
Production consulting	$ -	$ -	$ -	$ -
Distribution fees (note 5)	1,256,128		1,256,128	-
	1,256,128	-	1,256,128	-
Cost of Income:				
Distribution and production	(1,024,136)	-	(1,024,136)	-
Gross margin	231,992	-	231,992	-
Expenses:				
General and administration	$ 233,542	$ -	$ 236,619	$ -
Management fees (note 5)	-	-	11,970	-
Professional fees	120,311	-	162,680	-
	353,853	-	411,269	-
Loss before the under-noted items	(121,861)	-	(179,277)	-
Foreign exchange adjustment	796	-	447	-
Net loss, which is total comprehensive loss for the period	$ (121,065)	$ -	$ (178,830)	$ -
Net loss per share, Basic and diluted (note 4(b))	(0.03)	(0.00)	(0.02)	(0.00)

See accompanying notes to unaudited condensed interim financial statements.

THE WONDERFILM MEDIA CORPORATION

Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

Three months ended December 31, 2017 and 2016

	Number of shares	Share capital	Contributed surplus	Accumulated deficit	Total
Balance June 30, 2016	3,013,500	$ 511	$ -	$ (471)	$ 40
Acquisition of movie royalty asset	2,769,000	3,322,800	-	-	3,322,800
Loss for the period	-	-	-	-	-
Balance December 31, 2016	5,782,500	$ 3,323,311	$ -	$ (471)	$ 3,322,840
Balance June 30, 2017	6,707,500	3,788,278	-	(28,977)	3,759,301
Non-brokered private placement (note 4(c))	429,530	214,765	-	-	214,765
Loss for the period	-	-	-	(178,830)	(178,830)
Balance December 31, 2017	7,137,030	$ 4,003,043	$ -	$ (207,807)	$ 3,795,236

See accompanying notes to unaudited condensed interim financial statements.

THE WONDERFILM MEDIA CORPORATION

Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Six months ended December 31, 2017	Six months ended December 31, 2016
Cash (used in) provided by:		
Operations:		
Loss for the period	$ (178,830)	$ -
Changes in non-cash operating working capital:		
Accounts receivable	689,675	-
Trade payables and accrued liabilities	(714,300)	-
Cash (used) in operating activities	(203,455)	-
Financing:		
Non-brokered private placement (note 4(c))	214,765	-
Cash provided by financing activities	214,765	-
Investing:		
	-	-
Cash used by investing activities	-	-
Increase in cash	11,310	-
Cash, beginning of period	(24)	-
Cash, end of period	$ 11,286	$ -

See accompanying notes to unaudited condensed interim financial statements.

1. Corporate information and going concern:

The Wonderfilm Media Corporation, ("Wonderfilm" or "the Company") was incorporated on January 10, 2014 under the *Business Corporations Act* (British Columbia) and was formerly named Nine Tailed Films Inc.

Wonderfilm is a worldwide film and television media production company with a core business of producing independent films and made-for-television movies for global business to business distribution.

The continuing operations of the Company are dependent upon its ability to raise adequate financing and to develop profitable operations in the future. The Company has generated operating losses since inception. The application of the going concern concept is dependent on the Company's ability to become operationally viable and receive continued financial support from its shareholders and from external financing. These conditions raise significant doubt about the Company's ability to continue as a going concern. Management is of the opinion that sufficient working capital will be obtained from future profitable operations or external financing to meet the Company's liabilities and commitments.

There can be no assurances that the Company will be successful in developing profitable operations or raising additional cash to finance operations or that the continued support of shareholders will be available. These unaudited condensed interim financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. The unaudited condensed interim financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Basis of preparation:

(a) Statement of compliance:

The unaudited condensed interim financial statements, including comparatives, have been prepared using the same accounting policies as those used in the audited financial statements of the Company for the year ended June 30, 2017. These unaudited condensed interim financial statements were prepared in accordance with International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*" and authorized for issue by the Board of Directors on March 8, 2018.

(b) Basis of measurement:

These unaudited condensed interim financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are recorded at fair value.

(c) Functional and presentation currency:

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

2. Basis of preparation (continued):

(d) Use of estimates and judgments:

The preparation of these unaudited condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Significant judgments made by management in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the unaudited condensed interim financial statements include the application of the going concern assumption, revenue recognition of production and distribution services, and the determination of related parties.

3. Significant accounting policies:

(a) Revenue:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, and sales taxes or duty.

(b) Foreign currency transactions:

Transactions in foreign currencies are translated to the Canadian dollar functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Canadian dollars at the exchange rate at that date.

Foreign currency differences arising from settlement of foreign currency translation are recognized in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Financial instruments:

(*i*) Non-derivative financial assets:

The Company initially recognizes loans and receivables on the date that they are originated.

3. Significant accounting policies (continued):

(c) Financial instruments (continued):

(*i*) Non-derivative financial assets (continued):

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company has the following non-derivative financial assets: loans and receivables.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Cash and accounts receivable are classified as loans and receivables.

Financial assets are classified at fair value through profit or loss if they are held for trading or if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in net loss.

Any short-term investments, consisting of highly liquid interest bearing securities with maturities at the date of purchase between three months and one year, are classified as held for trading.

(*ii*) Non-derivative financial liabilities:

The Company initially recognizes financial liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Non-derivative financial liabilities comprise trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

3. Significant accounting policies (continued):

(c) Financial instruments (continued):

(*iii*) Share capital:

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity, net of any tax effects.

(d) Movie production royalty asset:

Movie assets:

Movie royalty assets that are acquired by the Company in an acquisition that have a finite useful life are measured at acquisition cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the royalty asset from the date that it is available for sale, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The Company continually evaluates the remaining useful life of its royalty asset being amortized to determine whether events and circumstances warrant a revision to the remaining period of amortization. The Company is currently assessing the useful life.

(e) Impairment:

(*i*) Financial assets:
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

An impairment loss in respect of a financial asset measured at an amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3. Significant accounting policies (continued):

(e) Impairment (continued):

(*ii*) Non-financial assets:

The carrying amounts of the Company's non-financial assets, other than tax credits receivable, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU").

If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(f) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance costs.

There are no provisions recorded for the Company.

(g) Lease payments:

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

3. Significant accounting policies (continued):

(g) Lease payments (continued):

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each year during the lease terms so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for in the year in which they are incurred.

The company did not have any lease arrangements at December 31, 2017.

(h) Loss per share:

Basic loss per share is calculated using the weighted average number of shares outstanding during the year. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized based on the use of proceeds that could be obtained upon exercise of such options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. This calculation generally produces an anti-dilutive effect for loss years.

(i) Income taxes:

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in earnings except to the extent that they relate to a business combination, or to items recognized directly in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred 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 not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable earnings, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

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. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3. Significant accounting policies (continued):

(i) Income taxes (continued):

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.

(j) New standards and interpretations not yet adopted:

(*i*) IFRS 15 - Revenue from Contracts with Customers:

On May 28, 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers*. The new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard is effective for fiscal years ending on or after December 31, 2018 and is available for early adoption.

The Company is currently evaluating the impact of IFRS 15 on its financial statements and expects to apply the standard for the annual period beginning on July 1, 2018.

(*ii*) IFRS 16 - Leases:

In January 2016, the IASB issued IFRS 16, the much-anticipated standard on lease accounting. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

The Company will be required to adopt IFRS 16, *Leases*, which is the IASB's replacement of IAS 17, *Leases*. IFRS 16 will require lessees to recognize a lease liability that reflected future lease payments and a 'right-of-use-asset' for most lease contracts. IFRS 16 is required to be applied for years beginning on or after January 1, 2019, with early adoption permitted, but only in conjunction with the adoption of IFRS 15. The Company has not yet assessed the impact of this standard.

4. Share capital:

(a) Authorized share capital:

Unlimited voting, participating common shares, with no par value

(b) Earnings per share computation:

The following table sets forth the computation of loss per common share:

	Three months ended		Six months ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Loss for the period	$ (121,065)	$ -	$ (178,830)	$ -
Weighted average number of common shares outstanding	6,919,081	6,707,500	6,813,019	6,707,500
Net loss per share basic and diluted	$ (0.02)	$ (0.00)	$ (0.03)	$ (0.00)

(c) Non-brokered private placement:

For the period ended December 31, 2017, the Company closed a non-brokered private placement, which consisted of the issuance of 429,530 common shares for gross proceeds of $214,765.

5. Related party transactions:

Related parties include shareholders with a significant ownership interest in the Company and the Company's key management personnel. The transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(a) Balances with related parties:

	Six months ended December 31, 2017	Six months ended December 31, 2016
Other receivable	$ 101,544	$ -

(b) Transactions during the period with companies related through a common significant shareholder:

	Six months ended December 31, 2017	Six months ended December 31, 2016
Income: Distribution	$ 944,600	$ -
Expense: General and administration	$ 160,874	$ -

6. Qualifying transaction:

On August 22, 2017, the Company entered into a non-binding letter of intent with Westshire Capital II Corp. (Westshire II) to amalgamate. The letter of intent was subsequently replaced by an agreement dated November 17, 2017. The proposed transaction is intended to constitute Westshire II's "Qualifying Transaction" as defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange. As at December 31, 2017 the transaction had not been completed.