# NETCO SILVER INC.
# (to be renamed "BRISIO INNOVATIONS INC.")

## FORM 2A

## LISTING STATEMENT

**JANUARY 30, 2014**

## 1. Table of Contents

**2. Corporate Structure**

2.1 This Form 2A is filed with respect to Netco Silver Inc. (to be renamed "Brisio Innovations Inc." (the "**Company**" or the "**Issuer**") in connection with its listing on the Canadian Stock Exchange (referred to herein as the "**CNSX**"). The Company's head office is located at Suite 490 – 580 Hornby Street, Vancouver, BC, Canada V6C 3B6. The Company's registered office is located at Suite 800 – 885 West Georgia Street, Vancouver, BC, Canada V6C 3H1. All dollar amounts referenced herein are shown in Canadian dollars, unless otherwise indicated.

2.2 The Company was incorporated on May 21, 1993 as "567905 Alberta Ltd." pursuant to the *Business Corporations Act (Alberta)*. On September 8, 1993, the Company changed its name to "Hilstar Capital Corporation". Pursuant to Articles of Amendment filed on October 5, 1995, the Company changed its name to "KINeSYS Pharmaceuticals Inc." and its then issued and outstanding common shares were consolidated on a three-for-one basis (one new common share for every three common shares then outstanding). On August 20, 1997, the Company changed its name to "Green River Petroleum Inc.". On July 6, 1999, the Company changed its name to "Green River Holdings Inc." and its then issued and outstanding common shares were consolidated on a five-for-one basis (one new common share for every five common shares outstanding). On July 28, 2000, the Company changed its name to "Netco Energy Inc.", and its then issued and outstanding common shares were consolidated on a two-for-one basis (one new common share for every two common shares then outstanding).

On July 14, 2011, the Company changed its name to its current name of "Netco Silver Inc.". On August 26, 2013, the Company's then issued and outstanding common shares were consolidated on a five-for-one basis (one new common share for every five common shares outstanding). At a special meeting of the Company's shareholders held on December 11, 2013, the shareholders approved a continuance of the jurisdiction of the Company from the Province of Alberta to the Province of British Columbia (the "**Continuance**") and a name change of the Company to "Brisio Innovations Inc." (the "**Name Change**"). The Continuance and the Name Change have not yet been implemented and are expected to be effected in connection with the Company's listing on the CNSX.

2.3 The Company has two wholly-owned subsidiaries, Green River Petroleum (USA) Inc., which was incorporated in the State of Washington and Netco Argentina S.A., incorporated in Argentina.

Both of the foregoing subsidiaries are currently dormant and are not used in connection with the Company's operating activities.

2.4 Not applicable.

2.5 Not applicable.

**3. General Development of the Business**

3.1 During 2010, the Company was in the oil and natural gas business. It was involved in exploring for natural gas in the Columbia River Basin of south-central Washington State where, in 2007, it acquired an undivided 7.5% working interest in undeveloped mineral leases and an exploratory wellbore. The Company did not operate the Columbia River Basin properties.

In 2011, the Company changed its strategic focus from oil and natural gas to mining and, in June 2011, acquired an option from Marifil Mines Ltd. ("**Marifil**") to acquire up to a 75% interest in Marifil's Toruel Property, located about 25 kilometers southeast of the village of Los Menucos, Rio Negro Province, Argentina. Under the terms of the option agreement, the Company was to earn a 50% interest in the Toruel Property during the following three years by paying Marifil an aggregate of $200,000 in cash, issuing Marifil 3,150,000 of its common shares, and making work expenditures of $2,800,000 on the Toruel Property. The Company was to earn a further 10% interest over the following two years by providing Marifil with a pre-feasibility study on the Toruel Property and paying Marifil $100,000 for each of those two years. The Company was to earn a further 10% interest in the Toruel Property over the following two years by providing Marifil with a feasibility study on the Toruel Property.

On September 19, 2012, the Company and Marifil entered into an assignment and purchase agreement, which was to supersede the 2011 option agreement, whereby the Company agreed to purchase all of Marifil's 100% interest in the Toruel Property and all exploration data related thereto. The Company also agreed to assume Marifil's existing property payment obligations to the underlying owners of the Toruel Property. The acquisition was expected to close on or about November 30, 2012. However, on November 26, 2012, the Company announced the termination of the purchase agreement as a result of the recent decline of the availability of capital for early stage exploration companies, which prevented the Company from being able to meet its financial obligations under the purchase agreement, and a difficult political situation in Argentina. The Toruel Property was returned to Marifil. Consequently, the Company wrote off the full value of its interest in the Toruel Property (amounting to $767,755) as at September 30, 2012.

In 2013, after careful consideration of market forces, investor interest and the capabilities of management, the board of directors of the Company (the "**Board**") determined to change direction and seek opportunities in the technology sector, with a particular focus on the acquisition of software applications or "apps". The proposed Name Change to "Brisio Innovations Inc.", which is expected to occur in connection with the listing of the Company's common shares on the CNSX, was submitted to shareholders for approval in order to more clearly reflect the Company's new business plan. The Company expects that, in 2014, its business will focus on acquiring apps for the smart device market, which currently includes smart phones, tablets and smart TV's and is expected to include other devices such as automobiles, wearable computers and home automation devices in the future.

To this end, in December 2013, the Company made its first app acquisition, whereby it purchased all rights, intellectual property and online assets associated with the "On the Fly – Voice Translator" mobile application for a purchase price of $50,000. "On the Fly" is a simple to use voice translator application that allows a person to translate voice and text "on the fly". The application recognizes speech and text and translates into over 70 supported languages. The app is available for iPhones and iPads and can be purchased on iTunes and the Apple App store for $2.99.

3.2 The response to Item 3.1 is responsive to this Item 3.2.

3.3 Statements included in this Listing Statement that do not relate to present or historical conditions are "forward-looking statements". Forward-looking statements are projections in respect of future events or the Company's future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "intend", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", or "continue", or the negative of these terms or other comparable terminology. Forward-looking statements in this Listing Statement include statements with respect to: the ability of the Company to acquire new apps; whether any apps acquired will be embraced by the purchasing public; expected future growth of the smart device market; the Company's proposed Continuance and Name Change; and statements regarding estimated capital requirements and use of proceeds. These statements are only predictions and involve known and unknown risks and uncertainties, including the risks in the section entitled "Risk Factors", and other factors which may cause the Company's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity or performance. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of such factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

## 4 Narrative Description of the Business

### 4.1 General

The Company is currently pursuing the business of becoming a mobile software app aggregator and accelerator targeting the smart device market, which currently includes smart phones, tablets and smart TVs, and is expected to include other devices such as automobiles, wearable computers and home automation devices in the future. The Company intends to pursue acquisitions to better monetize undercapitalized, privately controlled assets. The Company's plan is to inexpensively convert "best of breed' apps from one platform and one language to many and to cross market them to a global audience. The Company believes that the acquisition of new and established apps presents a strong business opportunity where, by implementing proven business strategies, the Company may increase revenue and profit with substantially less risk then creating new software from "scratch".

The Company believes that a significant number of apps are well conceived, and have market appeal and acceptance, yet have not reached their full economic potential because they lack several attributes of effective business strategies. Many apps have never been properly marketed, either because of lack of resources or skill. Many are only available in one format, such as IOS, Android or Blackberry, as the developer may be skilled in only one device format. Further, many apps are only available in one language, so have not been localized to new markets.

The mobile app business is a high margin business. Once initial development has been completed, the cost to operate and maintain a successful app can be very low, with resulting high gross profits. Through its existing management and new advisors to the Board, the Company believes it has the opportunity to leverage its expertise and acquire and monetize a portfolio of apps in an effort to increase shareholder value.

The Company expects to use its current working capital to pay its current operating costs and then hopes to generate sufficient cash flow from app sales to pay its operating costs on a go forward basis.

*Business Objectives*

The Company's major objective for the next twelve months is to commence execution of its new business plan, continue acquiring apps to build its app portfolio, and to initiate a marketing program though which it will sell the apps it acquires through iTunes and the Google App store.

In connection with the Company's new business model, the Company intends to complete the listing of its common shares on the CNSX, effect the Name Change, launch a new corporate website, and appoint additional members with specialized expertise to the Board and advisory board.

*Working Capital and Use of Funds*

The following table sets out the Company's proposed use of funds for the next twelve months:

| | | |
|---|---|---|
| Working capital as at December 31, 2013 | $ | 244,431 |
| Salaries or consulting fees | $ | 60,000 |
| Office expenses | $ | 30,000 |
| Professional fees | $ | 40,000 |
| Marketing | $ | 30,000 |
| Miscellaneous general and administrative | $ | 20,000 |
| Acquisitions of software applications | $ | 50,000 |
| Unallocated funds | $ | 14,431 |

While the above table reflects the Company's intended use of funds based on current working capital, the Company hopes to acquire apps that generate sufficient revenue to positively impact available working capital. However, there is no guarantee that the Company will be able to acquire such apps or, if it does, whether they will produce sufficient revenue to have such an impact.

*Acquisition Plan*

The Company has identified a number of apps that are available for purchase for attractive prices. It continues to perform due diligence on these apps in anticipation of potential offers to purchase. The Company has identified such potential acquisitions through a combination of sources, including: agents, known as "app brokers", who have presented it with potential purchase opportunities on a weekly basis; existing relationships of directors and advisory board members; networking events; and online resources, including Apptopia and others.

The Company's objective is to construct a strong purchasing infrastructure that will allow it to realize cost efficiencies through the use of similar transaction structuring mechanisms and agreements.

*Market*

In 2010, the mobile application market generated $10.2 billion dollars of revenue from 10.9 billion downloads, according to Research2Guidance and IDC. Those same reports predict revenue in excess of $100 billion dollars by 2015, representing a 158% compound annual growth rate ("CAGR"), from over 182 billion downloads.

ABI Research estimated mobile users will download 70 billion apps in 2013 – 56 billion to smartphones and 14 billion to tablets.

As of July 2013, the Google Play store officially reached over 1 million apps and had over 50 billion downloads. Apple's App Store reached 1 million apps and over 60 billion downloads by October 2013.

*Marketing*

There are significant unmet needs for both mobile app developers and consumers. The market, while very large, is still immature, which is making it harder for developers to effectively monetize their apps.

From a consumer's perspective:

- search and discovery for apps is very difficult;
- there are many duplicate and redundant apps;
- there is no easy way to share app ratings; and
- the quality of apps is extremely variable.

From a developers perspective:

- many developers do not know how to effectively monetize their apps;
- many developers, while having great ideas, do not have the resources to properly promote their apps; and
- it can be difficult to deploy apps across multiple platforms, for example to make an app usable on both iOS and Android platforms.

The Company believes there is a significant advantage in controlling a portfolio of apps, as it will allow cross marketing of different apps to the diverse user base that may be generated from the umbrella portfolio of apps as a whole, allowing marketing to be targeted to particular audiences. The Company believes this could be a very cost efficient method of marketing to new audiences.

*Marketing Plan*

The Company expects that all direct revenues from apps will be via paid downloads and "add-ons" to apps via the Google Play Store and the Apple Appstore. Google and Apple retain a 30% transaction fee and then flow the balance to the Company.

The Company expects to use traditional online marketing methods, including: ad words; app store keywords; the Company website and websites for individual apps; affiliate marketing channels; online video; Google / Bing, etc. targeted word search phrases; social media, including Facebook and Twitter; targeted blogs that are industry or sector specific; and email, SMS and mobile campaigns. The Company may also utilize bundling mechanisms, whereby it will offer a bundle of apps at a discounted price, and submit apps to app review sites for review and comment, thereby gaining additional publicity and name recognition. The Company also plans to leverage existing and future strategic relationships.

*Advisors*

The following individuals act as advisors to the Board:

Yoshitaro Kumagai

Mr. Kumagai has been an advisor to domestic and international start-ups and corporations, including Pure Digital, which was acquired by Cisco for $590 million. He is a director of Destiny Media Technologies Inc., a TSXV listed company, and, since 1981, has held positions with Singer, the Imaging Division of Mead Corporation and IDEC Corporation, where he was responsible for Japanese and US sales and operations. Subsequently he served as President of DPA Technology, Chairman and CEO of Vivitar Corporation, a distributor of various camera and computer peripheral devices, and SVP Business Development for GestureTek, a company providing camera enabled gesture recognition software for presentation and entertainment systems.

Dan Robinson

Mr. Robinson is the founder and CEO of Perch Communications Inc., which developed Perch, the first hand-free, always-on video communication app. Prior to founding Perch, he was CEO of the British Columbia Innovation Council (BCIC), a government corporation supporting entrepreneurship in the Province of British Columbia, and co-founder of Bootup Labs, an internet seed accelerator, which, during Mr. Robinson's time there, invested and mentored eight new companies, including Summify (acquired by Twitter) and Layerboom (acquired by Joyent). Mr. Robinson is Chairman and a co-founder of Strutta, a social promotions platform for developing and managing interactive contests and promotions. He was also the co-founder and CEO of Peerflix, a DVD swapping service, and of Spinway, a free dial-up ISP.

4.2 Not applicable.

4.3 Not applicable.

4.4 Not applicable.

## 5. Selected Consolidated Financial Information

5.1 <u>Annual Information</u>

The following table summarizes selected annual financial data for the Company prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (the "**IASB**") for the three fiscal years ended December 31, 2012, 2011 and 2010 and for the nine months ended September 30, 2013. The information presented below is derived from the Company's financial statements which were examined by its independent auditor. The information set forth below should be read in conjunction with the Company's audited annual financial statements and related notes thereto, which are available on SEDAR at www.sedar.com.

| | **Year ended 12/31/2010 (audited)** | **Year ended 12/31/2011 (audited)** | **Year ended 12/31/2012 (audited)** | **9 months ended 09/30/2013 (unaudited)** |
|---|---|---|---|---|
| Net sales or total revenues | $ - | $ - | $ - | $ - |
| Total expenses | 372,888 | 689,833 | 1,212,869 | 340,018 |
| Total loss from continuing operations | 368,096 | 706,879 | 1,278,273 | 368,096 |
| Net loss | 368,096 | 706,879 | 1,278,273 | 343,639 |
| Basic and diluted loss, per share | 0.01 | 0.02 | 0.03 | 0.04 |
| Total assets | 192,403 | 497,997 | 77,412 | 123,427 |
| Long-term debt | - | - | - | - |
| Dividends declared | - | - | - | - |

Subsequent to the three and nine month period ended September 30, 2013, closed two non-brokered private placement financings, which had a positive effect on the Company's working capital. For more information, see, Item 8 – Consolidated Capitalization.

5.2 Quarterly Information

The following table summarizes selected quarterly financial data for the Company prepared in accordance with IFRS as issued by the IASB for each of the eight most recently completed quarters ending at the end of the most recently completed financial year, being December 31, 2013. As quarterly information for the interim period ended December 31, 2013 is not yet available, the most recent information in the table below is from the prior interim period ended September 30, 2013.

| | Sept 30, 2013 | June 30, 2013 | Mar 31, 2013 | Dec 31, 2012 | Sept 30, 2012 | June 30, 2012 | Mar 31, 2012 | Dec 31, 2011 |
|---|---|---|---|---|---|---|---|---|
| Total revenues | - | - | - | - | - | - | - | - |
| Net loss - continuing operations | 309,733 | 25,831 | 33,906 | 57,794 | 926,667 | 179,630 | 114,184 | 282,788 |
| Net loss - total | 309,733 | 25,831 | 33,906 | 57,794 | 926,667 | 179,630 | 114,184 | 282,788 |
| Basic and diluted income (loss) per share – continuing operations | (0.04) | 0.00 | 0.00 | (0.01) | (0.02) | 0.00 | 0.00 | (0.01) |
| Basic and diluted income (loss) per share | (0.04) | 0.00 | 0.00 | (0.01) | (0.02) | 0.00 | 0.00 | (0.01) |

5.3 The Company does not have a dividend policy. There are no restrictions that could prevent the Company from paying dividends.

5.4 Not applicable.

## 6. Management's Discussion and Analysis

Annual MD&A for the fiscal year ended December 31, 2012 – Attached as Appendix A

Interim MD&A for the three and nine months ended September 30, 2013 – Attached as Appendix B

## 7. Market for Securities

The Company’s common shares are currently listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “NEI.V”. The Company is classified as a Tier 2 Issuer on the TSX Venture Exchange. In connection with the listing of the Company’s common shares on the CNSX, the Company expects to delist from the TSXV. The Name Change is expected to happen concurrently with the CNSX listing such that, at the time of the listing, the name of the Company will be “Brisio Innovations Inc.” and the trading symbol for the Company’s common shares on the CNSX is expected to be “BZI”.

## 8. Consolidated Capitalization

The following is a summary of significant changes in the Company’s capitalization since September 30, 2013:

| Designation of Security | Amount Outstanding as of September 30, 2013 (undiluted) | Amount Outstanding as of September 30, 2013 (fully diluted) | Amount Outstanding as of December 31, 2013 (undiluted) | Amount Outstanding as of December 31, 2013 (fully diluted) |
|---|---|---|---|---|
| Common shares | 9,401,647 | 11,323,147 | 18,734,978 | 29,776,809 |
| Preferred shares | - | - | - | - |

On October 3, 2013, the Company closed a non-brokered private placement financing of 8,000,000 units at a price of $0.05 per unit for gross proceeds of $400,000. Each unit consisted of one common share of the Company and one warrant, each of which entitles the holder thereof to purchase one additional common share of the Company at a price of $0.10 per share for a period of two years. Insiders of the Company purchased an aggregate of 2,600,000 units.

On October 24, 2013, the Company closed a non-brokered private placement financing of 1,333,333 units at a price of $0.075 per unit for gross proceeds of $99,999.93. Each unit consisted of one common share of the Company and one warrant, each of which entitles the holder thereof to purchase one additional common share of the Company at a price of $0.10 per share for a period of two years.

As a result of the financings noted above, the Company's working capital as of December 31, 2013 was approximately $244,430, on an unaudited basis.

## 9. Options to Purchase Securities

The following table sets forth the amount and terms of currently outstanding options to acquire common shares the Company has granted to all directors, past directors, executive officers, past executive officers, all other employees and past employees, and consultants. The Company has not granted options to any person who is not, or was not previously, a director, officer, employee or consultant. Exercise prices shown reflect consolidations of the Company's common share capital.

| Category | Aggregate Number of Individuals | Aggregate Number of Options | Date of Grant | Exercise Price | Expiry Date |
|---|---|---|---|---|---|
| Directors and Past Directors | 1 | 20,000 | March 4, 2011 | $0.60 | March 4, 2016 |
| | 1 | 30,000 | October 18, 2011 | $0.75 | October 18, 2016 |
| | 2 | 300,000 | September 27, 2013 | $0.15 | September 27, 2018 |
| Executive Officers and Past Executive Officers | 1 | 20,000 | April 28, 2011 | $0.60 | April 28, 2016 |
| | 2 | 40,000 | March 4, 2011 | $0.60 | March 4, 2016 |
| | 3 | 70,000 | October 18, 2011 | $0.75 | October 18, 2016 |
| | 3 | 350,000 | September 27, 2013 | $0.15 | September 27, 2018 |
| Employees and Past Employees | N/A | N/A | N/A | N/A | N/A |
| Consultants | 1 | 15,000 | March 4, 2011 | $0.60 | March 4, 2016 |
| | 1 | 20,000 | October 18, 2011 | $0.75 | October 18, 2016 |
| | 3 | 200,000 | September 27, 2013 | $0.15 | September 27, 2018 |

## 10. Description of the Securities

10.1 The Company's authorized capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. Preferred shares may be issued in one or more series and the Company's directors may fix the number of shares which is to comprise each series and designate the rights, privileges, restrictions and conditions attaching to each series. As of the date of this Listing Statement, there are no preferred shares issued and outstanding.

Holders of common shares are entitled to vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote, receive any dividend declared by the Company and, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares, receive the remaining property of the Company upon dissolution.

10.2 Not applicable.

10.3 Not applicable.

10.4 Not applicable.

10.5 The provisions in the Company's Articles attaching to the common shares and the preferred shares may be altered, amended, repealed, suspended or changed by the affirmative vote of the holders of not less than two-thirds of the common shares and two-thirds of the preferred shares, respectively, present in person or by proxy at any such meeting of holders.

10.6 Not applicable.

10.7 Prior Sales

During the 12 months preceding the date of this Listing Statement, the Company issued the following common shares and securities convertible into common shares:

| Date of Issuance | Type of Security Issued | Number of Securities Issued | Price per Security | Total Funds Received |
|---|---|---|---|---|
| September 27, 2013 | Stock Options(1) | 850,000 | N/A | N/A |
| October 3, 2013 | Units(2) | 8,000,000 | $0.05 | $400,000 |
| October 24, 2013 | Units(2) | 1,333,333 | $0.075 | $99,999.93 |

(1) Each stock option entitles the holder to purchase one common share at an exercise price of $0.15 per share until September 27, 2018.

(2) Each unit consists of one common share and one warrant, each of which entitles the holder to purchase one additional

10.8 Stock Exchange Price

The high and low market prices of the Company's common shares on the TSXV for each month of the current quarter and the immediately preceding quarter were as follows:

| Monthly Highs and Lows | High ($) | | Low ($) |
|---|---|---|---|
| January 1, 2014 to January 30, 2014 | 0.375 | | 0.26 |
| December 2013 | 0.385 | | 0.245 |
| November 2013 | 0.40 | | 0.21 |
| October 2013 | 0.43 | | 0.17 |

The high and low market prices of the Company's common shares on the TSXV for each full fiscal quarter for the seven quarters preceding the quarter ended December 31, 2013 were as follows:

| Quarterly Highs and Lows | High ($) | | Low ($) |
|---|---|---|---|
| Quarter ended September 30, 2013 | 0.025 | | 0.01 |
| Quarter ended June 30, 2013 | 0.035 | | 0.01 |
| Quarter ended March 31, 2013 | 0.055 | | 0.025 |
| Quarter ended December 31, 2012 | 0.085 | | 0.02 |
| Quarter ended September 30, 2012 | 0.105 | | 0.05 |
| Quarter ended June 30, 2012 | 0.135 | | 0.09 |
| Quarter ended March 31, 2012 | 0.19 | | 0.10 |

(1) In August 2013, the Company completed a five for one consolidation of outstanding common shares.

The trading price and volume of the Company's common shares has been and may continue to be subject to wide fluctuations. The stock market has generally experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies with little or no current business operations. Because the Company's common shares are expected to be only sporadically traded on the CNSX, shareholders may find it difficult to liquidate their common shares, or purchase new common shares at certain times.

## 11. Escrowed Securities

As of the date of this Listing Statement, the Company does not have any escrowed securities.

## 12. Principal Shareholders

12. The following table provides information regarding the Company's principal shareholders as at the date of this Listing Statement:

| Name | Class of Securities Held | Number of Securities Held | Type of Ownership | Percentage of Class[1] |
|---|---|---|---|---|
| Steve Vestergaard | Common Shares | 2,034,800[2] | Registered and Beneficial | 10.9%[3] |

(1) Based on 18,734,978 common shares issued and outstanding as at the date hereof.

(2) Does not include stock options to acquire 200,000 common shares exercisable at a price of $0.15 per common share until September 27, 2018 and warrants to acquire 2,000,000 common shares at a price of $0.10 per share until October 3, 2015.

(3) 20.2% on a partially diluted basis, based on a total of 20,934,978 Common Shares outstanding assuming the exercise of all stock options and warrants held by Mr. Vestergaard.

## 13 Directors and Officers

13.1 The following table sets out information concerning directors and executive officers of the Company:

| Name Municipality/Province of Residence and Position(s) with the Company[(1)] | Principal Occupation Business or Employment for Last Five Years[(1)] | Date of Appointment as Director or Officer | Number of Common Shares Owned[(2)] |
|---|---|---|---|
| **Paul Andreola**[(3)]<br>Vancouver, BC<br>President, CEO and Director | Mr. Andreola has been a director of the Company since April 2011 and president and CEO of the Company since February 2013. He has been self-employed since October 2008. | April 28, 2011 | 1,317,266[(4)] |
| **Michael Sweatman**[(3)]<br>Delta, BC<br>CFO, Secretary and Director | CFO, secretary and director of the Company since November 2010. Mr. Sweatman is a Chartered Accountant who serves as a director and/or officer of a number of public companies. | November 17, 2010 | 354,000[(5)] |
| **Colin Bowkett**[(3)]<br>West Vancouver, BC<br>Director | Mr. Bowkett has been a director of the Company since November 2010. He has been president of Archer Petroleum Corp., a TSXV listed oil and gas issuer, since February 2010 and a director of Archer Petroleum Corp. since June 2009. | November 17, 2010 | 472,000[(6)] |
| **Steve Vestergaard**<br>Lions Bay, BC<br>Director | Mr. Vestergaard has been the chairman, president and CEO of Destiny Media Technologies, Inc. since 1999. | July 18, 2013 | 2,034,800[(7)] |

(1) Information has been furnished by the respective directors and officers individually.

(2) The information as to common shares beneficially owned or over which a person set forth above exercises control or direction, directly or indirectly, not being within the knowledge of the Company, has been based on insider reports filed on SEDI by the respective directors and officers.

(3) Member of audit committee.

(4) Includes 41,666 common shares held directly and 1,275,666 common shares held indirectly by Patricia Finlayson, spouse of Paul Andreola. Does not include stock options to acquire 20,000 common shares at a price of $0.60 per share until April 28, 2016, stock options to acquire 30,000 common shares at a price of $0.75 per share until October 18, 2016, stock options to acquire 240,000 common shares at a price of $0.15 per share until September 27, 2018, warrants to acquire 40,000 common shares at a price of $1.10 per share until March 2, 2014 held indirectly through Patricia Finlayson, warrants to acquire 1,000,000 common shares at a price of $0.10 per share until October 3, 2015 held indirectly through Patricia Finlayson and warrants to acquire 31,666 common shares at a price of $0.10 per share until October 25, 2015 held indirectly through Patricia Finlayson.

(5) Does not include stock options to acquire 20,000 common shares at a price of $0.60 per share until March 4, 2016, stock options to acquire 30,000 common shares at a price of $0.75 per share until October 18, 2016, stock options to acquire 100,000 common shares at a price of $0.15 per share until September 27, 2018, warrants to acquire 15,000 common shares at a price of $1.10 per share until February 28, 2014 and warrants to acquire 200,000 common shares at a price of $0.10 per share until October 3, 2015.

(6) Does not include stock options to acquire 20,000 common shares at a price of $0.60 per share until March 4, 2016, stock options to acquire 30,000 common shares at a price of $0.75 per share until October 18, 2016, stock options to acquire 100,000 common shares at a price of $0.10 per share until September 27, 2018 and warrants to acquire 400,000 common shares at a price of $0.10 per share until October 3, 2015.

(7) Does not include stock options to acquire 200,000 common shares at a price of $0.10 per share until September 27, 2018 and warrants to acquire 2,000,000 common shares at a price of $0.10 per share until October 3, 2015.

13.2 The table above sets forth the period during which each director has served as a director. All directors hold office until the next annual meeting of shareholders or until their earlier death, removal or resignation.

13.3 As a group, the directors and executive officers of the Company beneficially own, and exercise control and direction over, an aggregate of 4,178,066 common shares of the Company, representing 22.3% of the issued and outstanding common shares, on an undiluted basis, as at December 31, 2013.

13.4 The Company has an Audit Committee, comprised of Paul Andreola, Michael Sweatman and Colin Bowkett.

13.5 Details of the principal occupations of any director or executive officer of the Company are set forth in the table above.

13.6 No director or officer of the Company, or shareholder holding a sufficient number of securities to affect materially control of the Company is, or within 10 years before the date of this Listing Statement, has been, a director or officer of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied such other issuer access to any exemptions under Ontario securities law for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in such other issuer being the subject of a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 No director or officer of the Company, or a shareholder holding sufficient securities of the Company to affect materially the control of the Company, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Not applicable.

13.9 No director or officer of the Company, or shareholder holding a sufficient number of securities to affect materially control of the Company, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

13.10 There are no existing or potential material conflicts of interest between the Company or a subsidiary of the Company and a director or officer of the Company or a subsidiary of the Company.

13.11 The Company's management team is comprised of Paul Andreola and Michael Sweatman. The following table provides information about each member of management that is in addition to the information included in the table in Section 13.1 above:

| Name and Position with the Company | Age | Responsibilities with the Company | Employee or Independent Contractor? | Particular Industry Experience | Non-Competition or Non-Disclosure Agreement? (Yes / No) |
|---|---|---|---|---|---|
| Paul Andreola<br>President and CEO | 50 | President & CEO | Independent Contractor | Mr. Andreola has over 20 years of business development and financial markets experience. He is the cofounder of both MDU Communications Inc. (OTCBB: MDTV), a provider of premium telecommunications services, and Destiny Media Technologies Inc. (TSXV: DSY), a leader in digital media distribution. | No |
| Michael Sweatman<br>CFO and Secretary | 62 | CFO and Secretary | Independent Contractor | Mr. Sweatman is a Chartered Accountant. He provides financial and accounting related services to many public companies. | No |

**14. Capitalization**

14.1 The following table sets out information regarding the Company's common shares.

**Issued Capital**

| Public Float | Number of Securities (non-diluted) | Number of Securities (fully-diluted) | %of Issued (non-diluted) | % of Issued (fully diluted) |
|---|---|---|---|---|
| Total outstanding (A) | 18,734,978 | 23,211,644 | 100% | 100% |

| | Number of Securities (non-diluted) | Number of Securities (fully-diluted) | %of Issued (non-diluted) | % of Issued (fully diluted) |
|---|---|---|---|---|
| Held by Related Persons or employees of the Company or Related Person of the Company, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held) (B) | 5,178,132 | 9,654,798 | 27.6% | 41.6% |
| Total Public Float (A-B) | 13,556,846 | 13,556,846 | 72.4% | 58.4% |
| Freely-Tradeable Float | | | | |
| Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C) | 9,333,331 | 9,333,331 | | |
| Total Tradeable Float (A-C) | 9,401,647 | 13,878,313 | 50.2% | 59.8% |

Public Securityholders (Registered)

The following table sets forth information regarding the number of registered “public securityholders” of the Company, being persons other than persons enumerated in section (B) of the previous chart:

**Class of Security: Common Shares**

| Size of Holding | Number of holders | Total number of securities |
|---|---|---|
| 1 – 99 securities | 50 | 1,197 |
| 100 – 499 securities | 12 | 2,263 |
| 500 – 999 securities | 2 | 1,600 |
| 1,000 – 1,999 securities | 2 | 2,610 |
| 2,000 – 2,999 securities | 0 | 0 |

**Class of Security: Common Shares**

| **Size of Holding** | **Number of holders** | **Total number of securities** |
|---|---|---|
| 3,000 – 3,999 securities | 1 | 3,453 |
| 4,000 – 4,999 securities | 1 | 4,020 |
| 5,000 or more securities | 34 | 14,053,370 |
| | | |

Public Securityholders (Beneficial)

The following table sets forth information regarding the number of beneficial "public securityholders" of the Company, being persons other than persons enumerated in section (B) of the issued capital chart who either: (i) hold securities in their own name as registered shareholders; or (ii) hold securities through an intermediary where the Company has been given written confirmation of shareholdings:

**Class of Security: Common Shares**

| **Size of Holding** | **Number of holders** | **Total number of securities** |
|---|---|---|
| 1 – 99 securities | 203 | 4,724 |
| 100 – 499 securities | 125 | 28,351 |
| 500 – 999 securities | 63 | 42,513 |
| 1,000 – 1,999 securities | 113 | 133,384 |
| 2,000 – 2,999 securities | 81 | 171,072 |
| 3,000 – 3,999 securities | 40 | 129,332 |
| 4,000 – 4,999 securities | 46 | 188,491 |
| 5,000 or more securities | 307 | 8,292,800 |
| Unable to confirm | | |

Non-Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "non-public securityholders" of the Company, being persons enumerated in section (B) of the issued capital chart:

**Class of Security: Common Shares**

| **Size of Holding** | **Number of holders** | **Total number of securities** |
|---|---|---|
| 1 – 99 securities | 0 | 0 |
| 100 – 499 securities | 0 | 0 |
| 500 – 999 securities | 0 | 0 |
| 1,000 – 1,999 securities | 0 | 0 |
| 2,000 – 2,999 securities | 0 | 0 |
| 3,000 – 3,999 securities | 0 | 0 |
| 4,000 – 4,999 securities | 0 | 0 |
| 5,000 or more securities | 5 | 4,666,466 |

14.2 The following table sets out information regarding any securities convertible or exchangeable into any class of listed securities:

| **Description of Security** | **Number of convertible / exchangeable securities outstanding**(1) | **Number of listed securities issuable upon conversion / exercise**(1) |
|---|---|---|
| Warrants | 9,976,831(2)(3)(4) | 9,976,831 |
| Stock Options | 1,065,000(5)(6)(7)(8) | 1,065,000 |

(1) Number of securities and exercise prices of securities issued or granted prior to August 2013 have been adjusted to give effect to the Company's five for one consolidation of common shares that occurred in August 2013.

(2) On February 29, 2012, the Company issued 477,500 warrants, each exercisable into one common share at a price of $1.10 per share until February 28, 2014.

(3) On March 2, 2012, the Company issued 166,000 warrants, each exercisable into one common share at a price of $1.10 per share until March 2, 2014.

(4) On October 3, 2013 and October 23, 2013, the Company issued an aggregate of 9,333,331 warrants, each exercisable into one common share at a price of $0.10 per share for 24 months from the date of issuance.

(5) On April 28, 2011, the Company granted 20,000 stock options, each of which is exercisable into one common share at a price of $0.60 per share until April 28, 2016

(6) On March 4, 2011, the Company granted 75,000 stock options, each of which is exercisable into one common share at a price of $0.60 per share until March 4, 2016.

(7) On October 18, 2011, the Company granted 120,000 stock options, each of which is exercisable into one common share at a price of $0.75 per share until October 18, 2016.

(8) On September 27, 2013, the Company granted 850,000 stock options, each of which is exercisable into one common share at a price of $0.15 per share until September 27, 2018.

14.3 Not applicable.

## 15. Executive Compensation

15.1 The following information has been derived from the Company's Statement of Executive Compensation on Form 51-102F6 for the fiscal year ended December 31, 2013, which was included in the Company's management information circular dated June 18, 2013, delivered in connection with the Company's annual general and special meeting of shareholders held on July 18, 2013.

*General*

For the purpose of this Listing Statement:

"**CEO**" means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the Company's three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 for that financial year, as determined in accordance with subsection 1.3(6) of Form 51-102F6 *Statement of Executive Compensation*, for that financial year; or

(d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

*Compensation Discussion and Analysis*

<u>Goals and Objectives</u>

Given the Company's present size and stage of development, the Board does not currently have an active compensation committee in place and, accordingly, the Board as a whole is responsible for determining the compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting with respect to their own compensation.

The Board reviews, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns and the awards given to executive officers in past years.

The Board's compensation philosophy is aimed at attracting and retaining qualified and experienced people, which is critical to the success of the Company, and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for its shareholders.

Executive Compensation Program

Executive compensation is comprised of two main elements: base fee or salary and long-term incentive compensation (option-based awards). The Board reviews both components in assessing the compensation of individual executive officers.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Stock options are an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in an appreciation of the market value of the Company's shares over a stated period of time. Stock options are intended to reinforce commitment to long-term growth of the Company and shareholder value. They reward overall corporate performance, as measured through the price of the Common Shares, and enable executives to acquire and maintain a significant ownership position in the Company. See "Share Based Awards and Option Based Awards" below.

The Company has not retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Company's directors or officers. Given the Company's current stage of development, the Company has not considered the implications of the risks associated with the Company's compensation practices. Although the Company has not adopted a formal policy forbidding a NEO or director from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director, the Company is not aware of any NEO or director having entered into this type of transaction.

Share-Based and Option-Based Awards

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's Stock Option Plan (2007) (the "**Stock Option Plan**") to receive grants of stock options. The Company granted a total of 2,140,000 stock options, which remain issued and outstanding as of the date of this Information Circular. The Company regards the strategic use of incentive stock options as a cornerstone of the Company's compensation plan. It applies to employees at all levels and continues to be one of the Company's primary tools for attracting, motivating and retaining qualified employees, which is critical to the Company's success. The Company is committed to long-term incentive programs that promote the continuity of an excellent management team and, therefore, the long-term success of the Company. The Company established the Stock Option Plan as an incentive to serve the Company in attaining its goal of improving shareholder value.

The Board is responsible for administering the Stock Option Plan and determining the type and amount of compensation to be paid to directors, officers, employees and consultants of the Company. Stock options are typically part of the overall compensation package for executive officers and employees. In evaluating option grants to a NEO, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by such NEO; (ii) a fair balance between the number of options held by the NEO concerned and the other executives of the Company, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component in the NEO's overall compensation package. For more details of the Stock Option Plan, see "Stock Option Plan".

Compensation Governance

The Board has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than disclosed above. Given the Company's current stage of development, the Company does not currently have an active compensation committee in place.

*Summary Compensation Table*

Particulars of compensation paid to each NEO in the financial years ended December 31, 2012, 2011 and 2010 is set out in the summary compensation table below:

| Name and principal position | Year Ending | Salary[8] ($) | Share-based awards[9] ($) | Option-based awards[10] ($) | Non-equity incentive plan compensation ($) | | Pension value ($) | All other compen-sation ($) | Total compen-sation ($) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Annual incentive plans | Long-term incentive plans | | | |
| Arni Johannson[1][2] Former President, CEO and Director | 12/31/12 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 12/31/11 | 750 | N/A | N/A | N/A | N/A | N/A | N/A | 750 |
| | 12/31/10 | 500 | Nil | Nil | Nil | Nil | Nil | Nil | 500 |
| Michael Sweatman[3] CFO, Secretary and Director | 12/31/12 | 22,500[4] | Nil | Nil | Nil | Nil | Nil | Nil | 22,500 |
| | 12/31/11 | 11,125[5] | Nil | 27,500 | Nil | Nil | Nil | Nil | 38,625 |
| | 12/31/10 | 500 | Nil | Nil | Nil | Nil | Nil | Nil | 500 |
| Andrew Gourlay[6] President, CEO and Director | 12/31/12 | 900 | Nil | Nil | Nil | Nil | Nil | Nil | 900 |
| | 12/31/11 | 5,500[7] | Nil | 16,500 | Nil | Nil | Nil | Nil | 22,000 |
| | 12/31/10 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

(1) Arni Johannson was Senior Vice President of Business Operations of the Company from August 2, 2007 to June 8, 2009. He was appointed President and CEO of the Company on November 17, 2010 and resigned from those positions on February 15, 2011 when Andrew Gourlay was appointed.

(2) Arni Johannson was paid $500 per month in Directors' fees for services provided.

(3) Michael Sweatman was appointed CFO and Secretary of the Company on November 17, 2010.

(4) In 2012, Michael Sweatman was paid $16,900 and is owed $5,600 in management fees. Management fees were only accrued until September 30, 2012.

(5) In 2011, Michael Sweatman was paid $5,500 in Directors' fees and 5,625 in management fees for services provided. He was also granted a total of 250,000 options during 2011.

(6) Andrew Gourlay was appointed as President and CEO of the Company on February 15, 2011 and resigned on February 19, 2013.

(7) In 2011, Andrew Gourlay was paid $4,750 in Directors' fees and $750 in management fees for services provided. He was also granted a total of 150,000 options during 2011.

(8) The value of perquisites including property or other personal benefits provided to a NEO that are generally available to all employees, and that in the aggregate are worth less than $50,000, or are worth less than 10% of a NEO's total salary for the financial year, are not reported herein.

(9) The Company has not granted any restricted shares or restricted share units, stock appreciation rights or long-term incentive plan payouts to NEOs.

(10) The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: dividend yield 0%; expected annual volatility 146%; risk-free interest rate 1.99%; market share price of $0.12; forfeiture rate of 0% and expected life of 5 years. The weighted average fair value of options granted was $0.11 per option.

There were no Named Executive Officers serving as executive officers at the end of the most year ended December 31, 2012 or executive officers who served during that financial year whose total compensation exceeded $150,000 per year.

*Incentive Plan Awards*

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

Outstanding Share-Based Awards and Option-Based Awards

No share-based awards were granted to the NEOs during the financial year ended December 31, 2012. The following table sets forth all option-based grants to NEOs that were outstanding as of December 31, 2012, including awards granted before the year ended December 31, 2012:

| | Option-based Awards | | | |
|---|---|---|---|---|
| **Name** | **Number of securities underlying unexercised options (#)** | **Exercise price ($)** | **Expiration date** | **Value of unexercised in-the-money options ($)** |
| Andrew Gourlay President and CEO | 100,000 | $0.12 | March 4, 2016 | N/A(1) |
| | 50,000 | $0.15 | October 18, 2016 | N/A(1) |
| Michael Sweatman CFO and Secretary | 100,000 | $0.12 | March 4, 2016 | N/A(1) |
| | 150,000 | $0.15 | October 18, 2016 | N/A(1) |

(1) None of the options held by the NEOs were in-the-money as of December 31, 2012.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value that would have been realized by NEOs if options granted under option based awards during the year ended December 31, 2012 had been exercised on the vesting date:

| **Name** | **Option-based awards – Value vested during the year ($)** | **Share-based awards – Value vested during the year ($)** | **Non-equity incentive plan compensation – Value earned during the year ($)** |
|---|---|---|---|
| Andrew Gourlay President and CEO | Nil | N/A | N/A |
| Michael Sweatman CFO and Secretary | Nil | N/A | N/A |

*Pension Plan Benefits*

The Company does not have any pension plans that provide for payments or benefits at, following, or in connection with retirement.

*Termination and Change of Control Benefits*

The Company does not have any contracts, agreements, plans or arrangements that provide for payments to any NEO or director at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a NEO's or director's responsibility.

*Compensation of Directors*

The following table sets forth the details of all compensation provided to the directors of the Company, other than directors who were also NEOs, during the year ended December 31, 2012:

| Name | Fees Earned ($) | Share-based Awards ($) | Option-based Awards ($) | Non-Equity Incentive Plan Compensation ($) | Pension Value ($) | All Other Compensation ($) | Total ($) |
|---|---|---|---|---|---|---|---|
| Colin Bowkett(1) | 67,500 | Nil | Nil | Nil | Nil | Nil | 67,500 |
| Paul Andreola(2) | 49,500 | Nil | Nil | Nil | Nil | Nil | 49,500 |

(1) In 2012, Mr. Bowkett was paid $52,500 and is owed $5,600 in management fees. Management fees were only accrued until September 30, 2012.

(2) In 2012, Mr. Andreola was paid $38,500 and is owed $11,000 in management fees. Management fees were only accrued until September 30, 2012.

Narrative Discussion

During the fiscal year ended December 31, 2012, Colin Bowkett and Paul Andreola were paid management fees for services provided to the Company and they did not receive any directors' fees. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may receive cash bonuses from time to time which the Company awards to directors for serving in their capacity as a member of the Board. Executive officers who also act as directors of the Company do not receive any additional compensation for services rendered in their capacity as directors.

Directors are also entitled to participate in the Stock Option Plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of each individual director's current and expected future performance, level of responsibilities and the importance of his position and contribution to the Company.

Outstanding Share-Based Awards and Option-Based Awards

No share-based awards were granted to the directors during the year ended December 31, 2012. The following table sets forth all option-based awards granted to directors that were outstanding as of December 31, 2012, including awards granted before the year ended December 31, 2012:

| Name | Option-based Awards | | | |
|---|---|---|---|---|
| | Number of securities underlying unexercised options (#) | Option exercise price ($) | Option expiration date | Value of unexercised in-the-money options ($) |
| Colin Bowkett | 100,000 | $0.12 | March 4, 2016 | N/A(1) |
| | 150,000 | $0.15 | October 18, 2016 | N/A(1) |
| Paul Andreola | 100,000 | $0.165 | April 28, 2016 | N/A(1) |
| | 150,000 | $0.15 | October 18, 2016 | N/A(1) |

(1) None of the options held by the directors were in-the-money as of December 31, 2012.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value that would have been realized by directors if options granted under option based awards during the year ended December 31, 2012 had been exercised on the vesting date:

| Name | Option-based awards – Value vested during the year ($) | Share-based awards – Value vested during the year ($) | Non-equity incentive plan compensation – Value earned during the year ($) |
|---|---|---|---|
| Colin Bowkett | Nil | N/A | N/A |
| Paul Andreola | Nil | N/A | N/A |

## 16. Indebtedness of Directors and Executive Officers

16.1 Not applicable.

16.2 Not applicable.

## 17. Risk Factors

17.1 There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. If any of these risks actually occur, the Company's business, financial condition or results of operation may be materially adversely affected. In such case, the trading price of the Company's common shares could decline and investors could lose all or part of their investment. The following is a summary of certain risks that may be applicable to the business of the Company:

*The Company has a very limited operating history in its new area of business.*

Because the Company has a limited operating history in its new area of business, you should consider and evaluate its operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in rapidly evolving markets. These risks include:

- risks that it may not have sufficient capital to achieve its growth strategy;
- risks that it may not develop its product and service offerings in a manner that enables it to be profitable and meet its customers' requirements;
- risks that its growth strategy may not be successful; and
- risks that fluctuations in its operating results will be significant relative to its revenues.

The Company's future growth will depend substantially on its ability to address these and the other risks described in this section. If it does not successfully address these risks, its business may be significantly harmed.

*The Company cannot predict its future capital needs and it may not be able to secure additional financing.*

The Company believes that its raised capital is sufficient to meet its presently anticipated working capital and capital expenditure requirements for the near future. This belief is based on its operating plan which, in turn, is based on assumptions, which may prove to be incorrect. In addition, the Company may need to raise significant additional funds sooner in order to support its growth, develop new or enhanced services and products, respond to competitive pressures, acquire or invest in complementary or competitive businesses or technologies, or take advantage of unanticipated opportunities. If its financial resources are insufficient, it will require additional financing in order to meet its plans for expansion. The Company cannot be sure that this additional financing, if needed, will be available on acceptable terms or at all. Furthermore, any debt financing, if available, may involve restrictive covenants, which may limit its operating flexibility with respect to business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of existing shareholders will be reduced, such shareholders may experience additional dilution in net book value, and such equity securities may have rights, preferences or privileges senior to those of its existing shareholders. If adequate funds are not available on acceptable terms or at all, the Company may be unable to develop or enhance its services and products, take advantage of future opportunities, repay debt obligations as they become due, or respond to competitive pressures, any of which could have a material adverse effect on its business, prospects, financial condition, and results of operations.

*Volatile global financial and economic conditions may negatively affect the Company's operations.*

Current global financial and economic conditions remain extremely volatile. Access to public and private capital and financing continues to be negatively impacted by many factors as a result of the global financial crisis and global recession. Such factors may impact the Company's ability to obtain financing in the future on favourable terms or obtain any financing at all. Additionally, global economic conditions may cause a long term decrease in asset values. If such global volatility, market turmoil and the global recession continue, the Company's operations and financial condition could be adversely impacted.

*There can be no assurance that the Company's shareholders or purchasers of the Company's common shares will be able to resell their shares at prices equal to or greater than their cost.*

The market price of the Company's common shares could be subject to significant fluctuations in response to various factors, many of which are beyond the Company's control. In addition, the stock markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of many companies whose businesses are dependent on technology and that often have been unrelated to the operating performance of such companies. These broad market fluctuations may adversely affect the market price of the Company's common shares. There can be no assurance that the holders or purchasers of the Company's common shares will be able to resell their shares at prices equal to or greater than their cost.

*The Company operates in a new and rapidly changing industry, which makes it difficult to evaluate its business and prospects.*

The mobile app industry is a new and rapidly evolving industry. The growth of the mobile app industry and the level of demand and market acceptance of the Company's apps are subject to a high degree of uncertainty. The Company's future operating results will depend on numerous factors affecting the mobile app industry, many of which are beyond its control.

The Company's ability to plan for mobile app development and distribution will be significantly affected by its ability to anticipate and adapt to relatively rapid changes in the tastes and preferences of its current and potential users. New and different types of entertainment may increase in popularity at the expense of apps. A decline in the popularity of apps in general, or any apps that the Company may acquire in particular, would harm its business and prospects.

*Apps that the Company has or may acquire are expected to be based on new and unproved technologies that will be subject to the risks of failure inherent in the development of new products and services.*

Because any apps that the Company has or may acquire are expected to be based on new technologies, they are expected to be subject to risks of failure that are particular to new technologies, including the possibility that:

- the Company's new business strategy, including its plan to acquire apps under an umbrella portfolio, will not result in any products or services that gain market acceptance;
- the Company's mobile apps and the technology powering its services may unfavorably interact with other types of commonly used applications and services, thus restricting the circumstances in which they may be used;
- proprietary rights of third parties may preclude the Company from marketing a new product or service; or
- third parties may market superior or more cost-effective products or services.

As a result, the Company's activities may not result in a broad enough base of commercially viable products or services, which would harm its sales, revenue and financial condition.

*If the Company is unable to maintain a stable relationship with the markets where its apps are distributed, its business may suffer.*

Apple's "App Store" and Google's "Google Play" are expected to be the primary distribution, marketing, promotion and payment platforms for the Company's apps. In the event that the Company begins to generate revenue, it expects to generate substantially all of its revenue from the sale of mobile apps through these platforms. Any deterioration in the Company's relationship with Apple or Google could harm its business and adversely affect the price of the Company's common shares.

The Company expects that it will be subject to Apple's and Google's standard terms and conditions for application developers, which govern the promotion, distribution and operation of mobile apps on their platforms. The financial condition and business of the Company could be harmed if:

- Apple or Google discontinues or limits access to its platform;
- Apple or Google modifies its terms of service or other policies, including fees charged to, or other restrictions on, the Company or other application developers, or Apple or Google changes how the personal information of its users is made available to application developers on their respective platforms or shared by users;
- Apple or Google establishes more favorable relationships with one or more of the Company's competitors; or
- Apple or Google develops its own competitive offerings.

The Company expects that it will benefit from Apple and Google's strong brand recognition and large user base in marketing any apps it may acquire. If Apple or Google loses its market position or otherwise falls out of favor with mobile users, the Company expects that it would need to identify alternative channels for marketing, promoting and distributing any apps it may acquire, which could consume substantial resources and may not be effective. In addition, Apple and Google have broad discretion to change their terms of service and other policies with respect to the Company and other developers, and those changes may be unfavorable to the Company. Any such changes in the future could significantly alter how the Company's app users experience its apps or interact within its apps, which may harm the Company's business.

*The mobile application industry is subject to rapid technological change and, to compete, the Company expects that it will need to continually enhance any mobile apps it may acquire.*

The Company expects that it will need to continue to enhance and improve the performance, functionality and reliability of any mobile apps it may acquire. The mobile application industry is characterized by rapid technological change, changes in user requirements and preferences, frequent new product and services introductions embodying new technologies, and the emergence of new industry standards and practices that could render the Company's products and services obsolete. Its success will depend, in part, on its ability to both internally develop and license leading technologies to enhance its existing mobile apps and services, acquire new mobile apps and services that address the increasingly sophisticated and varied needs of its customers, and respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. If the Company is unable to adapt to changing market conditions, customer requirements or emerging industry standards, the Company may not be able to generate revenue or expand its business.

*The Company may face intense competition and expects competition to increase in the future, which could prohibit it from developing a customer base and generating revenue.*

The mobile application industry is highly competitive, with low barriers to entry and the Company expects more companies to enter the sector and a wider range of apps and related products and services to be introduced. The Company's competitors may already have an established market in this industry. Most of these companies have significantly greater financial and other resources than the Company and have been developing their products and services and building app portfolios longer than the Company.

*The Company's business and financial results could be affected by changing consumer preferences.*

As a proposed supplier of mobile apps, the Company expects that it will need to continually offer themes and products that appeal to users. The Company expects that its success will depend in part on unpredictable and volatile factors that are beyond its control, such as customer preferences, competing apps, travel activity and the availability of other entertainment activities. If the Company is unable to anticipate or react to any significant changes in user or customer preferences in a timely manner, the demand for any apps it may acquire could decline, which could affect its financial condition.

*Defects in any apps the Company may acquire may adversely affect its business.*

Tools, code, subroutines and processes contained within any apps the Company may acquire may contain defects when introduced and also when updates and new versions are released. The Company's introduction of mobile apps with defects or quality problems may result in adverse publicity, product returns, reduced orders, uncollectible or delayed accounts receivable, product redevelopment costs, loss of or delay in market acceptance of the Company's apps or claims by customers or others against the Company. Such problems or claims may have a material and adverse effect on the Company's business, prospects, financial condition and results of operations.

*Concerns about health risks associated with wireless equipment may reduce the demand for the Company's services.*

Mobile communications devices have been alleged to pose health risks, including cancer, due to radio frequency emissions from these devices. As any apps that the Company may acquire are expected to operate on mobile communications devices, the actual or perceived health risk of mobile communications devices could adversely affect the Company through a reduction in mobile communication devise users, thereby reducing potential user and purchasers of the Company's apps.

*If third parties claim that the Company infringes their intellectual property, it may result in costly litigation.*

Third parties may claim that any apps that the Company may acquire infringe their intellectual property rights. Any such claims, with or without merit, could cause costly litigation that could consume significant management time. As the number of product and services offerings in the mobile application market increases and functionalities increasingly overlap, the Company may become increasingly subject to infringement claims. Such claims may also require the Company to enter into royalty or license agreements. If required, the Company may not be able to obtain such royalty or license agreements, or obtain them on terms acceptable to it.

*The Company may become subject to government regulation and legal uncertainties that could reduce demand for any apps it may acquire or increase its cost of doing business, thereby adversely affecting its financial results.*

Due to the increasing popularity and use of mobile applications, it is possible that a number of laws and regulations may become applicable to the Company or may be adopted in the future with respect to mobile applications, covering issues such as user privacy; taxation; right to access personal data; copyrights; distribution; and characteristics and quality of services.

The applicability of existing laws governing issues such as property ownership, copyrights and other intellectual property issues, encryption, taxation, libel, export or import matters and personal privacy to mobile apps is uncertain. For example, laws relating to the liability of providers of online services for activities of their users and other third parties are currently being tested by a number of claims, including actions based on invasion of privacy and other torts, unfair competition, copyright and trademark infringement, and other theories based on the nature and content of the materials searched, the ads posted or the content provided by users. It is difficult to predict how existing laws will be applied to the Company's business and the new laws to which the Company may become subject.

If the Company is not able to comply with these laws or regulations or if it becomes liable under these laws or regulations, the Company could be directly harmed, and it may be forced to implement new measures to reduce its exposure to this liability. This may require the Company to expend substantial resources or to modify any apps it may acquire, which could harm its business, financial condition and results of operations. In addition, the increased attention focused upon liability issues as a result of lawsuits and legislative proposals could harm its reputation or otherwise impact the growth of its business. Any costs incurred as a result of this potential liability could harm the Company's business and operating results.

It is possible that a number of laws and regulations may be adopted or construed to apply to the Company that could restrict the mobile industry, including user privacy, advertising, taxation, content suitability, copyright, distribution and antitrust. Furthermore, the growth and development of electronic commerce and virtual goods may prompt calls for more stringent consumer protection laws that may impose additional burdens on companies conducting business through mobile devices. The Company anticipates that scrutiny and regulation of its industry will increase and it may be required to devote legal and other resources to addressing such regulation. Changes to these laws intended to address these issues could create uncertainty in the marketplace. Such uncertainty could reduce demand for the Company's services or increase the cost of doing business due to increased costs of litigation or increased service delivery costs.

*Failure to comply with federal and provincial privacy laws and regulations, or the expansion of current, or the enactment of new, privacy laws or regulations, could adversely affect the Company's business.*

A variety of federal and provincial laws and regulations govern the collection, use, retention, sharing and security of consumer data. The existing privacy-related laws and regulations are evolving and subject to potentially differing interpretations. In addition, various federal, provincial and foreign legislative and regulatory bodies may expand current, or enact new, laws regarding privacy matters. Several internet companies have incurred penalties for failing to abide by the representations made in their privacy policies and practices. Any failure, or perceived failure, by the Company to comply with its privacy policies or with any data-related consent orders, regulations, federal, provincial or international privacy or consumer protection-related laws, or industry self-regulatory principles, could result in claims, proceedings or actions against the Company by governmental entities or others, or other liabilities, which could adversely affect the Company's business. In addition, a failure or perceived failure to comply with industry standards or with the Company's own privacy policies and practices could adversely affect its business.

*The Company's business may suffer if it is unable to successfully integrate any apps it may acquire into the Company's business or otherwise manage the growth associated with multiple acquisitions.*

The Company intends to pursue acquisitions that provide a strong foundation for its new business model. Its ability to grow through future acquisitions will depend on the availability of suitable acquisition candidates at an acceptable cost, its ability to compete effectively to attract these candidates and the availability of financing to complete larger acquisitions, if required. Since the Company expects the mobile app industry to consolidate in the future, it may face significant competition in executing its growth strategy. Future acquisitions or investments could result in potential dilutive issuances of equity securities, use of significant cash balances or incurrence of debt, contingent liabilities or amortization expenses related to goodwill and other intangible assets, any of which could adversely affect the Company's financial condition and results of operations. The benefits of an acquisition or investment may also take considerable time to develop, and the Company cannot be certain that any particular acquisition or investment will produce the intended benefits.

## 18. Promoters

18.1 The following table discloses information with respect to the Company's promoters, who hold director and officer positions with the Company:

| Name | Date of Appointment as Promoter | Number of Common Shares Owned | Percentage of Common Shares | Number of Options Held |
|---|---|---|---|---|
| Paul Andreola | April 2011 | 1,317,266 | 7.0% | 290,000 |
| Colin Bowkett | November 2010 | 472,000 | 2.5% | 150,000 |

Mr. Andreola and Mr. Bowkett are both currently directors and/or officers of the Company. Neither receives specific compensation for their services as promoters. For details of compensation paid to them, see “Statement of Executive Compensation – Compensation of Directors”.

18.2 Not applicable.

**19. Legal Proceedings**

19.1 Not applicable.

19.2 Not applicable.

**20. Interest of Management and Others in Material Transactions**

20.1 Not applicable.

**21. Auditors, Transfer Agents and Registrars**

21.1 The auditor of the Company is MacKay LLP, having an address at Suite 1100 – 1177 West Hastings Street, Vancouver, BC V6E 4T5.

21.2 Computershare Trust Company of Canada, of 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, is the transfer agent who maintains the securities register and the register of transfers for the Company’s common shares.

**22. Material Contracts**

22.1 The material contracts which the Company has entered into during the last two years are set out below:

In March 2011, the Company entered into an option agreement with Marifil Mines Ltd. to acquire up to a 75% interest in Marifil’s Toruel Property, located about 25 kilometers southeast of the village of Los Menucos, Rio Negro Province, Argentina. On September 19, 2012, the Company and Marifil entered into an assignment and purchase agreement, which was to supersede the 2011 option agreement, whereby the Company agreed to purchase all of Marifil's 100% interest in the Toruel Property and all exploration data related thereto. On November 26, 2012, the Company announced the termination of the purchase agreement as the Company was unable to complete a financing necessary to meet its obligations under the agreement. See Item 3 – General Development of the Business.

In December 2013, the Company, through its President, Paul Andreola, completed the acquisition of its first mobile application, “On the Fly” for a purchase price of $50,000, pursuant to the terms of an application purchase and sale agreement among Mr. Andreola, Talir d.o.o Croatia IVO Valcic and Apptopia, Inc.

22.2 Not applicable.

**23 Interest of Experts**

23.1 Not applicable.

23.2 Not applicable.

23.3 Not applicable.

23.4 Not applicable.

## 24. Other Material Facts

24.1 Not applicable.

## 25. Financial Statements

25.1 Annual Financial Statements for the year ended December 31, 2012 (audited) – Attached as Appendix C

Annual Financial Statements for the year ended December 31, 2011 (audited) – Attached as Appendix D

Annual Financial Statements for the year ended December 31, 2010 (audited) – Attached as Appendix E

Interim Financial Statements for the three months ended September 30, 2013 (unaudited) – Attached as Appendix F

**CERTIFICATE OF THE ISSUER**

Pursuant to a resolution duly passed by its Board of Directors, NETCO SILVER INC. (to be renamed BRISIO INNOVATIONS INC.), hereby applies for the listing of the above mentioned securities on CNSX. The foregoing contains full, true and plain disclosure of all material information relating to NETCO SILVER INC. (to be renamed BRISIO INNOVATIONS INC.). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this 30th day of January, 2014.

*"Paul Andreola"*
Paul Andreola
President, CEO & Director

*"Michael Sweatman"*
Michael Sweatman
Chief Financial Officer, Secretary & Director

*"Colin Bowkett"*
Colin Bowkett
Director

*"Steve Vestergaard"*
Steve Vestergaard
Director