FORM 2A - LISTING STATEMENT

Date: July 26, 2012

1. Table of Contents

2. Corporate Structure

2.1 Name and Address

The Issuer's full corporate name is "Pure Living Media Inc." and its addresses are as follows:

Head Office and Mailing Address:	509-207 West Hastings Street Vancouver, British Columbia V6B 1H7
Registered and Records Office:	Suite 300, 576 Seymour Street, Vancouver, British Columbia V6B 3K1

2.2 Incorporation

The Issuer was incorporated pursuant to the British Columbia *Business Corporations Act* (the "BCA") under the name "Patriotstar Ventures Inc." on January 16, 2007. Patriotstar Ventures Inc. completed a share exchange by way of a statutory arrangement under the BCA with TinyMassive Technologies (2009) Corp., a private BCA company incorporated on June 29, 2007 ("TinyMassive"), on December 10, 2009 and the resulting issuer changed its name to TinyMassive Technologies Inc. and adopted the articles of incorporation and the business of TinyMassive. On December 14, 2009, the Issuer began trading on the Canadian National Stock Exchange ("CNSX") under the symbol TNY. On February 24, 2011, the Issuer changed its name to "Pure Living Media Inc." and was issued a new trading symbol "PLV". The Issuer anticipates changing its name to "Scavo Resource Corp." or such other than as name acceptable to the management and directors of the Issuer and the CNSX in connection with its transition to a natural resources issuer.

2.3 Inter-Corporate Relationships

The Issuer does not have any subsidiaries.

2.4 Fundamental Change or Proposed Acquisition

On May 22, 2012, the Issuer entered into a purchase agreement with Coltstar Ventures Inc. to acquire certain mineral rights claims covering 81,353 ha situated 110km north of the Canol road or 220km north east of Ross River near the Yukon Territory border, as more particularly described in Section 4.3 of this Listing Statement. This transaction is part of a fundamental change of business for the Issuer to re-classify itself from being a media issuer to a resource issuer. See Section 3.1 of this Listing Statement for further details..

2.5 Non-Corporate Issuers and Issuer Incorporated Outside of Canada

This section is not applicable to the Issuer as it is a British Columbia company.

3. General Development of the Business

3.1 General Development

After incorporation as "Patriotstar Ventures Inc." under the laws of the Province of British Columbia on January 16, 2007, the Issuer was a development stage technology company Patriotstar Ventures Inc. was a "Capital Pool Company" as defined in Policy 2.4 of the TSXV and completed its initial public offering on

April 26, 2007. Its shares were first listed on the TSXV April 30, 2007. On December 10, 2009, Patriotstar requested its shares be de-listed from the TSXV.

After the statutory arrangement whereby Patriotstar Ventures Inc. merged with TinyMassive Technologies TinyMassive Technologies (2009) Corp. and became TinyMassive Technologies Inc., the Issuer's primary business was a social comparison shopping engine.

Subsequently, the Issuer's primary business transitioned from a social comparison shopping engine to being re-released as a lifestyles website with an integrated comparison shopping engine component for modern mothers and is being operated by the Issuer's then subsidiary, TBwaP, Inc. The Issuer's new website offered workout plans, healthy eating and fitness tips, product reviews and family travel ideas for the urban mother, prenatal and post-pregnancy. On March 26, 2012, the Issuer completed the sale of its interest in TBwaP, Inc. to an unrelated third party.

On March 20, 2012, the Issuer closed of a non-brokered private placement of 8,500,000 units at a price of $0.05 per unit for gross proceeds of $425,000. Each unit consisted of one common shares with a deemed price of $0.05 per share and one full share purchase warrant exercisable at a price of $0.10 per warrant until March 20, 2014 The funds were used for general working capital.

On May 22, 2012, the Issuer entered into the Purchase Agreement for the Purchase of certain exploration natural resource mineral claims further described under "Narrative Description of the Business", thereby directing its business towards the exploration and development of mineral resource properties. The Issuer anticipates changing its name to "Scavo Resource Corp." or such other than as name acceptable to the management and directors of the Issuer and the CNSX in connection with this redirection subsequent to the acceptance of this listing statement by the CNSX.

3.2 Significant Acquisition

The Issuer has not completed an acquisition or disposition or proposed any significant probable acquisition or disposition for which financial statements would be required under National Instrument 41-101.

(1) (a) Description of Acquisition

Pursuant to the Arrangement Agreement, on December 11, 2009 Patriotstar acquired all of the issued and outstanding shares in the capital of TinyMassive in exchange for Shares in the capital of Patriotstar in accordance with the Exchange Ratio. This resulted in Patriotstar issuing a total of 35,000,013 Shares to the shareholders of TinyMassive to complete the Acquisition. The Acquisition was an arm's length transaction. Concurrent with the Acquisition, Patriotstar completed the Financing.

The Acquisition constituted a significant acquisition for Patriotstar for which financial statements would be required under National Instrument 41-101 *General Prospectus Requirements* ("NI 41-101") if this Listing Statement were a prospectus.

(b) Description of Disposition

On March 26, 2012, the Issuer completed the sale of its interest in TBwaP, Inc. to an unrelated third party.

On May 26, 2010, the Issuer completed a short-form amalgamation with its wholly-owned British Columbia incorporated subsidiary, TinyMassive Technologies (2009) Corp.

Other than the foregoing, the Issuer did not complete any significant dispositions during its most recently completed fiscal year for which pro forma financial statements would be required under NI 41-101.

(2) Particulars of Acquisition

No acquisition during this period.

3.3 Trends

As of the date of the Listing Statement, the Issuer plans to focus on the exploration of its purple onion natural resources property in British Columbia, as described under the heading "Narrative Description of the Business" as well as any other projects it may acquire from time to time. The financing and exploration and development of the Issuer's properties are subject to a number of factors, including laws and regulations in the areas of taxation, environmental, permitting and others, hiring qualified people, and obtaining necessary services in jurisdictions where the Issuer operates. The current trends relating to these factors are favourable but could change at any time and negatively affect the Issuer's operations and business. Please refer to "Narrative Description of the Business" for risk factors affecting the Issuer. Other than as disclosed herein, the Issuer is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Issuer's business financial condition or results of operations.

4. Narrative Description of the Business

4.1 General

(1) *Issuer's Business*

The business objective of the Issuer is to identify, evaluate, acquire and explore mineral properties for the purposes of identifying a mineral resource deposit on the Property or any of the subsequent properties to be acquired by the Issuer for the development of a mine or for the sale of the deposit or the Issuer to a senior mining company. The initial costs are set out in the technical information provided herein as well as that incorporated by reference.

On May 22, 2012, the Issuer entered into the purchase agreement (the "Purchase Agreement") to buy certain lead-zinc silver prospect claims known as the purple onion claims (the "Property") held by Coltstar Ventures Inc. (the "Vendor"). Pursuant to the Purchase Agreement, the Issuer will acquire the Property for a purchase price $70,000 cash (already paid) and the issuance of 300,000 shares of the Issuer to the Vendor at a deemed price of 25 cents per share, subject to CNSX approval and also TSXV approval. The Vendor will retain a net smelter royalty of 0.5% in the Property, however the Issuer will have the option to purchase this net smelter royalty from the Vendor in consideration for the issuance of an additional 100,000 common shares of the Issuer, and upon the following amounts being expended on the Property by the Issuer or any company affiliated with the Issuer by the following dates:

By September 14, 2012	$72,310
By September 19, 2013	$253,100

(a) 12 Month Business Objectives

The Issuer's primary objectives over the next 12 months are as follows:

Objectives	Costs to complete
Phase I of the recommended work program on the Property	$ 97,260

(b) Significant Events/Milestones

With respect to the Property, the Issuer's business objective is to conduct exploration programs and to compile the information obtained in an effort to define the mineral potential of the Property. The Issuer may from time to time consider other property acquisition opportunities in the resource sector or acquire any other projects that will bring value to shareholders wherever they may arise.

The Issuer has a requirement to spend $72,310 prior to September 14, 2012. This is limited funding considering mobilization and demobilization will cost in the order of $30,000 to $40,000. The Issuer might want to consider filing cash in lieu of work and look to do a more effective and beneficial program next year. The Issuer will owe an additional $253,103.36 by September 19 of 2013. The total required funding to keep their commitment with the Vendor on this ground will be $325,413.36 by September 19, 2013.

The planned budget for 2012 is as follows:

ITEM	COST
Mobe and demobe Norman Wells via Canadian North (gear and people)	$ 8,000.00
Two twin otter - 2 trips (Willow Handle Lake with gear, people and fuel)	$ 8,400.00
Chopper mobe to Purple Onion (W Handle to PO is 25 miles) – 6 hrs	$ 8,400.00
Chopper Mobe to move camp once in two weeks @ $5600 X 1	$ 5,600.00
Chopper demob from PO to Willow Handle	$ 8,400.00
Twin otter demobe from Willow handle to N Wells	$ 8,400.00
Two geos for 14 days @ $1,600 per day	$ 22,400.00
Camp, grub, phone, sampling gear and safety gear @ $240 per day	$ 3,360.00
Shipping commercially for grub and samples	$ 3,000.00
Expediting	$ 2,000.00
Assaying – 100 samples X $30per sample	$ 3,000.00
Assessment report	$ 7,500.00
Subtotal	**$ 88,460.00**
Contingency – plus 10%	$ 8,800.00
Total Proposed Budget for 2012	**$ 97,260.00**

Contingent upon Phase I described above, the Issuer intends to complete a 200-metre spaced fixed wing airborne survey on the Property in order to properly assess the stream sediment sampling survey completed by the Northwest Territories Geoscience Office ("NTGO"). This survey would cost some $400,000. As it is a difficult to gain funding on grass roots exploration, a limited program of mapping, prospecting, additional stream sediment sampling and possible trenching needs to be completed.

An airborne program needs to be completed here in order to follow-up stream sediment sampling results and to verify stratigraphy to be prospective for SEDEX type mineralization. The following is a proposed budget for completing an airborne geophysical (possibly fixed wing GeoTem) survey before September 19, 2013.

Proposed cost for a Fixed Wing GeoTem survey at Purple Onion :

3500 line km @ 200m line spacing and $120/line km	$ 420,000.00

This $520,000 two year budget represents the next steps and understanding this area needs an airborne survey to delineate potential targets that are more than likely buried.

(c) Total Funds Available

As of July 20, 2012, the Issuer has a working capital of $113,000. The Issuer intends to use the funds as detailed in the subsection (d) below.

On July 18, 2012, 750,000 shares were issued representing the exercise of an aggregate of 750,000 share purchase warrants, raising a gross amount of $75,000.

On March 20, 2012, the Issuer closed of a non-brokered private placement of 8,500,000 units at a price of $0.05 per unit for gross proceeds of $425,000. Each unit consisted of one common shares with a deemed price of $0.05 per share and one full share purchase warrant exercisable at a price of $0.10 per warrant until March 20, 2014.

On February 2, 2011, the Issuer completed a private placement by issuing 2,013,000 units at a price of $0.10 per unit for gross proceeds of $201,300. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year.

On December 10, 2010, the Issuer completed a private placement by issuing 1,950,000 units at a price of $0.10 per unit for gross proceeds of $195,000. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year.

On July 30, 2010, the Issuer closed the first tranche of a brokered private placement and issued a total of 3,430,000 common shares at a price of $0.05 per share for gross proceeds of $171,500. The second tranche closed on August 13, 2010 and a total of 2,200,000 common shares were issued at $0.05 per share for gross proceeds of $110,000. PI Financial Corp. acted as the broker.

(d) Principal Uses of Funds

The Issuer intends to use the funds available as follows:

Funds Available	$ 113,000
Conduct Phase I	$ 97,260
Estimated General and Administrative Expenses (12 months)	$ 120,000
Unallocated Working capital	($ 104,260)
Total	$ 113,000

(2) *Principal Products and Services*

Not applicable.

(3) *Production and Sales*

Not applicable.

(4) *Competitors*

See "Risks Associated With the Property – Competition"

(5) *Lending Operations*

Not applicable.

(6) *Bankruptcies, Receiverships and Similar Proceedings*

As of June 30, 2012, the Issuer is not involved in any bankruptcies, receiverships or similar proceedings.

(7) *Restructuring Transactions*

The Issuer has sold its interest in TBwaP Inc., and is transitioning from a media issuer to a natural resource issuer. Further to this goal, it has entered into the Purchase Agreement. See "General Development of the Business"

(8) *Social or Environmental Policies Fundamental to Operations*

None.

4.2 Companies with Asset Backed Securities

This section is not applicable to the Issuer.

4.3 Issuers with Mineral Exploration Projects

TECHNICAL REPORT – PURPLE ONION PROPERTY

The following information regarding the property has been summarized from a technical report (the "Technical Report") entitled "Purple Onion Property Mackenzie Mountains", dated July 6, 2012, and prepared by Gary Vivian, M.Sc., P.Geol. of Aurora Geosciences Ltd., (the "author") and should be read in conjunction with this Listing Statement. The author is an independent Qualified Persons as defined by NI 43-101. The Technical Report has been prepared in accordance with NI 43-101 and is available for inspection at the head office of the Issuer during normal business hours.

The author of the Technical Report has obtained and reviewed various reports concerning past exploration work conducted on the property which were not prepared in accordance with NI 43-101. The following technical information has been taken from these reports; however, the author has not completed sufficient work to verify the accuracy of this historical information. Accordingly, readers should use caution when considering this information and should not rely upon the accuracy of such information.

(1) Property Description and Location

The Property comprises 44 mineral claims containing 73,605.84 acres or 29,787.23 hectares. The Purple Onion property is located 200km southwest of Norman Wells, NT and 275 km northeast of Mayo, YT. The property covers an area up to 24km long by up to 13km wide in a northwest-southeast direction. The Purple Onion Property within the Mackenzie Mountains, Northwest Territories, Canada is located on NTS Map Sheets 106 B/1 and 2 and 105 O/16, close to the NWT and Yukon border. The property is geographically centered at 64° 03" 7.095' N latitude and 130° 30' 22.658' W longitude or UTM 427052E and 7104180 N, Zone 9W, NAD 83.

The Issuer entered into a purchase agreement with the Vendor dated May 22, 2012 (the "**Purchase Agreement**"). Pursuant to the Purchase Agreement, the Vendor sold the Issuer a 100% of the right, title and interest in the Purple Onion claims, subject to 0.5% NSR Royalty in favour of the Vendor.

The Issuer may repurchase the 0.5% NSR Royalty from the Vendor by first completing work on the Property of $72,310 by September 14, 2012 and $253,103.36 by September 19, 2013, and then issuing to the Vendor an additional 100,000 shares of the Issuer.

The property was originally staked in September of 2010 and required amendments to that staking which were completed during September of 2011. Mineral claims are valid for a period of 10 years as long as assessment work is filed to hold claims in good standing. The assessment work is valued at $2 per acre per year.

Claim Summary Table:

CLAIM TAG	CLAIM NAME	NTS	Anniversary Date	Acreage
K14273	CV 86	106B02	2012-Sep-14	2,582.50
K14275	CV 88	106BO2	2012-Sep-14	2,582.50
K14278	CV 91	106B02	2012-Sep-14	2,582.50
K14279	CV 92	106B02	2012-Sep-14	2,582.50
K14281	CV 94	106B02	2012-Sep-14	2,582.50
K14284	CV 97	106B02	2012-Sep-14	2,582.50
K14286	CV 99	106B01, 02	2012-Sep-14	2,582.50
K15101	CV 101	106B02	2013-Sep-19	2,582.50
K15102	CV 102	106B02	2013-Sep-19	1,549.50
K15103	CV 103	106B02	2013-Sep-19	232.43
K15104	CV 104	106B02	2013-Sep-19	387.38
K15105	CV 105	106B02	2013-Sep-19	1,031.97
K15106	CV 106	106B02	2013-Sep-19	2,479.20
K15107	CV 107	106B02	2013-Sep-19	520.63
K15108	CV 108	106B02	2013-Sep-19	1,290.73
K15109	CV 109	106B02	2013-Sep-19	343.47
K15110	CV 110	106B02	2013-Sep-19	903.87
K15111	CV 111	106B02	2013-Sep-19	1,704.45
K15112	CV 112	106B01, 02	2013-Sep-19	601.72
K15113	CV 113	106B01, 02	2013-Sep-19	387.38
K15114	CV 114	106B01	2013-Sep-19	1,138.88

K15115	CV 115	106B01	2013-Sep-19	760.29
K15116	CV 116	106B01	2013-Sep-19	223.64
K15117	CV 117	106B01	2013-Sep-19	2,530.85
K15118	CV 118	106B01	2013-Sep-19	1,807.75
K15119	CV 119	106B01	2013-Sep-19	2,169.30
K15120	CV 120	106B01	2013-Sep-19	1,446.20
K15121	CV 121	106B01	2013-Sep-19	1,807.75
K15122	CV 122	106B01, 105P16	2013-Sep-19	2,582.50
K15123	CV 123	105P16	2013-Sep-20	2,582.50
K15124	CV 124	105P16	2013-Sep-20	2,582.50
K15125	CV 125	106B01, 105P16	2013-Sep-19	1,033.00
K15126	CV 126	106B01	2013-Sep-19	929.7
K15127	CV 127	106B01	2013-Sep-19	1,066.00
K15128	CV 128	105P16, 105B01	2013-Sep-20	2,582.50
K15129	CV 129	105P16	2013-Sep-20	2,582.50
K15130	CV 130	106B01	2013-Sep-19	1,291.25
K15131	CV 131	106B01	2013-Sep-19	1,549.50
K15132	CV 132	106B01	2013-Sep-19	1,549.50
K15133	CV 133	106B01, 105P16	2013-Sep-19	1,291.25
K15134	CV 134	105P16	2013-Sep-20	2,582.50
K15135	CV 135	105P16	2013-Sep-20	2,582.50
K15136	CV 136	106B01, 105P16	2013-Sep-19	1,291.25
K15137	CV 137	106B01	2013-Sep-19	1,549.50
				73,605.84

The property covers a total area of 300 km^2 and falls within both the Gwhich'in and Sahtu Dene Settlement Areas.

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Purple Onion property is located approximately 275 km east of Mayo, and 200 km south west of Norman Wells, Northwest Territories. Access to the property requires a helicopter due to the mountainous terrain and lack of reasonable sized lakes. Fixed wing, float-equipped aircrafts have be used in the past to access a few lakes approximately 30 to 50km west of the property including Misty Lake, Yukon.

The Purple Onion property is located in the northern most part of the Selwynn Mountain Range close to the Mackenzie Mountain Range. This part of the Northwest Territories is classified as the Taiga Cordillera Ecozone of Canada (Ecological Stratification Working Group, 1995) and can be further classified as part of the Tainga Cordillera – Low Subarctic (LS) Ecoregion. The climate is characterized by short cool summers with mean temperature of 9.5°C and long and cold winters with a mean temperature of -19.5°C. The majority of precipitation in this region falls between May and September with an average annual precipitation of 280-350mm.

The property is dominated by rugged mountains and narrow valleys. Rock and ice glaciers are found throughout the area along with colluvial fans and thin till veneers cover the valley floors. The elevation of the property ranges from 1000 meters to over 2000 meters. Vegetation at higher elevations is characterized by alpine tundra flora including dwarf shrubs, lichens, saxifrages and mountain avens. At lower elevations the vegetation is characterized by subalpine open woodland flora which includes spruce, mix of medium to low shrubs, mosses and lichens. Tree line on north facing slopes and valley bottom is about 1300 mASL and about 1500 mASL on south facing slopes.

(3) History

Very little historic work has actually been completed on the property. The first recorded work in the area was a regional prospecting program (Debicki, E.J., 1978) carried out by the Arctic Red Joint Venture in 1974. Several lead and zinc showings (ie. CAB and Gayna River) were discovered during this program.

Regional prospecting and mapping programs have taken place in and around the property throughout the 1970's and 1980's by a number of different companies including Canadian Nickel Company Limited (Canico), Harman Syndicate, Welcome North Mines Ltd., Serem Ltd., Noranda Exploration Company Ltd.

From the late 1970's to early 1980's Canadian Nickel Company Limited (Canico) conducted a number of geology and geochemical surveys on Prospecting Permits 524-528 which overlaps the Purple Onion property. Surveys included prospecting and mapping as well as soil and stream sediment sampling. The regional exploration program for shale-hosted Pb-Zn-Ag style mineralization resulted in the identification of a number of barite occurrences in the Besa River Formation and a number of Pb, Zn, Ag and Cu soil anomalies. In the late summer of 1980 Canico drilled 4 diamond drill holes (208.8 meter total) to test soils anomalies. The work program was unsuccessful at finding any economic Pb-Zn-Ag mineralization and Canico determined that the barite occurrences were too remote to pursue further. Permits were left to lapse at the end of 1980.

The area containing the Purple Onion was part of a much larger regional geochemical survey conducted in 2008 and 2009, under a Joint Research Agreement between the Northwest Territories Geoscience Office (NTGO) and Natural Resources Canada. It is this data which mostly encourages further work in this area Figures 6.1 to 6.4). The NTGO stream sediment sampling reveals as significant number of anomalous results over the Purple Onion claims. Of particular interest to the Issuer is the high arsenic values which lends to a conceptual SEDEX model versus sedimentary carbonate MVT type mineralization in this area. The stream sediment data definitely indicate further work is warranted in this area to follow up on potential SEDEX mineralization occurrences.

(4) Geological Setting

<u>Regional Geology</u>

The Purple Onion property lies within a geological environment known as the Selwyn Basin and particularly within the Misty Creek Embayment. The Selwyn Basin is located on the east central edge of the Yukon Territory and extreme southwestern edge of the Northwest Territories, encompassing an area approximately 200 km by 250 km,). The Basin thins out to the northwest and is offset up to 600km into Alaska. Remnants of the Selwyn Basin can be traced into northeastern British Columbia. The Selwyn basin definition is taken from Gordey (1993) as a "region of deep-water offshelf sedimentation that persisted from late Precambrian to Middle Devonian time. The basal deposits consist of late Precambrian rift clastics, overlain by rift clastics of late Devonian age. The northeast margin comprises time-equivalent strata of the Mackenzie Platform (MA) and along the southwest margin is the Cassiar Platform (CA) comprising Siluro-Devonian carbonate clastics. The southwestern limit is the approximate limit of the miogeocline in the Yukon". The Gordey definition

spans the offshelf facies comprising the late Precambrian to lower Devonian stratigraphy and also the offshelf facies marking the irregular transition to the carbonate platform.

Following is a description of the regional geology as referenced from the NTGO Selwyn-Mackenzie Shale basins (SELMA) Project (Ficsher, 2011).

> *The Lower Paleozoic basinal rocks in 106B and the northeastern portion of 105 O were deposited in an embayment, known as the Misty Creek embayment, whose development initiated off the NE edge of the Selwyn basin in the Early or Middle Cambrian. The embayment continued to deepen as a result of recurrent incipient rifting throughout the Ordovician (Cecile, 1982). A submarine ridge known as the Niddery high delimited the southern end of the Misty Creek embayment and the northeastern edge of Selwyn basin proper (Cecile, 2000;* Fischer, 2011; *Figure 7.2).*
>
> *Facies changes at all stratigraphic levels, from Middle Cambrian to late Early Devonian, mark the transition from basinal rocks of the Misty Creek embayment to carbonate rocks of the Mackenzie platform to the east, NE, and north of the embayment; and carbonate rocks of the Ogilvie arch to the NW of the embayment. The position and character of the slope transition changed with time, and is as-yet poorly understood (Cecile, 1982). Northeast-trending structures in the Mackenzie Mountains have been suggested to represent ancestral strike-slip faults, formed during the same Late Proterozoic or Early Cambrian rifting that led to passive margin development (Cecile et al., 1997), but the relationship of the NW-trending Misty Creek embayment to this earlier rifting is not known.*
>
> *Carbonate rocks of the Mackenzie platform are exposed in the eastern and northeastern parts of 106B. These rocks include the Early Cambrian Sekwi Fm., which was deposited as a carbonate ramp and open shelf along the margins of the Selwyn basin before development of the Misty Creek embayment, and younger carbonate-dominated successions of Ordovician (Franklin Mountain Fm.), Silurian (Mount Kindle Fm.), and Devonian (numerous formations) age, ranging to as young as early Middle Devonian. Many of these host significant mineralization of the "carbonate-hosted Zn-Pb" type (MVT).*
>
> *A major shift in tectonic regime in the middle of the Middle Devonian resulted in uplift of parts of the Selwyn basin west of 106B. These rocks and other sources to the NE, north, and west shed terrigenous clastic debris across the remaining parts of the Selwyn basin and the Mackenzie platform, terminating the development of the passive margin. The youngest strata of the new regime are shale and siltstone; NE of the Hess River these strata belong to the Canol Fm., and SW of the Hess River to the Misfortune Fm, (The Canol and Misfortune formations are mutually continuous and differentiated only on the basis of overlying strata; Cecile, 2000). Repeated turbidity flows created extensive sandstone fans on top of the fine-grained siliciclastic strata. Northeastern sources produced dominantly quartzitic, coarse-clastic strata (Imperial Fm.), while western sources produced coarse quartz-chert-lithic strata (Thor Hills Fm.). The dividing line between them is roughly along the Hess River, they have not been distinguished in the 106B area, where all such rock are mapped as Earn Group (Figure 7.3 and 7.4).*
>
> *Orogeny and consequent mountain-building began in the late Mesozoic. By the Late Cretaceous, the rocks of 106B had been thrust northeastward in a number of parallel belts, and folded tightly on NW-trending axes. They are largely unmetamorphosed.*

Property Geology

The Issuer has not completed any property geology but there have been a few companies working in the area of the Purple Onion claims. The best property geology has been taken from the Canadian Nickel work that was completed back in the late 1970's (Debicki, 1978). Most of the area work was completed during the original findings and releases on the Howard's Pass, Tom and Jason deposits.

The geology map from the Bebicki report cannot, without significant work be reproduced but there is a table of stratigraphy (Table 7-1) for units located within the Purple Onion area and a detailed description of these units. The following is excerpted from the Debicki report noted above

Table of Lithologies on the Purple Onion Claims:

Unit Number	Unit Host	Lithologic Description
7a	**1 gr**	Felsic plutonics - granite, granodiorite, qtz monzonite (not seen on permits)
7b	**Vb**	Basic Volcanics - amygdaloidal flows - green to brown & orange weathering
6a	**Schrt**	Chert - dk grey to black on weathered & fresh surface, minor slst and shale
6b	**Schrt**	Chert - light grey to green on weathered and fresh surface
5a	**Sbrt**	Barite - bedded, finely lam, light to dark grey on fresh and weathered surface
4a	**Sslts**	Siltstone, sandstone - light to dark brown weath, grey on fresh surface, pyritc and partly calcareous
4b	**Ssltsh**	Siltstone, intbd shale - pyrtic in part, predominantly slst with shale, black weathering
3a	**Ssh**	Shale - black, silvery weathering, fissile and calcareous in part
3b	**Ssh**	Shale - dark brown to black weathering, fissile, crunchy, graptolitic
3c	**Ssh**	Shale - grey-green to brown weathering, grey-green on fresh surface, minor sandstone beds
3d	**Ssh,brt**	Shale, barite shale with spotted barite - minor pyrite and cherty in part
3e	**Ssh**	Shale, mudstone - green to maroon weatheirng, green and maroon on fresh surface (Hadrynian)
2a	**Scong**	Conglomerate - chert pebble, interbedded shale, slst, slst in part graphitic
2b	**Scong,ss**	Conglomerate, sandstone - light grey to dark grey on fresh and weathered surface
2c	**Vplc**	Volcanic, pyroclastic - polymictic, light grey, calcareous matrix, light green weathering, prob volc origin
1a	**Sls**	Limestone - dark grey to balck, fetid, blocky to flaggy-buff weathering in part

1b	**Sls**	Limestone - light to buff grey on fresh and weathered surface, finely laminated
1c	**Sls**	Limestone - light to medium grey weathering, massive, fossiliferous-graptolitic
	Sbx	Diatreme breccia - kimberlite??

In general, the mapping of the Permit block was confined to the Selwyn Basin sequences of the Road River and Besa River Formations, considered favourable for shale-hosted lead-zinc-silver deposits. The Road River Formation consists of shale, silt-stone, chert, limestone, sandstone to quartzite, conglomerate and volcanic pyroclastic breccia-conglomerate. Overlying these sequences are shale, siltstone, minor limestone, chert and barite of the Besa River Formation and shale, siltstone and sandstone of the Imperial Group. A shale similar to the Besa River Formation was found to overlie the Imperial Group and has been temporarily correlated with shales of Tertiary age known to occur in the Macmillan Pass area, Yukon, 100 km to the south.

The Road River Formation occupies the western portion of the Permit block, with a smaller sliver on the eastern side. It is generally recessive, poorly exposed and occurs at lower elevations. The Besa River Formation and overlying Imperial Group occupy the east-central portion of the Permit block. They are generally much better exposed and occur at higher elevations. The Imperial Group normally caps the tops of some of the higher ridges in the area. Cambrian Sekwi Formation carbonates and Ordovician-Devonian Mt. Kindle, Franklin Mountain and Delorme Formation carbonates occupy the western and eastern portions of the Permit block, respectively. On the eastern edge of Permit #525, a diatreme breccia with a diameter of about 500 metres has intruded the Road River Formation.

Geological mapping was carried out by detailed ground traverses and helicopter reconnaissance. Traverse locations and traverse numbers are noted on Map 3, Stream Sediment Anomaly and Traverse Locations.

The characteristics of the lithologies in the work area correspond to the above table of lithologies and are as follows:

Unit la

Unit la is comprised of grey to black weathering, locally buff to light brown weathering, dark grey to black micritic limestone. It is flaggy to blocky, weak to strongly fetid, locally laminated with bedding up to 10 cm thick; parts are graphitic to sooty; it contains minor fossils, bioclastics and nodules. Sedimentary structures include convoluted bedding and mega-ripples. Locally, it is interbedded with shale. Overall, Unit la becomes siltier to the west.

In the western portion of the area, Unit la becomes a silty micrite, grey weathering, and with cross laminations and ripple drift cross laminations. It grades locally to buff to grey weathering with black calcareous shale interbeds. Locally, it is intensely brecciated and re-cemented with calcite. Calcite veining up to several decimeters is common.

In the northern part of the work area, Unit la is composed of inter-beds of sandy limestone, calcareous black shale and shale-limestone conglomerate. Disseminated pyrite up to 2% occurs as euhedral crystals and colloform aggregates up to 5 mm in size. Pyrite-calcite nodules up to 20 cm in diameter occur sparsely scattered within the limestone beds.

Unit la is assigned to the Road River Formation.

Unit lb

Unit lb is a buff-brown, buff-grey to light-grey weathering, medium-grained, grey, massive, finely laminated limestone. It is flaggy to blocky. This unit includes grey to grey-black fossiliferous limestone,

thin to thickly bedded, with sparry calcite fossil fragments. It contains interbanded black, gritty, sooty to graphitic, lamellar, platey limestone and sandy, grey to grey-brown lamellar, platey limestone. Calcite, quartz carbonate and barite-calcite veins 1 - 30 cm wide cross-cut the limestone or are parallel to the bedding as zebra structures.

The Unit lb is assigned to the Road River Formation.

Unit lc

Unit lc is a light to medium grey weathering massive bioclastic and conglomeratic limestone. It is locally fetid, very resistant to weathering, generally massive, and graptolitic. It contains abundant coarse bioclastic fragments and occasional limestone clasts. Fossils include crinoids, gastropods and bryozoans. Locally, near the contacts with Unit 3b in the eastern portion of the work area, Unit lc is comprised of a collapse limestone breccia.

The unit may represent a transitional facies of the Mt. Kindle and Franklin Mountain Formations.
Unit lc is part of the Road River Formation.

Unit 2a

Unit 2a is a chert pebble conglomerate with interbedded shale and silt-stone (in part graphitic). This unit does not outcrop on the Permit block, and no facies equivalents were noted.

Unit 2a is grouped into the Besa River Formation

Unit 2b

Unit 2b is a conglomerate-sandstone, light-grey to dark-grey on both fresh and weathered surfaces. Locally, where it occurs as a limonite-rich sandstone to silty sandstone, it is dark brown to rusty weathering and platey. This sandstone grades to a limonitic quartzite, yellow-green coloured quartzite or quartz wacke containing minor or no calcite and occasionally with a minor Unit 2c pyroclastic component.

In the north part of the work area, Unit 2b is a sandstone to rudaceous conglomerate containing clasts of grey chert and siliceous silt-stone with minor pyrite. It may be transitional with the Unit 2c pyroclastic volcanic; however, it contains depositional features such as ripple marks and cross-bedding in the sandstones. Locally, it is cut by calcite veins up to 2 cm in width which localizes the pyrite as colloform masses. The pyrite colloforms are in the same orientation as the calcite veins. Pyrite also occurs as ellipsoidal blebs 5 cm - 2 m in length along planar surfaces.

In the western portion of the work area, near the Sekwi Formation contact, Unit 2b is a grey to rusty weathering limonitic quartzite, partly calcareous and conglomerate containing fine polymictic clasts to coarse (10 cm) black chert clasts in a calcareous matrix. This conglomerate may actually be a pyroclastic tuff-breccia of Unit 2c.

Generally, Unit 2b is restricted to the western portion of the work area; it is assigned to the lower Road River Formation.

Unit 2c

Unit 2c occurs at several localities throughout the work area. It is a volcanic pyroclastic tuff-breccia, generally light green to greenish brown weathering, polymictic, light grey on fresh surfaces and with a highly calcareous matrix.

Unit 2c is interstatified with chert, shale, sandstone and limestone of the Road River Formation. According to Cecile, 1978, the volcanic centre can be placed somewhere near the southeastern portion of the work area.

Unit 3a

Unit 3a is a silvery weathering black shale, very fissile, carbonaceous and siliceous. It makes a tinkly sound when one walks upon talus slopes or felsenmeer. The unit contains interbands of chert, flaggy black graphitic chert, limestone, sandy limestone up to 4 metres thick, spotted barite and bedded barite. The chert beds are cut by numerous white, moderately crystalline quartz stringers which weather rusty.

The limestone is grey to light-grey/buff weathering, partly sandy, lamellar and platey. Within Unit 3a occur one massive bedded barite horizon (Unit 5a) and several spotted barite horizons (Unit 3d) above and below Unit 5a. Below Unit 5a, Unit 3a shales contain fine to medium grained, thickly bedded limestone (3 metres thick), spotted barite horizons (Unit 3d) (4 to 5 metres thick) and partly graphitic blocky chert. Above Unit 5a, the Unit 3a black, silvery weathering shales are non-calcareous and grade into Unit 3d upwards (spotted barite).

Unit 3a occurs at two levels: one, as the Besa River Formation, and the other as a shale unit without barite in the Road River Formation below Unit 3b.

Along the western edge of the work area, a light grey to black siliceous, carbonaceous shale (undivided Unit 3) overlies the Imperial Group. This unit caps the top of a mountainous peak. It is similar to the shales of Unit 3a. There is no evidence for emplacement by thrusting according to field relationships observed. It has tentatively been correlated to Tertiary shales which overlie the Imperial Group, south of the work area.

Unit 3b

Unit 3b is a dark brown, dark grey to black weathering black shale, non-calcareous to calcareous, composed of beds 5 to 15 cm thick. It gives off a crunchy sound when walked on in talus or felsenmeer. Interbedded with the black shale are 5 cm beds of highly resistant siliceous silt-stone, concoidally fractured, with 3 mm thick rinds weathering to a bright, creamy, rust-brown colour. Unit 3b can be sheared with resultant well-developed cleavage and jointing, making bedding very difficult to discern.

The upper portion of Unit 3b consists of a 25-metre section of sandy shale, rusty black weathering, and an increased proportion of leucocratic material (greywacke or volcanoclastic). It is more resistant to weathering where intercalated with black shale. Rusty weathering, very siliceous concretions 10 - 20 cm in length occur throughout with very finely disseminated pyrite.

Unit 3b is graphitic and carbonaceous along shear planes. Monograptus graptolites were identified at several localities. Traces of spotted barite(?) were observed occasionally. The unit generally coarsens to the southeast. To the west, the unit contains 2 cm thick interbedded limestone beds.

Very fine disseminated pyrite occurs in some beds. Unit 3b is assigned to the upper Road River Formation.

Unit 3c

Unit 3c is a grey-green to brown weathering, grey-green (on fresh surfaces) shale with minor sandstone beds. Unit 3c has not been identified in the work area. It is part of the Proterozoic Windermere Grit sequence.

Unit 3d

Unit 3d is a dark grey to rusty weathering spotted barite horizon which grades from Unit 3a (black silvery weathering, calcareous to non-calcareous, siliceous shale) upwards into Unit 3d. Carbonate content in the shale decreases as barite content increases. The spotted barite is white to cream to occasionally dark grey, crystalline, forming elongated blebs up to 10 cm in length parallel to bedding planes and occupies a volume from 1% to 70%. Some spotted barite horizons have a considerable cherty component. Average thicknesses of Unit 3d are 10 metres and it occurs in Unit 3a, generally with one horizon above Unit 5a and one horizon below Unit 5a. Cleavage is platey to blocky. Minor pyrite occurs in some spotted barite horizons. A black fetid nodular limestone (Unit la) contains very minor spotted barite, but this was the only barite noted in the Road River Formation.

Unit 3d is assigned to the Besa River Formation. It forms very distinctive marker horizons within this Formation.

Unit 3e

Unit 3e is a green to maroon shale and mudstone with the same colour on fresh surfaces. This unit was not identified in the work area. It forms part of the Hadrynian Windermere Grit sequence.

Unit 4 (Units 4a and 4b)

Unit 4 is a coarsening upward turbidite sequence of predominantly siltstone, and silty sandstone with minor shale. The basal section is dominated by interbeds of black shale typical of Unit 3a. These finely bedded, fissile, black shales give way to siltstones upwards in the sequence. Some of the siltstone beds are weakly calcareous. The siltstone beds contain a high proportion of limonite disseminations causing the unit to weather a rusty red colour. Bedding thickness is lamellar to thick (proportional to grain size). Average bed thickness is 3 to 10 cm, with shales at the base of the unit exhibiting platey cleavage, becoming blocky in the siltstones. Primary structures include flute casts, small scale cross-bedding, laminated bedding, ripple marks and scour channels. The unit is interpretated as a turbidite.

Unit 4 is generally resistant and caps the tops of hills and ridges. It is a very distinctive unit because of its resistant character, its obvious bedding and weathering colour. Locally, some horizons contain "concretions" of black crystalline fetid limestone up to a 20 cm diameter. Numerous sections are weakly to strongly pyritic (pyrite grains up to 5 mm).

Unit 4 is the Imperial Group which always overlies the Besa River Formation. Mapping in the work area has divided the Imperial Group (Unit 4) into the upper siltstone-sandstone portion, Unit 4a, and the lower siltstone-shale portion, Unit 4b.

Unit 4a is an interbedded siltstone and sandstone, light to dark brown weathering, grey on fresh surfaces. It is calcareous and pyritic in part.

Unit 4b is an interbedded siltstone and shale (beds 5 cm thick) which is also calcareous and pyritic in part. Siltstone beds are medium to thickly bedded. The shale is black weathering.

Unit 5a

Unit 5a is a light grey to grey and brown.weathering laminated, massive barite. It is resistant to weathering. Lamallae alternate in colour (white, black and dark grey). Cleavage is platey to blocky. Locally it contains laminated limestone nodules. It has a general appearance and hardness of chert. In part, the unit is highly calcareous. Barite along the northeastern margin contains distinct laminated crystalline limestone beds.

Unit 5a occurs near the top of Unit 3a. In the southeast corner of Permit #524, the bedded barite reaches a maximum thickness of 25 metres. Locally, the horizon reacts to zinc zap solutions. Barium content reaches a maximum assay value of 59.9% Ba.

Unit 6a

Unit 6a is a dark grey to black weathering, dark grey to black chert, flaggy and finely lamellar in part. It contains minor interbeds of shale and siltstone.

In the western area, Unit 6a is light grey weathering, black, partly shaly and carbonaceous. It is composed of beds 4 - 6 cm thick with fine parallel laminations visible only on the weathered surface. Graphite along shear planes is common. Locally, it contains shale interbeds, becoming very shaly at the upper and lower contact.

Unit 6a is part of the Road River Formation.

Unit 6b

Unit 6b is a chert, light grey to grey green on weathered and fresh surfaces. It does not occur on the Permit block. The unit represents a deeper-water facies and is part of the Road River Formation.

Diatreme Breccia

A diatreme breccia, with a surface exposed diameter of about 500 metres, occurs on the eastern edge of Permit #525./ The matrix, composed of quartz, feldspar, white mica and a calcareous cement, is light green weathering and of felsic composition. The clasts are pebbles and coarse sand size fragments, rounded to sub-rounded, commonly of incorporated chert and shale wallrock material. In addition, biotite mica books up to 1 cm in diameter are common in the matrix.

(5) Exploration Information

Pure Living Media Inc has not completed any exploration work upon the Purple Onion Property.

(6) Mineralization

The history of mineralization in the Canadian-Alaskan Cordillera is very long, spanning over 1.6 billion years, from Mesoproterozoic to the present time. The Paleozoic might be called "the age of syngenetic sulphides", in the sense that VMS deposits associated with rifting arcs and SEDEX deposits associated with rifting continental margins, characterize this phase of tectonic history. In particular, both peri-Laurentian and exotic pericratonic terranes of the Cordillera contain deposits that are part of a worldwide peak in syngenetic sulphide formation and preservation during Devonian-Mississippian time, probably because of dual factors of rift-related tectonics and ocean anoxia (Goodfellow and Lydon, 2007).

The mineralization is variable within any of the syngenetic deposits but essentially is dominated by Zn-Pb-Cu-Ag. The mineralization commonly occurs between two formations delineating a pause in Deformational environments. The deposits are characteristically hosted in fine-grained clastics in linear second- or third-order sediment starved anoxic basins.

Mineralization appears to be related to a local rifting event, although only in the MacMillan Pass deposits has this been well documented. Clear evidence of rifting is coincident with extensional faulting, deposition of coarse clastics, volcanism and mineralization. SEDEX deposits are the result of exhalative fluids being channeled by syn-sedimentary faults and precipitating on the sea floor. Syngenetic ores are laminated and interbedded with host rocks and can be replaced and brecciated by later ore fluids.

Volcanism can be coeval with mineralization, such as at Anvil and Mac Pass. Some occurrences within the Selwyn Basin have characteristics of both SEDEX and VMS deposits and can be classified as transitional between the two.

(7) Drilling

No drilling has been completed on the Purple Onion Property.

(8) Sampling and Analysis

The Issuer has not completed any exploration work upon the Purple Onion Property

(9) Security of Samples

The Issuer has not completed any exploration work upon the Purple Onion Property

(10) Mineral Resources and Mineral Reserves

No mineral resource or mineral reserve estimates have been performed on any material from the area presently covered by the Purple Onion Property in the Mackenzie Mountains, Northwest Territories.

(11) Mining Operations

Not applicable.

(12) Exploration and Development

The Issuer has a requirement to spend $72,310 prior to September 14, 2012. This is limited funding considering mobilization and demobilization will cost in the order of $30,000 to $40,000. The Issuer might want to consider filing cash in lieu of work and look to do a more effective and beneficial program next year. The Issuer will owe an additional $253,103.36 by September 19 of 2013. The total required funding to keep their commitment with the Vendor on this ground will be $325,413.36 by September 19, 2013.

The planned budget for 2012 is as follows:

ITEM	COST
Mobe and demobe Norman Wells via Canadian North (gear and people)	$ 8,000.00
Two twin otter - 2 trips (Willow Handle Lake with gear, people and fuel)	$ 8,400.00
Chopper mobe to Purple Onion (W Handle to PO is 25 miles) – 6 hrs	$ 8,400.00
Chopper Mobe to move camp once in two weeks @ $5600 X 1	$ 5,600.00
Chopper demob from PO to Willow Handle	$ 8,400.00
Twin otter demobe from Willow handle to N Wells	$ 8,400.00
Two geos for 14 days @ $1,600 per day	$ 22,400.00
Camp, grub, phone, sampling gear and safety gear @ $240 per day	$ 3,360.00
Shipping commercially for grub and samples	$ 3,000.00
Expediting	$ 2,000.00
Assaying – 100 samples X $30per sample	$ 3,000.00

Assessment report	$ 7,500.00
Subtotal	**$ 88,460.00**
Contingency – plus 10%	$ 8,800.00
Total Proposed Budget for 2012	**$ 97,260.00**

Contingent upon Phase I described above, the Issuer intends to complete a 200-metre spaced fixed wing airborne survey in order to properly assess the stream sediment sampling survey completed by the NTGO. This survey would cost some $400,000. As it is a difficult to gain funding on grass roots exploration, a limited program of mapping, prospecting, additional stream sediment sampling and possible trenching needs to be completed.

An airborne program needs to be completed here in order to follow-up stream sediment sampling results and to verify stratigraphy to be prospective for SEDEX type mineralization. The following is a proposed budget for completing an airborne geophysical (possibly fixed wing GeoTem) survey before September 19, 2013.

Proposed cost for a Fixed Wing GeoTem survey at Purple Onion :

3500 line km @ 200m line spacing and $120/line km	$ 420,000.00

This $520,000 two year budget represents the next steps and understanding this area needs an airborne survey to delineate potential targets that are more than likely buried.

4.4 Issuers with Oil and Gas Operations

This section is not applicable to the Issuer.

5. Selected Consolidated Financial Information

5.1 Annual Information

The following tables set out certain selected consolidated financial information of the Issuer, and its predecessor TinyMassive, for the periods indicated.

Please refer to the corresponding management's discussion and analysis for a full discussion of the data, including, among other matters, the comparability of data and changes in accounting policies.

	Year Ended May 31, 2011[(1)] ($)	Year Ended May 31, 2010[(1)] ($)
Revenues	-	-
Net Income (Loss)	(2,037,707)	(1,297,166)
Total Assets	55,039	1,367,902
Long Term Liabilities	-	-
Working Capital	(51,386)	42,325
Cash Dividends Declared[(2)]	-	-

Notes
(1) On a consolidated basis.
(2) The Issuer and TinyMassive have not declared any dividends.

The audited consolidated financial statements of Pure Living Media Inc for years ended May 31, 2011 and May 31, 2010 are attached hereto as Schedule A. The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

5.2 Quarterly Information

The following is a table of information excerpted from the Issuer's quarterly financial statements for the previous eight most recently completed quarters:

Financial results	**Feb 29. 2012** **$**	**Nov. 30 2011** **$**	**Aug. 31 2011** **$**	**May. 31 2011*** **$**
Total revenue	Nil	Nil	Nil	Nil
Total loss from continuing operations	(71,539)	(104,568)	(24,351)	(144,425)
Net loss total and basic and diluted loss per share	(32,259) / (0.01)	(104,556) / (0.04)	(24,431) / (0.01)	(1,358,915) / (0.51)
Financial results	**Feb 28. 2011*** **$**	**Nov. 30 2010*** **$**	**Aug. 31 2010*** **$**	**May. 31 2010*** **$**
Total revenue	Nil	Nil	Nil	Nil
Total loss from continuing operations and per basic and diluted per share	(71,539)	(104,568)	(24,351)	(144,425)
Net loss total and basic and diluted loss per share	(253,215) / (0.09)	(229,790) / (0.09)	(195,787) / (0.08)	(619,362) / (0.29)

**Period was reported under Canadian Generally Accepted Accounts Principles and has not been converted to International Financial Reporting Standards.*

As the acquisition of is treated as a reverse takeover for accounting purposes, and was completed in the quarter ended February 28, 2010, for comparative purposes the results presented above are from TinyMassive's operations as a private entity.

	Three months Ended May 31, 2011	Three months Ended Feb 28, 2011	Three months Ended Nov 30, 2010	Three months Ended Aug 31, 2010
Total Assets	$ 61,767	$ 1,417,891	$ 1,302,052	$ 1,546,661
Working Capital (Deficiency)	(51,386)	65,213	(102,369)	117,421
Net Loss for the period	(1,358,915)	(253,215)	(229,790)	(195,787)
Net Loss per share	(0.02)	(0.01)	(0.01)	(0.01)

	Three months Ended May 31, 2010	Three months Ended Feb 28, 2010	Three months Ended Nov 30, 2009	Three months Ended Aug 31, 2009
Total Assets	$ 1,367,902	$ 1,319,249	$ 943,819	$ 917,417
Working Capital (Deficiency)	42,325	259,740	(676,220)	(563,522)
Net Loss for the period	(619,362)	(296,952)	(129,685)	(150,416)
Net Loss per share	(0.02)	(0.00)	(0.01)	(0.02)

5.3 Dividends

Although there are no restrictions on the Issuer's ability to pay dividends, the Issuer has not paid any dividends in the past and has no plans to pay dividends in the immediate or foreseeable future as it is in the development stage.

5.4 Foreign GAAP

This section is not applicable to the Issuer.

6. Management's Discussion and Analysis

This discussion and analysis of financial position and results of operations ("MD&A") is prepared as at July 26, 2012 and should be read in conjunction with the audited consolidated financial statements for the years ended May 31, 2011 and 2010, and with the unaudited consolidated interim financial statements for the nine months ended February 29, 2012 of the Issuer with the related notes thereto. The consolidated financial statements for the year ending May 31, 2011 have been prepared in accordance with Canadian generally accepted accounting principles, whereas the consolidated interim financial statements for the nine months ended February 29, 2012 have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted.

The Issuer's transition date to IFRS was June 1, 2010. The rules for first-time adoption of IFRS are set out in IFRS 1, "First-time adoption of International Financial Reporting Standards". In preparing the Issuer's first IFRS financial statements, these transition rules have been applied to the amounts previously reported in accordance with Canadian generally accepted accounting principles ("GAAP"). Historical results and balances have been restated under IFRS. Those unaudited interim consolidated financial statements should be read in conjunction with the Issuer's 2011 GAAP annual consolidated financial statements, and in consideration of the disclosure regarding the transition from Canadian GAAP to IFRS included in Note 12 to the consolidated interim financial statements. Certain disclosures that are required

to be included in annual financial statements prepared in accordance with IFRS are not included in the interim consolidated financial statements nor in the Issuer's most current annual GAAP financial statements.

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Issuer's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Issuer is available for viewing on SEDAR at www.sedar.com.

Description of Business

The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on January 16, 2007 and began trading on the TSX Venture Exchange ("TSXV") as Patriotstar Ventures Inc. ("Patriotstar") on April 30, 2007. The Issuer was a Capital Pool Company as defined in the TSXV Policy 2.4. Effective December 11, 2009, the Issuer completed its "Qualifying Transaction" whereby it acquired all of the issued and outstanding shares in TinyMassive Technologies (2009) Corp. ("TMTC"), a BC Limited Company. As a result of completing the Qualifying Transaction, the Issuer was no longer a CPC and control of the Issuer passed to the shareholders of TMTC. Accordingly, the Qualifying Transaction was a reverse takeover ("RTO") acquisition of the Issuer by TMTC and was treated as a capital transaction by TMTC. Effective February 24, 2011, the Issuer changed its name to Pure Living Media Inc.

Overall Performance

During the year ended May 31, 2011, the Issuer completed the following private placements:

> On February 2, 2011, the Issuer completed a private placement by issuing 2,013,000 units at a price of $0.10 per unit for gross proceeds of $201,300. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $20,130, was paid.
>
> On December 10, 2010, the Issuer completed a private placement by issuing 1,950,000 units at a price of $0.10 per unit for gross proceeds of $195,000. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $17,000 was paid.
>
> On August 13, 2010, the Issuer completed a private placement by issuing 2,200,000 common shares at a price of $0.05 per share for gross proceeds of $110,000. A commission of 10% of the proceeds from certain investors, totalling $1,000, was paid.
>
> On July 30, 2010, the Issuer completed a private placement by issuing 3,430,000 common shares at a price of $0.05 per share for gross proceeds of $171,500. A commission of 10% of the proceeds from certain investors, totalling $14,150, was paid.

Due to continuing operating losses at TBwaP, the Issuer elected to write-off all related assets.

On June 10, 2011, the Issuer appointed Arndt Roehlig as a Director and President of the Issuer, replacing Andy Moeck, who resigned. On the same date, J. Chris Morgando resigned as the Issuer's VP of Corporate Development. Mr. Moeck also resigned as the CEO and Director of the Issuer's 51% owned subsidiary, TBwaP, on June 21, 2011. On June 30, 2011, the Issuer appointed Sameen Sheikh as Corporate Secretary, replacing Bruno Gasbarro, who remains as a Director and CFO.

On January 17, 2012, the Issuer appointed Jurgen Wolf as a Director of the Issuer, replacing Cam Shippit, who resigned. On January 20, 2012, Cory Brandolini resigned as Director the Issuer and was replaced by the appointment of Salvatore Giantomaso as director of the Issuer.

Future Plans and Outlook

Given current market conditions, the Issuer has significantly reduced overhead costs going forward by ceasing its funding of TBwaP and writing off all related assets. Management is currently reviewing new business opportunities and seeking additional funding. The Issuer is dependent on its ability to finance its operations through financing activities which may include issuances of additional debt or equity securities. These measures will enable the Issuer to maintain operations and, at the same time, maintain its management team.

Results of Operations

Fiscal Year Ended May 31, 2011 and Comparable Prior Year Analysis

The Issuer recorded a loss of $2,037,707 for the year ended May 31, 2011 compared to a loss of $1,297,166 during the comparative year ended May 31, 2010. The increase in the loss of $740,541 from the prior comparative year was due mainly to the fact that, during the current year, the Issuer wrote off assets totalling $1,216,905 (2010 - $Nil). This was partially offset by a decrease in professional fees (2011 - $102,704; 2010 – 391,988) and the granting of stock options in the prior year which increased stock-based compensation expense in the prior year (2011 - $Nil; 2010 - $574,711).

Fiscal Year Ended May 31, 2010 and Comparable Prior Year Analysis

The Issuer recorded a loss of $1,297,166 for the year ended May 31, 2010 compared to a loss of $676,087 during the comparative year ended May 31, 2009. The increase in the loss of $621,079 from the prior comparative year was due mainly to the fact that, during the current year, the Issuer completed a RTO transaction which increased professional fees (2010 - $391,988; 2009 - $271,282) and granted stock options which increased stock-based compensation expense (2010 - $574,711; 2009 - $Nil).

Quarterly comparisons

The Issuer recorded a loss of $32,259 during the three months ended February 29, 2012. This was a decrease of $72,297 from the previous quarter. The decrease was due mostly to the recording of a gain on settlement of accounts payable (February 29, 2012 - $39,314; November 30, 2011 - $Nil) and a decrease in professional fees (February 29, 2012 - $8,677; November 30, 2011 - $36,183).

During the quarter ended November 30, 2011, the Issuer recorded a loss of $104,556, which was an increase of $80,125 from the previous quarter. The increase was mostly due to administration fees, management fees and professional fees related to the restructuring of the Issuer.

The Issuer recorded a loss of $24,431 for the three months ended August 31, 2011, a decrease of $1,334,484 from the previous quarter. The decrease was mostly due to the write–off of assets in the previous quarter (August 31, 2011 - $Nil; May 31, 2011 - $1,216,905).

During the quarter ended May 31, 2011, the Issuer recorded a loss of $1,358,915, which was an increase in loss of $1,105,700 compared to the loss of $253,215 recorded in the quarter ended February 28, 2011. The increase was mostly due to the write-off of assets (May 31, 2011 - $1,216,905; February 28, 2011 - $Nil) during the current quarter.

The Issuer recorded losses of $253,215, $229,790 and $195,787 during the quarters ended February 28, 2011, November 30, 2010 and August 31, 2010, respectively. These losses were comparable and there were no significant changes from quarter to quarter. The loss incurred during the quarter ended August 31, 2010 was $195,787, which was a decrease of $423,575 from the loss of $619,362 incurred during the quarter ended May 31, 2010. The decrease was mostly due to the recording of stock-based compensation during the previous quarter (August 31, 2010 - $Nil; May 31, 2010 - $300,561).

During the quarter ended May 31, 2010, the Issuer recorded a loss of $619,362, which was an increase of $322,410 from the quarter ended February 28, 2010. The increase was mostly due to the recording of stock-based compensation in the current quarter (May 31, 2010 - $300,561; February 28, 2010 - $Nil).

Selected Annual Financial Information

The following table provides a brief summary of the Issuer's financial operations. For more detailed information, refer to the Consolidated Financial Statements.

	Year Ended May 31, 2011*	Year Ended May 31, 2010*	Year Ended May 31, 2009*
Interest and other income	$ 123,498	$ 109	$ 2,994
Loss for the year	(2,037,707)	(1,297,166)	(676,087)
Basic and diluted loss per share	(0.03)	(0.06)	(0.07)
Total assets	55,039	1,367,902	939,612
Total long-term liabilities	-	-	219,147
Cash dividends	-	-	-

**Period was reported under Canadian Generally Accepted Accounts Principles and has not been converted to International Financial Reporting Standards.*

Summary of Quarterly Results

	Three months Ended Feb 29, 2012	Three months Ended Nov 30, 2011	Three months Ended Aug 31, 2011	Three months Ended May 31, 2011
Total Assets	$ 85,375	$ 38,618	$ 47,188	$ 55,039
Working Capital (Deficiency)	(37,632)	(180,373)	(75,817)	(51,386)
Net Loss for the period	(32,259)	(104,556)	(24,431)	(1,358,915)
Net Loss per share	(0.01)	(0.00)	(0.00)	(0.02)

	Three months Ended Feb 28, 2011	Three months Ended Nov 30, 2010	Three months Ended Aug 31, 2010	Three months Ended May 31, 2010
Total Assets	$ 1,417,891	$ 1,302,052	$ 1,546,661	$ 1,367,902
Working Capital (Deficiency)	65,213	(102,369)	117,421	42,325
Net Loss for the period	(253,215)	(229,790)	(195,787)	(619,362)
Net Loss per share	(0.01)	(0.01)	(0,.01)	(0.02)

Liquidity and Capital Resources

The Issuer commenced fiscal 2012 with a working capital deficiency of $51,386 and cash of $36,155. As at February 29, 2012, the Issuer had a working capital deficiency of $37,632 and cash of $75,516. Operating expenditures incurred during the nine months ended November 30, 2011 were primarily funded

from the cash on hand at May 31, 2011, loans from related parties, increases in amounts due to related parties and from subscriptions received in advance.

On March 20, 2012, the Issuer closed of a non-brokered private placement of 8,500,000 units at a price of $0.05 per unit for gross proceeds of $425,000. Each unit consisted of one common shares with a deemed price of $0.05 per share and one full share purchase warrant exercisable at a price of $0.10 per warrant until March 20, 2014. The funds were used for general working capital.

For the year ending May 31, 2012, the Issuer will need to raise funds through debt or equity offerings in order to have sufficient working capital to sustain its operations for the 2012 fiscal year., plus has the ability to raise capital by exercising of outstanding share purchase warrants @ $0.10/sh Purchase Warrant

Off-Balance Sheet Arrangements

The Issuer has no off Balance Sheet arrangements.

Transactions with Related Parties

During the nine months year ended February 29, 2012, the Issuer entered into the following transactions with related parties:

(a) The Issuer paid or accrued management fees of $45,000 (2011 - $Nil) and rent of $2,000 (2011 - $3,750) to Brugas Holdings Inc., a company controlled by the Chief Financial Officer and director of the Issuer;

(b) The Issuer paid or accrued management fees of $45,000 (2011 - $Nil) and rent of $16,368 (2011 - $Nil) to Raincoast Capital Inc., a company controlled by the President and director of the Issuer;

(c) The Issuer paid or accrued $Nil (2010 - $25,066) in commissions and administrative fees to a director and a former director of TbwaP, Inc.;

During the year ended May 31, 2011, the Issuer entered into the following transactions with related parties:

(d) The Issuer paid $nil (2010 - $62,880) for prior years' accrued management fees owed to former management and management fees of $30,000 (2010 - $13,340) incurred in the current year. As at May 31, 2010, the former management of the Issuer agreed to forgive the balance of $25,044 of deferred management fees.

(e) The Issuer paid or accrued $6,500 (2010 - $Nil) in rent to a company controlled by an officer of the Issuer;

(f) The Issuer received $30,961 (2010 - $Nil) in other income from companies controlled by a former director of TbwaP, Inc.;

(g) The Issuer paid or accrued $54,300 (2010 - $Nil) in commissions and administrative fees to a director and a former director of TbwaP, Inc.;

(h) The Issuer wrote-off $65,066 (2010 - $Nil) in receivables owing from a former director of TbwaP, Inc.;

As at February 29, 2012 $82,525 (May 31, 2011 - $31,000) is owed to companies controlled by an officer of the Issuer

During the year ended May 31, 2010 and prior, the Issuer entered into the following transactions with related parties:

(i) On July 15, 2008, the Issuer issued a promissory note to KLSC Holdings Inc., a company controlled by the President of the Issuer, for proceeds of $52,038 (US$49,000). The note is unsecured, bears interest at a prescribed rate equal to a credit line between KLSC Holdings Inc. and SunTrust Bank, and due on demand. On December 17, 2009 the Issuer repaid the promissory note principal of US$49,000 and for the year ended May 31, 2010 the Issuer recorded interest expense of $1,687 (2009 - $2,409).

(j) At May 31, 2009 the Issuer owed $141,495 to two directors of the Issuer for financing of website development costs. During the year ended May 31, 2010, the Issuer paid $137,691 of the principal and $24,234 of accrued interest. The former directors agreed to forgive the balance of $3,313 of principal and $2,162 of accrued interest. For the year ended May 31, 2010, the Issuer accrued interest expense of $7,753 (2009 - $14,073).

(k) As at May 31, 2009, the Issuer owed $35,875 to a company with common directors for cash advances received. During the year ended May 31, 2010, the Issuer issued 192,732 common shares to settle the principal and the accrued interest.

Amounts due to related parties are due to officers and companies controlled by directors and officers, are unsecured, are non-interest bearing and have no specific terms of repayment. These transactions were conducted in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

Off Balance Sheet Arrangements

The Issuer has no off Balance Sheet arrangements.

Investor Relations

The Issuer has no investor relations agreements.

Commitments

The Issuer has no commitments.

New accounting pronouncements

The consolidated financial statements for the six months ended November 30, 2011 are prepared in accordance with IFRS. The accounting policies in Note 3 have been applied in preparing the consolidated interim financial statements for the six months ended November 30, 2011 and 2010, the consolidated financial statements for the year ended May 31, 2011 and the opening IFRS statement of financial position on June 1, 2010, the "Transition Date".

In preparing the opening IFRS statement of financial position and the financial statements for the interim period ended November 30, 2011, the Issuer has not adjusted amounts reported previously in financial statements that were prepared in accordance with GAAP. An explanation of how the transition from

GAAP to IFRS has affected the Issuer's financial position, financial performance and cash flows is set out in the following tables. The guidance for the first time adoption of IFRS is set out in IFRS 1. IFRS 1 provides for certain mandatory exceptions and optional exemptions for first time adopters of IFRS. The Issuer elected to take the following IFRS 1 optional exemptions:

a) to apply the requirements of IFRS 3, Business Combinations, prospectively from the Transition Date;

b) to apply the requirements of IFRS 2, Share-based payment, only to equity instruments granted after November 7, 2002 which had not vested as of the Transition Date; and

c) to transfer all foreign currency translation differences, recognized as a separate component of equity, to deficit at the Transition Date including those foreign currency differences which arose on adoption of IFRS.

Additionally, in accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Issuer's IFRS estimates as of June 1, 2010 are consistent with its GAAP estimates for the same date.

The reconciliation between the Canadian generally accepted accounting principles ("GAAP") and IFRS equity as at June 1, 2010 (date of transition to IFRS), February 28, 2011 and May 31, 2011 is provided below:

	May 31, 2011	February 29, 2011	June 1, 2010
Equity (deficiency) under Canadian GAAP	$ (51,386)	$ 1,215,250	$ 1,202,362
Adjustment	-	-	-
Total IFRS adjustment to equity	-	-	-
Equity (deficiency) under IFRS	$ (51,386)	$ 1,215,250	$ 1,202,362

The reconciliation between the Canadian GAAP and IFRS total comprehensive income for the period ended February 28, 2011 and the year ended May 31, 2011 is provided below:

	Year ended May 31, 2011	Nine months ended February 28, 2011
Comprehensive income under Canadian GAAP	$ (2,037,707)	$ (678,792)
Adjustment		
Total IFRS adjustment to comprehensive income		
Comprehensive income under IFRS	$ (2,037,707)	$ (678,792)

There are no significant differences between IFRS and Canadian GAAP in connection with the Issuer's statements of cash flows for the period ended February 28, 2011 or the year ended May 31, 2011.

Subsequent events

Subsequent to February 29, 2012, the Issuer:

a) issue 750,000 shares pursuant to warrant exercises for a total proceeds of $75,000.

b) issued 8,500,000 units for total proceeds of $425,000 (of which $175,000 was received prior to February 29, 2012) pursuant to a private placement. Each unit consists of one common share and one share purchase warrant enabling the holder to acquire one common share at $0.10 for twenty four months; and

c) sold its 51% interest in TBwaP, Inc. to an arms-length third party for $10.

Outstanding Share Data

Share consolidation
During the nine months ended February 29, 2012, the Issuer consolidated its share capital on the basis of 20 old shares for one new share. All common share, per share, option, warrant and weighted average price amounts were restated to reflect this consolidation.

Securities issued during the year ended May 31, 2011: 12,153,000 common shares

Securities issued during the nine months ended February 29, 2012: Nil

As at July 26, 2012:

- Class Common Shares
- Authorized Unlimited, without par value
- Issued 12,182,235

Options and Warrants Outstanding:

As at July 26, 2012, the Issuer had outstanding stock options enabling the holders to acquire common shares as follows:

Number of Options	Exercise Price	Expiry Date
12,500	$5.20	January 19, 2015
12,500	$2.40	May 27, 2015
25,000		

As at July 26, 2012, the Issuer had 7,750,000 share purchase warrants outstanding exerciseable at a price of $0.10 per share.

As of July 26, 2012, the total number of shares in escrow or pooled is 104,652

7. Market for Securities

The Issuer's shares are listed for trading on the CNSX under the trading symbol "PLV".

8. Consolidated Capitalization

The Issuer completed the following private placements:

On March 20, 2012, the Issuer closed of a non-brokered private placement of 8,500,000 units at a price of $0.05 per unit for gross proceeds of $425,000. Each unit consisted of one common shares with a deemed price of $0.05 per share and one full share purchase warrant exercisable at a price of $0.10 per warrant until March 20, 2014.

On February 2, 2011, the Issuer completed a private placement by issuing 2,013,000 units at a price of $0.10 per unit for gross proceeds of $201,300. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $20,130, was paid.

On December 10, 2010, the Issuer completed a private placement by issuing 1,950,000 units at a price of $0.10 per unit for gross proceeds of $195,000. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $17,000 was paid.

On August 13, 2010, the Issuer completed a private placement by issuing 2,200,000 common shares at a price of $0.05 per share for gross proceeds of $110,000. A commission of 10% of the proceeds from certain investors, totalling $1,000, was paid.

On July 30, 2010, the Issuer completed a private placement by issuing 3,430,000 common shares at a price of $0.05 per share for gross proceeds of $171,500. A commission of 10% of the proceeds from certain investors, totalling $14,150, was paid.

The Issuer also issued 2,000,000 common shares on conversion of a debenture valued at $100,000, and 560,000 common shares to settle accounts payable and accrued liabilities totalling $56,000.

9. Options to Purchase Securities

As of June 30, 2012, outstanding options to purchase securities of the Issuer were as follows:

	Number of Common Shares underlying Options[1]
Options held by executive officers, directors, past executive officers and past directors of the Issuer as a group (held by 1 individual)	25,000 [2]
Options held by executive officers, directors, past executive officers and past directors of all subsidiaries of the Issuer as a group	-
Options held by all other employees or past employees of the Issuer, as a group	-
Options held by all other employees or past employees of the subsidiaries of the Issuer, as a group	-
Options held by all consultants of the Issuer, as a group	-
Options held by any other person or company, including any underwriters	-

(1) All options were granted pursuant to the Issuer's stock option plan.
(2) Includes a total of 12,500 options granted on January 19, 2010 at an exercise price of $5.20 per share for a 5 year term, and 12,500 options granted on May 27, 2010 at an exercise price of $2.40 per share for a 5 year term.

10. Description of the Securities

10.1 Description of Capital

The authorized capital of the Issuer consists of an unlimited number of Shares without par value. The holders of the Shares are entitled to vote at all meetings of shareholders of such Shares, to receive dividends if, as and when declared by the directors and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer. The Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring the holder of Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Issuer. There are no restrictions on the repurchase or redemption of Shares by the Issuer except to the extent that any such repurchase or redemption would render the Issuer insolvent.

10.2 Debt Securities

This section is not applicable to the Issuer.

10.3 Stock Exchange Price

The table below provides the monthly average high and low prices and the total trading volume of the Shares since March 2011 to June 30, 2012.

Date	**Average High**	**Average Low**	**Total Volume Traded**
Month ended June 2012[(1)]	0.210	0.210	0
Month ended May 2012[(1)]	0.257	0.243	18,000
Month ended April 2012[(1)]	0.207	0.182	39,501
Month ended March 2012[(1)]	0.115	0.115	24,577
Month ended February 2012[(1)]	0.040	0.040	390,504
Month ended January 2012	0.005	0.005	132,000
Month ended December 2011	0.005	0.005	1,045,000
Month ended November 2011	0.010	0.005	2,185,000
Month ended October 2011	0.005	0.005	500,000
Month ended September 2011	0.010	0.010	860,000
Month ended August 2011	0.010	0.010	330,000
Month ended July 2011	0.007	0.007	1,319,018
Month ended June 2011	0.010	0.010	1,585,000
Month ended May 2011	0.016	0.015	2,980,000
Month ended April 2011	0.033	0.027	798,000
Month ended March 2011	0.062	0.058	322,000

(1) During the nine months ended February 29, 2012, the Issuer consolidated its share capital on the basis of 20 old shares for one new share. The shares listed for trading were on a post-consolidated basis.

10.4 Other Securities

This section is not applicable to the Issuer.

10.5 Modification of Terms

(a) Alterations to Rights of Common Shares

The rights and restrictions attached to common shares of the Issuer may be modified, amended or varied by ordinary resolution of the directors, unless otherwise specified in the BCA.

(b) Other Methods of Modifying Rights of Common Shares

None.

10.6 Other Attributes

No other class of securities ranks ahead of the common shares of the Issuer, nor are the rights attached to the common shares materially limited or qualified by the rights of any other class of securities.

The Issuer is permitted, pursuant to its articles, to purchase or otherwise acquire any of its shares at the price and upon the terms determined and authorized by its directors. No such purchase or acquisition of shares may occur if the Issuer has reasonable grounds for believing it is insolvent, or may become insolvent if such purchase or acquisition is made. If the Issuer purchases or acquires any of its common shares and holds them, the Issuer is not permitted to vote the shares at any shareholder's meeting, pay a dividend in respect of those shares or make any other distribution in respect of those shares.

10.7 Prior Sales

The following common shares were sold by the Issuer within the 12 months prior to the date of this Listing Statement:

Date	Price per common share	Number of common shares	Consideration received	Description of transaction
July 18, 2012	$0.10	750,000	Cash	Warrant Exercises
March 20, 2012[(1)]	$0.05	8,500,000	Cash	Non brokered private placement
February 2, 2011	$0.10	2,013,000	Cash	Second tranche of non brokered private placement
December 10, 2010	$0.10	1,950,000	Cash	First tranche of non brokered private placement
August 13, 2010	$0.05	2,200,000	Cash	Second tranche of brokered private placement
July 30, 2010	$0.05	3,430,000	Cash	First tranche of brokered private placement

(1) 8,500,000 warrants were also issued. Each warrant entitles the holder to purchase one common share at an exercise price of $0.10 per share for a period of two years.

11. Escrowed Securities

In accordance with the requirements of the Exchange and applicable securities laws, shares have been deposited into escrow pursuant to an escrow agreement between the holder of such shares, the Issuer and Computershare Investor Services Inc. (the "Trustee"). The table below sets forth the holdings of common shares of promoters, directors, senior officers and greater than 10% shareholders of the Issuer which have been escrowed and the percentage of common shares represented by their holdings which remain in escrow on a non-diluted basis.

Designation of Class Held in Escrow	Number of Escrowed Shares	Percentage of Class of Escrowed Securities
Common Shares	104,652	0.86%[(1)]

(1) Based upon an issued and outstanding of 12,182,235 as of July 26, 2012.

The Issuer is an "emerging issuer" under National Policy 46-201 – Escrow for Initial Public Offerings. Accordingly, since listing of the common shares on the CNSX on December 14, 2009, certain shares have been subject to a 36 month escrow period with the following release schedule pursuant to an escrow agreement dated December 11, 2009 (the "Escrow Agreement"):

- 10% of the shares held in escrow will be released from escrow upon confirmation of listing the Issuer's shares on the CNSX; and
- The remaining shares held in escrow will be released in six tranches of 15% every six months following completion of the listing.

The shares held in escrow may be released earlier in certain circumstances, as specified in the Escrow Agreement. The securities held in escrow cannot generally be transferred or otherwise dealt with while in escrow other than pursuant to certain permitted transfers or dealings within escrow as set out in the Escrow Agreement.

12. Principal Shareholders

As of July 26, 2012, to the knowledge of the directors and senior officers of the Issuer, the following persons beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to the securities of the Issuer:

Principal Shareholder Name	Ownership	Number of Shares Owned (1)	Percentage of Shares Owned (1)
CDS & Co. (2)	Of Record	2,212,562	18.16%
Bruno Gasbarro	Beneficial	2,190,000	17.98%
Arndt Roehlig	Beneficial	1,350,000	11.08%

Notes

(1) Based on a total issued and outstanding of 12,182,235 common shares as of July 26, 2012. Assumes no further exercise of outstanding stock options or warrants, other than those on July 18, 2012.

(2) CDS & Co. is the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms.

Certain Shares of the Issuer are held pursuant to an escrow agreement. For escrow restrictions concerning these Shares, see *"Section 11, Escrowed Securities"*.

To the knowledge of the Resulting Issuer, none of its voting securities are held, or are to be held, subject to any voting trust.

To the knowledge of the Resulting Issuer, no principal shareholder is an associate or affiliate of another person or company named as a shareholder.

13. Directors and Officers

13.1 Name, Address, Occupation and Security Holdings

The following table sets out the names of the directors and officers of the Issuer, the province or state, and country in which each is ordinarily resident, all offices of the Issuer held by each of them, their principal occupations and the number of common shares of the Issuer or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised.

Name, Municipality of Residence, Position with the Issuer	Principal Occupation During Last Five Years	Number of common shares held in the Issuer (1)	Percentage of Class Held or Controlled (1)
Arndt Roehlig British Columbia, President, Director	President and Director of Issuer since June 10, 2011, CEO. President of Coltstar Ventures Inc. since March 2012 and a Director since February 2012, President of Golden Raven Resources Inc. from July 20, 2010 to June 2012 and a Director from March 2007 to June 2012. President of Trivello Energy Corp. from March 2000 to May 2010. Director of Montello Resources Ltd. from March 2009 to July 2009.	1,350,000	11.08%

Name, Municipality of Residence, Position with the Issuer	Principal Occupation During Last Five Years	Number of common shares held in the Issuer (1)	Percentage of Class Held or Controlled (1)
Bruno Gasbarro Coquitlam, B.C., Chief Financial Officer and Director	Chief Financial Officer of the Issuer since March 2010. President and CEO of Ravenstar Ventures Inc. (now Cancen Oil Canada Inc.) from September 2010 to October 2011 and a Director from September 2010 to January 2012. President and Chief Executive Officer of Coltstar Ventures Inc., a former CPC, which completed its qualifying transaction on April 29, 2009, from June 2007 to July 2009, and the CFO and a Director from June 2007 to April 2010. President and Chief Executive Officer of Eaglestar Ventures Inc. (now Waratah Coal Inc.) from January 2006 to December 2006.	2,190,000	17.98%
Salvatore Giantomaso Vancouver, B.C. Director	Director of the Issuer since January 2012, and previously from January 2007 to December 2009. Director of Petrostar Petroleum Corporation from January 1997 to June 2010. Director of Ravenstar Ventures Inc. from March 2010 to October 2011. Director of ColtStar Ventures Inc. from June 2007 to June 2010.	365,000	3.00%
Jurgen Wolf Vancouver, B.C. Director	Director of the Issuer January 2012. Director of Altima Resources Ltd since February 2006. Director of Iconic Minerals Ltd. since February 2005. Director of Golden Raven Resources Ltd. from March 2007 to June 2012. Director, President & CEO of Gold Jubilee Capital Corp. since July 2007. Director of Petrichor Energy Inc. since January 1994. Director of Transamerican Energy Inc. since July 2005. Director of Gainey Resources Ltd. since October 2008. Director, of Tasty Fries Inc. since September 1995, and the President, CEO, and CFO since October 2007. Director of Emerick Resources Corp from April 2007 to February 2010 and CFO from April 2007 to May 2007. Director of Garuda Capital Corp. from January 2003 to December 2010. Director of Gulfside Minerals Ltd from July 2001 to February 2008. Director of Triveillo Energy Corp from June 2009 to March 2010. Director of Equitas Resources Corp. from June 2009 to March 2010.	100,000	0.82%
Sameen Sheikh, North Vancouver, B.C., Secretary	Corporate Secretary of Issuer since June 30, 2011. Corporate Secretary of Coltstar Ventures Inc. since March 2012. Corporate Secretary of Golden Raven Resources from July 2010 to April 2012. Director of Trivello Energy Corp. from February 2007 to May 2010 and Corporate Secretary from March 2006 to May 2010.	100,000	0.82%

(1) Assumes no exercise of outstanding stock options or warrants. Includes shares held directly and indirectly. Based on an issued and outstanding of 12,182,235 shares as at July 26, 2012.

13.2 Term of Directorship

The term of office of each of the present directors expires at the Issuer's next Annual General Meeting. Each director elected or appointed will hold office until the next annual general meeting of the Resulting Issuer or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Resulting Issuer or with the provisions of the BCA.

13.3 Voting Interest of Directors and Officers as a Group

As a group, the directors and officers of the Issuer hold an aggregate of 4,105,000 common shares of the Issuer, representing 33.70% of the issued and outstanding common shares in the Issuer.

13.4 Board Committees

The Issuer's audit committee as at May 31, 2011 was made up of J. Christopher Morgando, Cory Brandolini and Cameron Shippit. Mr. Brandolini and Mr. Shippit are independent members of the audit committee. All members are considered to be financially literate. Current audit committee members are Arndt Roehlig, Salvatore Giantomaso and Jurgen Wolf.

13.5 Principal Occupation of Directors and Officers

Other than as disclosed herein, no director or officer of the Issuer has a principal occupation as a director or officer of a company other than the Issuer.

Bruno Gasbarro is the CFO of the Issuer and has held such positions since March 3, 2010. He is also the President, CEO and a director of Ravenstar Ventures Inc., a Capital Pool Company that was listed on the TSXV on September 29, 2010 and completed its QT on October 13, 2011 and is now known as Cancen Oil Canada Inc. remained a director until Jan 27, 2012.

13.6 Cease Trade Orders and Bankruptcy

Other than as described below, no director or officer of the Issuer, or, to the Issuer's knowledge, no shareholder holding a sufficient number of securities of the Issuer to materially affect the control of the Issuer, is or within 10 years prior to 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, was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days:

- Arndt Roehlig, a director and President of the Issuer, has been a director of Montello Resources Ltd. from March 13, 2009 to August 7, 2009. On April 8, 2009, Montello was subject to a cease order (the "CTO") issued by the British Columbia Securities Commission for failure to file quarterly financial statements ("FS"). Montello was reinstated to trading on June 8, 2009. Management of Montello did not make Mr. Roehlig aware of the pending failure to file FS and MD&A. Mr. Roehlig then immediately introduced a new accountant to Montello, who was subsequently appointed CFO of Montello on June 23, 2009.
- Further, Mr. Roehlig joined the BOD of Coltstar Ventures Inc. on February 6, 2012 and was appointed President on March 14, 2012. Mr. Roehlig joined as director and President to represent certain dissenting shareholders, which were disappointed in the performance of Coltstar Ventures Inc. On May 10, 2012 Coltstar Ventures Inc was issued a cease trade order for failure to file annual financial statements for the year ending December 31, 2011. Since this time, Mr. Roehlig along with the new board of directors and the addition of Ms Sameen Sheikh as Corporate

Secretary have worked diligently with the Company's auditors Davidson & Co. to address certain issues that arose during the audit for 2011. The outcome is still pending as of July 25, 2012.

- Sameen Sheikh, joined Coltstar Ventures Inc. on March 29, 2012 as Corporate Secretary and on May 10, 2012 Coltstar Ventures Inc was issued a cease trade order for failure to file annual financial statements for year ending December 31, 2011. The BOD of Coltstar and Corporate Secretary are working diligently with the Company's auditors to address the issues that arose during the audit for 2011. The outcome is still pending as of July 25, 2012.
- Salvatore Giantomaso, a director of the Issuer, has been a director of Saintstar Ventures Inc. when trading of the company's shares were halted on September 22, 2004 and suspended on February 10, 2005 for failure to complete a qualifying transaction within 18 months of listing. Saintstar Ventures Inc. was voluntarily delisted on October 7, 2005. Mr. Giantomaso was also a director of Petrostar Petroleum Corporation when it was halted on November 7, 2003, pending clarification on company affairs. Petrostar Petroleum Corporation was then suspended on December 8, 2003, pending a review of TSX Venture Exchange requirements and reinstated on January 7, 2004.

No director or officer of the Issuer is, or within the 10 years before the date of the Listing Statement, has been a director or officer of any other Issuer that, while that person was acting in that capacity, or 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 Penalties/Sanctions Imposed on Directors/Officers

None.

13.8
Not applicable.

13.9 Bankruptcy of Director/Officer
None.

13.10 Conflicts of Interest

The directors and officers of the Issuer also serve as directors and/or officers of other companies and may be presented, from time to time, with situations or opportunities which give rise to apparent conflicts of interest. All conflicts of interest will be resolved in accordance with the BCA and the fiduciary duties of the Issuer's directors and officers.

13.11 Management

Below is a brief description of the key management of the Issuer.

Arndt Roehlig, 43, has been president, CEO and a director of the Issuer since June 2011. He serves as the CEO, President of Coltstar Ventures Inc. since March 2012, and a director since February 2012. He served as a director from March 2007 to June 2012 and president from July 2010 to June 2012 of Golden Raven Resources Inc. He has also been a director and president of Equitas Resources Corp, a listed company on the TSX Venture Exchange that operates in the resource sector from March 2000 to May 2010. He also served as a director of Montello Resources Ltd. from March 2009 to July 2009. He served as a director and president of Border Petroleum Corp. from May 2007 to January 2008. Mr. Roehlig will have primary responsibility for the coordination of the Issuer's exploration efforts. Mr. Roehlig devotes approximately 25% of his working time to the affairs of the Issuer. Mr. Roehlig has not entered into a non-competition or non-disclosure agreement with the Issuer.

Bruno Gasbarro, 44, has been the CFO of the Issuer since March 2010, and a director since January 2007. He was also the Issuer's Secretary from March 2010 to June 2011. He is also the President, CEO and a director of Ravenstar Ventures Inc., a Capital Pool Company that was listed on the TSXV on September 29, 2010 and completed its QT on October 13, 2011 and is now known as Cancen Oil Canada Inc. and remained a director until January 2012. He was the President, CEO and a director of Coltstar Ventures Inc., a former CPC, which completed its qualifying transaction on April 29, 2009, from June 2007 to July 2009. Then Mr. Gasbarro served as CFO of Coltstar Ventures Inc. until March 3, 2010 and resigned as a director on April 14, 2010. He was the President and CEO of Eaglestar Ventures Inc. (now Waratah Coal Inc.), and of Brownstar Ventures Inc. (now Longview Capital Partners Incorporated), both former CPCs. Mr. Gasbarro was also the CEO, President and a director of Saintstar Ventures Inc., a former CPC and the CFO, Secretary and a director of Giantstar Ventures Inc. (now Chalk Media Corp.), also a former CPC, that has completed its qualifying transaction. Mr. Gasbarro has a diploma from the Canadian Securities Institute and was an Investment Advisor from 1994 until March 2003. He has worked in this capacity since 1994 with several Vancouver securities firms, including Gateway between December 2002 and March 2003. Mr. Gasbarro is employed as the Chief Financial Officer of the Issuer and devotes approximately 50% of his working time to the affairs of the Issuer. Mr. Gasbarro has not entered into a non-competition or non-disclosure agreement with the Issuer.

Salvatore Giantomaso, 65, has been a director of the Issuer since December, 2009. Mr. Giantomaso previously served as a director of the Issuer from January 2007 to December 2009 when it was known as "PatriotStar Ventures Inc.". He was a director of Petrostar Petroleum Corporation from January 1997 to June 2010, a director of Ravenstar Ventures Inc. (now known as Cancen Oil Canada Inc.) from March 2010 to October 2011, and a director of ColtStar Ventures Inc. from June 2007 to June 2010. Mr. Giantomaso devotes approximately 25% of his working time to the Issuer's affairs. Mr. Giantomaso has not entered into a non-competition or non-disclosure agreement with the Issuer.

Jurgen Wolf, 77, has been a director of Issuer since January 2012. Mr. Wolf has experience serving on boards of public companies. He currently sits as a director of Altima Resources Ltd (since February 2006), Iconic Minerals Ltd. (since February 2006),, Petrichor Energy Inc. (since January 1994), Transamerican Energy Inc. (since July 2005), Gainey Resources Ltd. (since October 2008). Gold Jubilee Capital Corp (since July 2007), and Tasty Fries Inc. (since September 1995). Mr. Wolf additionally serves as President& CEO of Gold Jubilee Capital Corp (since July 2007) and President, CEO and CFO of Tasty Fries Inc. (since October 2007). He previously served as a director of Golden Raven Resources Ltd. from March 2007 to June 2012. He served as director and the CFO of Emerick Resources Corp from April 2007 to February 2010 and May 2007, respectively. He also served as a director of Garuda Capital Corp. from January 2003 to December 2010, a director of Gulfside Minerals Ltd from July 2001 to February 2008, and as a director of Equitas Resources Corp from June 2009 to March 2010. Mr. Wolf devotes approximately 25% of his working time to the affairs of the Issuer. Mr. Wolf has not entered into a non-competition or non-disclosure agreement with the Issuer.

Sameen Sheikh, 31, has been Corporate Secretary of the Issuer since June 30, 2011. She is currently the Corporate Secretary of Colstar Ventures. (since March 2012). She was corporate secretary for Golden Raven Resources Ltd. from July 2010 to April 2012. She has also been corporate secretary and a director of Trivello Energy Corp. (now known as Equitas Resources Corp.), a listed company on the TSX Venture Exchange that operates in the resource sector from March 2006 to May 2010, and February 2007 to May 2010, respectively. Ms. Sheikh devotes approximately 25% of her working time to the affairs of the Issuer. Ms. Sheikh has not entered into a non-competition or non-disclosure agreement with the Issuer.

14. Capitalization

The following information is based on there being 12,182,235 shares issued and outstanding as of July 26, 2012.

Issued Capital	**Number of Securities (non-diluted)**	**Number of Securities (fully diluted)**	**%of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	12,182,235	19,957,235	100.00%	61.04%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	4,105,000	6,430,000	33.70%	32.22%
Total Public Float (A-B)	8,077,235	13,527,235	66.30%	67.78%
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)	104,652	104,652	0.86%	0.52%
Total Tradeable Float (A- C)	12,077,583	12,077,583	99.14%	60.52%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security		
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	1	1,250
2,000 – 2,999 securities	2	5,067
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	58	11,425,918

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the

Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security		
Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	69	2,759
100 – 499 securities	133	30,133
500 – 999 securities	95	67,439
1,000 – 1,999 securities	88	115,642
2,000 – 2,999 securities	36	83,172
3,000 – 3,999 securities	16	54,245
4,000 – 4,999 securities	12	53,490
5,000 or more securities	63	1,595,272
Unable to confirm		

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security		
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	4,105,000

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion/exercise terms, including conversion/exercise price)	**Number of convertible/exchangeable securities outstanding**	**Number of listed securities issuable upon conversion/exercise**
stock options @ $2.40 until January 19, 2015	12,500	12,500
stock options @ $5.20 until May 27, 2015	12,500	12,500
share purchase warrants @ $0.10 until March 21, 2014	8,500,000	8,500,000

14.3 There are no listed securities reserved for issuance that are not included in section

14.2.

Outstanding Share Data

Securities issued during the year ended May 31, 2011: 58,644,787 common shares

Securities issued during the nine months ended February 29, 2012: Nil

As at July 26, 2012:

- Class Common Shares
- Authorized Unlimited, without par value
- Issued 12,182,235

Options and Warrants Outstanding:

As at June 30, 2012, the Issuer had outstanding stock options enabling the holders to acquire common shares as follows:

Number of Options	Exercise Price	Expiry Date
12,500	$5.20	January 18, 2015
12,500	$2.40	May 20, 2015
25,000		

As at July 26, 2012, the Issuer had 7,750,000 share purchase warrants outstanding.

Total number of shares in Escrow/Pooled: 104,652

15. Executive Compensation

Compensation Discussion and Analysis

In this section "Named Executive Officer" or "NEO" means (a) the Chief Executive Officer (or an individual who acted in a similar capacity), (b) the Chief Financial Officer (or an individual who acted in a similar capacity), (c) each of the Issuer's three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (except those whose total compensation does not exceed $150,000), and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, at the end of that financial year.

The disclosure below relates to three of the Issuer's NEOs, namely Arndt Roehlig, the CEO, and Bruno Gasbarro, the Chief Financial Officer ("CFO") and former Secretary, Andy Moeck, the former CEO.

Compensation paid to Named Executive Officers is determined solely based on discussion by the Issuer's board of directors (the **"Board"**). The Board follows a compensation philosophy that aligns the NEOs' interests with those of the Issuer's shareholders and seeks to provide incentives designed to ensure that the Issuer attracts, retains and motivates employees in this highly competitive industry.

The Board believes that a compensation package including consulting fees and equity-based incentives is appropriate in achieving its objectives. The Issuer does not have any predetermined performance goals for its NEOs, but expects each NEO to serve the Issuer and its shareholders to the best of his/her abilities.

Each of the NEOs who serve the Issuer in both full time and part time capacities are compensated primarily by a consulting fee that is negotiated between the Board and the NEO. The rationale of providing a consulting fee is to reward the NEO's time spent on the Issuer and its development, and provide a reasonable incentive for the NEO to focus his/her attention on the Issuer.

Summary Compensation Table

The following table provides a summary of the compensation to be awarded to, earned by, paid to or payable to the Named Executive Officers (to the extent that such compensation has been determined):

Name and principal position	Year (1)	Salary ($)	Bonus ($)	Non-equity incentive plan compensation ($)	Option-based award ($)	Share Based Awards ($)	All Other Compensation ($)	Total Compensation ($)
Arndt Roehlig, CEO	2011 2010 2009	$55,000(2) Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	$55,000 Nil Nil
Bruno Gasbarro CFO	2011 2010 2009	$60,000 $25,000(3) Nil	Nil Nil Nil	Nil Nil Nil	Nil $ 0(4) Nil	Nil Nil Nil	Nil Nil Nil	$60,000 $25,000 Nil

(1) The Issuer's financial year end is May 31.
(2) Mr. Roehlig was appointed a Director and President of the Issuer on June 10, 2011 and earned $5,000 per month in management fees for his role with the Issuer.
(3) Mr. Gasbarro began earning $5,000 per month in management fees for his role with the Issuer in December 2010.
(4) Bruno Gasbarro is the holder of 25,000 incentive stock options as at the date of this Listing Statement. The value given is calculated by subtracting the exercise price from the market price, multiplied by the number of options held. The last trading price of the Issuer's shares before the stock was halted was $0.21 per share. Further information regarding Mr. Gasbarro's options is provided below.

Stock options are granted to NEOs when the Board wishes to align the NEOs' interests with those of the shareholders. The number of stock options granted to each NEO is determined solely by the Board and will be based on the NEO's performance, his/her consulting fee, if any, and the Issuer's share price at the time these stock options are granted. The Board believes that providing NEOs a vested equity interest in the Issuer helps align the interests of the NEOs with those of the shareholders. The granting of stock options will comply with applicable securities rules and regulations.

There was no re-pricing of stock options under the Incentive Stock Option Plan or otherwise during the Issuer's financial year ended May 31, 2011.

The following table provides an annualized summary of the current compensation for each of the Issuer's NEOs for the financial year ended May 31, 2013. It is anticipated that the compensation paid to the Issuer's NEO's will remain unaltered following the reclassification as a resource issuer.

Name and Proposed Principal Position	Year	Salary[2] ($)	Share-based Awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All Other Compensation ($)	Total compensation ($)
Arndt Roehlig, CEO	2012	$60,000	Nil	Nil	Nil	Nil	Nil	$60,000
Bruno Gasbarro, CFO	2012	$60,000	Nil	Nil	Nil	Nil	Nil	$60,000

1) The Issuer does not anticipate granting incentive stock options upon reclassifying as a resource issuer. The Issuer may decide to grant option-based awards to its directors or officers during the 12 month period following its reclassification as a resulting issuer. Details of such grants will be announced by the Issuer in the event such a determination is made.

2) The amount described in this column relate to management fees paid to NEOs as independent contractors, rather than employees of the Issuer.

Pursuant to Item 1.3(2) of Form 51-102F6, the Issuer has omitted certain tables and columns of tables that do not apply to this disclosure.

Option-based Awards

Stock options are granted to the Issuer's executives taking into account several factors including the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Issuer. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the CNSX and closely align the interests of the executive officers with the interests of shareholders. The Board has the responsibility to grant option-based awards.

Option-Based Awards				
Name	**Number of Securities Underlying Unexercised Options**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised In-The-Money Options [1]**
Bruno Gasbarro	12,500	$5.40	January 19, 2015	Not in the money
	12,500	$2.40	May 27, 2015	Not in the money

(1) "In-the-Money Options" means the difference between the market value of the common shares on June 30, 2012, and the exercise or base price of the options. The calculation is based on a market price of $0.21 per share on July 26, 2012.

Pension Plan Benefits

The Issuer does not have any pension plans that provide for payments or benefits to any NEO at, following or in connection with their retirement, nor does the Issuer have any defined contribution plans relating to any NEO.

Termination and Change of Control Benefits

None.

16. Indebtedness of Directors and Executive Officers

16.1 Aggregate Indebtedness

None of the executive officers, directors or employees of the Issuer are or have been indebted to the Issuer at any time, or are or have been indebted to another entity at any time, for the purchase of securities, or where that indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement of understanding provided by the Issuer or a subsidiary of the Issuer.

16.2 Indebtedness of Directors and Officers under Programs

There are no programs of the Issuer pursuant to which the Issuer's directors or officers incurred any debt owed to the Issuer.

17. Risk Factors

Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Issuer's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of lead-zinc silver and other minerals and metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Issuer will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; commodity prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Issuer towards the search and evaluation of deposits of minerals or other metals will result in discoveries of commercial quantities of lead-zinc silver or other minerals or metals.

Risks Associated With the Properties

The properties are all high risk, speculative ventures. No mineral resources or mineral reserves have been identified with respect to the properties to date and there is no certainty that the expenditures made by the Issuer towards the search and evaluation of lead-zinc silver with regard to the properties or otherwise will result in discoveries of commercial quantities of lead-zinc silver or other minerals or metals. In addition, even in the event of the successful completion by the Issuer of Phase I of the recommended programs on the respective properties, there is no assurance that the results of such exploration will warrant the completion of Phase II of the recommended programs. In such circumstances, the Issuer may be required to acquire and focus its operations on one or more additional mineral properties. There can be no assurance that any such additional mineral properties will be available for acquisition by the Issuer or that, if available, the terms of acquisition will be favourable to the Issuer.

Current Economic Conditions

There are significant uncertainties regarding the price of lead-zinc silver and other minerals or metals and the availability of equity financing for the purposes of mineral exploration and development. The prices of lead-zinc silver and other minerals or metals have fluctuated substantially over the past several months and financial markets have deteriorated to the point where it has become extremely difficult for companies to raise new capital. The Issuer's future performance is largely tied to the development of its current mineral properties and the overall financial markets. Current financial markets are likely to be volatile in Canada for the remainder of the calendar year and potentially into 2013, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. As well, concern about global growth has led to sustained drops in some commodity markets. Unprecedented uncertainty in the credit markets has also led to increased difficulties in borrowing/raising funds. Companies worldwide have been affected particularly negatively by these trends. As a result, the Issuer may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Issuer. These economic trends may limit the Issuer's ability to develop and/or further explore its mineral property interests.

Operating History

The Issuer has a very limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Issuer is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Reliance on Limited Number of Properties

The only property interests of the Issuer are its interest in the Property. As a result, unless the Issuer acquires additional property interests, any adverse developments affecting the Property, could have a material adverse effect upon the Issuer and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of the Issuer.

Insurance and Uninsured Risks

The Issuer's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result

in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Issuer's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Issuer may in the future maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Issuer or to other companies in the mining industry on acceptable terms. The Issuer might also become subject to liability for pollution or other hazards which may not be insured against or which the Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards

All phases of the Issuer's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Issuer's operations. Environmental hazards may exist on the properties on which the Issuer holds interests which are unknown to the Issuer at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals, approval of aboriginal people and permits are currently, and may in the future be required in connection with the Issuer's operations. To the extent such approvals are required and are not obtained, the Issuer may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and per mitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important

determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Issuer's operations, financial condition and results of operations.

Land Title

Although the title to the properties was reviewed by or on behalf of the Issuer, no assurances can be given that there are no title defects affecting such property. Title insurance generally is not available, and the Issuer's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Issuer has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Issuer's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Issuer may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Competition

The mining industry is competitive in all of its phases. The Issuer faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Issuer. As a result of this competition, the Issuer may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Issuer's revenues, operations and financial condition could be materially adversely affected.

Additional Capital

The Issuer had negative operating cash flow during the fiscal year ended May 31, 2011. The development and exploration of the Issuer's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Issuer's properties or even a loss of property interest. The primary source of funding available to the Issuer consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Issuer.

Liquid Marketability of Shares

There has been no prior public market for the Issuer's shares other than the Issuer's posting of its securities on the CNSX, and the market for the Issuer's shares may be illiquid from time to time, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the shares. An inactive market may also impair the Issuer's ability to raise capital by selling shares and to acquire other exploration properties or interests by using its shares as consideration.

Commodity Prices

The price of the common shares, the Issuer's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of lead-zinc silver or other minerals. The price of lead-zinc silver or other minerals and metals fluctuates widely and is

affected by numerous factors beyond the Issuer's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of lead-zinc silver or other minerals or metals could cause continued development of and commercial production from the Issuer's properties to be impractical. Depending on the price of lead-zinc silver or other minerals or metals, cash flow from mining operations may not be sufficient and the Issuer could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Issuer's mining properties is dependent upon the prices of lead-zinc silver or other minerals or metals being adequate to make these properties economic.

In addition to adversely affecting the Issuer's reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation

The mining, processing, development and mineral exploration activities of the Issuer are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although the Issuer's mining and processing operations and exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Issuer.

Dividend Policy

No dividends on the common shares have been paid by the Issuer to date. Payment of any future dividends will be at the discretion of the Issuer's board of directors after taking into account many factors, including the Issuer's operating results, financial condition and current and anticipated cash needs.

Dilution to Common Shares

As a result of the increase in the number of common shares issued and outstanding, the voting power of the Issuer's existing shareholders will be diluted and the subscribers will experience a diluting effect.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Issuer's ability to raise capital through future sales of common shares.

Key Executives

The Issuer is dependent on the services of key executives, including the directors of the Issuer and a

small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Issuer, the loss of these persons or the Issuer's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Conflicts of Interest

Certain of the directors and officers of the Issuer also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Issuer should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *Business Corporations Act* (British Columbia) and other applicable laws.

18. Promoters

18.1 Promoters

The Issuer has not retained the services of a promoter or investor relations consultant since its incorporation.

18.2 Cease Trade Orders, Bankruptcies, Penalties and Sanctions Involving Promoters

No promoter of the Issuer was a director or executive officer of any person or company that, while the promoter was acting in that capacity, or 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 within the last 10 years.

No promoter of the Issuer 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 become 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 the promoter.

There have been no penalties or sanctions imposed against promoters or past promoters that would be likely to be considered important to a reasonable investor in making an investment decision.

19. Legal Proceedings

19.1 Legal Proceedings

There are no legal proceedings material to the Issuer to which the Issuer or any subsidiary of the Issuer is a party or of which their respective property is the subject matter that is known to the Issuer.

19.2 Regulatory Actions

There are no:

(a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof;

(b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and

(c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

20. Interest of Management and Others in Material Transactions

20.1 For further particulars of the material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

(a) any director or executive officer of the Issuer, see *"Section 6, Management's Discussion and Analysis, Related Party Transactions" and "Section 18, Promoters"*;

(b) a security holder disclosed in the Listing Statement as holding 10% or more of the Issuer's voting securities, see, *"Section 12, Principal Shareholders"*, *"Section 6, Management's Discussion and Analysis, Related Party Transactions" and "Section 18, Promoters"*.

No associates or affiliates of any of the persons referred to above, unless as otherwise disclosed herein, have or had a material interest, direct or indirect, in any transaction within the three years before the date of the Listing Statement that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

21. Auditors, Transfer Agents and Registrars

21.1 Auditor Name and Address

The auditor for the Issuer is Davidson & Company LLP, Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

21.2 Transfer Agent and Registrar Name

The registrar and transfer agent for the common shares of the Issuer is Computershare Trust Company of Canada, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. Computershare is also the Trustee of escrowed shares as further described in *"Item 11 Escrowed Shares"*.

22. Material Contracts

22.1 Material Contracts for the Issuer

1. Purchase agreement between the Issuer and Coltstar Ventures Inc. dated for reference May 22, 2012.

22.2 Copies of any co-tenancy, unitholders' or limited partnership agreements

None.

23. Interest of Experts

Davidson & Company LLP, Chartered Accountants, prepared the auditors report for the Issuer's financial statements for the years ended May 31, 2011 and May 31, 2010. Davidson & Company LLP Chartered Accountants is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Aurora Geosciences Ltd. and the individual authors of the Technical Report are independent Qualified Persons as defined by NI 43-101 and beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company.

24. Other Material Facts

To management's knowledge, there are no other material facts that are not otherwise disclosed in this Listing Statement or are necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. Financial Statements

Financial statements required pursuant this section are attached as follows:

SCHEDULE "A" – Audited Financial Statements of Pure Living Media Inc. for the years ended May 31, 2010 and May 31, 2011.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

CERTIFICATE OF THE ISSUER, PURE LIVING MEDIA INC.

The foregoing contains full, true and plain disclosure of all material information relating to Pure Living Media 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 26th day of July, 2012

(Signed) *"Arndt Roehlig"*
Arndt Roehlig, CEO and Director

(Signed) "*Bruno Gasbarro*"
Bruno Gasbarro, CFO and Director

(Signed) "*Jurgen Wolf*"
Jurgen Wolf, Director

(Signed) "*Salvatore Giantomaso*"
Salvatore Giantomaso, Director

SCHEDULE "A"

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF PURE LIVING MEDIA INC.
FOR THE YEARS ENDED MAY 31, 2011 AND MAY 31, 2010

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Pure Living Media Inc.
(formerly TinyMassive Technologies Inc.)

We have audited the accompanying consolidated financial statements of Pure Living Media Inc. (formerly TinyMassive Technologies Inc.) which comprise the consolidated balance sheets as at May 31, 2011 and 2010 and the consolidated statements of operations, comprehensive loss and deficit, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Pure Living Media Inc. (formerly TinyMassive Technologies Inc.) as at May 31, 2011 and 2010 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Pure Living Media Inc.'s (formerly TinyMassive Technologies Inc.) ability to continue as a going concern.

Davidson & Company LLP

Vancouver, Canada

Chartered Accountants

September 26, 2011

PURE LIVING MEDIA INC.

(formerly TinyMassive Technologies Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

MAY 31, 2011

PURE LIVING MEDIA INC.
(formerly TinyMassive Technologies Inc.)
CONSOLIDATED BALANCE SHEETS
AS AT MAY 31

	2011	2010
ASSETS		
Current		
Cash	$ 36,155	$ 147,717
Receivables	18,884	14,607
Prepaids	-	45,541
	55,039	207,865
Restricted cash	-	10,000
Equipment	-	1,112
Domain name (Note 6)	-	3,571
Software license (Note 6)	-	239,659
Website development costs (Note 6)	-	905,695
	$ 55,039	$ 1,367,902
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	$ 75,425	$ 70,100
Due to related parties	31,000	5,595
Convertible debenture (Note 7)	-	89,845
	106,425	165,540
Shareholders' equity (deficiency)		
Capital stock (Note 8)	2,376,800	1,598,150
Contributed surplus (Note 8)	1,691,304	1,691,304
Deficit	(3,734,868)	(2,087,092)
Non-controlling interest	(384,622)	-
	(51,386)	1,202,362
	$ 55,039	$ 1,367,902

Basis of presentation and continuance of operations (Note 1)
Subsequent event (Note 15)

On behalf of the Board:

"Arndt Roehlig Director *"Bruno Gasbarro"* Director

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

PURE LIVING MEDIA INC.
(formerly TinyMassive Technologies Inc.)
CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
YEARS ENDED MAY 31

	2011	2010
EXPENSES		
Contract labour	$ 301,525	$ 167,340
Management fees (Note 10)	61,343	13,340
Marketing	50,507	22,122
Office and miscellaneous	51,805	30,336
Photography	1,912	13,591
Professional fees	102,704	391,988
Rent (Note 10)	2,500	13,058
Stock-based compensation	-	574,711
Transfer agent and filing fees	15,962	6,032
Travel and related costs	10,568	7,780
Website	320,628	49,494
Loss before other items	(919,454)	(1,289,792)
OTHER ITEMS		
Foreign exchange loss	(14,691)	(2,318)
Other income (Note 10)	123,498	109
Interest expense	(10,155)	(35,684)
Write-off of assets (Note 6)	(1,216,905)	-
Forgiveness of debt	-	30,519
	(1,118,253)	(7,374)
Loss and comprehensive loss for the year	(2,037,707)	(1,297,166)
Non-controlling interest	389,931	-
Deficit, beginning of year	(2,087,092)	(789,926)
Deficit, end of year	$ (3,734,868)	$ (2,087,092)
Basic and diluted loss per common share	$ (0.03)	$ (0.06)
Weighted average number of common shares outstanding	53,022,209	21,210,655

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

PURE LIVING MEDIA INC.
(formerly TinyMassive Technologies Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (2,037,707)	$ (1,297,166)
Items not affecting cash:		
Amortization of equipment	334	-
Accretion of convertible debenture	10,155	12,193
Stock-based compensation	-	574,711
Website development	-	7,603
Interest accrual	-	5,806
Forgiveness of debt	-	(30,519)
Write-off of assets	1,216,905	-
Changes in non-cash working capital items:		
(Increase) decrease in receivables	(71,479)	(6,372)
(Increase) decrease in prepaids	45,541	(45,541)
Increase (decrease) in accounts payable and accrued liabilities	66,634	(12,828)
Increase (decrease) in due to related parties	25,405	(45,692)
Net cash used in operating activities	(744,212)	(837,805)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash acquired on recapitalization transaction	-	361
Acquisition of equipment	-	(1,112)
Acquisition of domain name	-	(3,571)
Website development costs	-	(6,172)
Net cash used in investing activities	-	(10,494)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital stock issued	677,800	1,182,500
Share issuance costs	-	(182,191)
Loan proceeds	-	162,950
Due to related parties	(55,150)	(189,729)
Net cash provided by financing activities	622,650	973,530
Change in cash for the year	(121,562)	125,231
Cash, beginning of year	157,717	32,486
Cash, end of year	$ 36,155	$ 157,717
Cash is comprised of:		
Cash	$ 36,155	$ 147,717
Restricted cash	-	10,000
	$ 36,155	$ 157,717

Supplemental disclosure with respect to cash flows (Note 11).

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

1. BASIS OF PRESENTATION AND CONTINUANCE OF OPERATIONS

Pure Living Media Inc. (formerly TinyMassive Technologies Inc.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on January 16, 2007. The Company began trading on the TSX Venture Exchange ("TSX-V") as Patriotstar Ventures Inc. ("Patriotstar"). Prior to December 11th 2009 the Company was a Capital Pool Company as defined in the TSX-V Policy 2.4. Effective December 11th 2009, the Company completed its "Qualifying Transaction" whereby it acquired all of the issued and outstanding shares in TinyMassive Technologies Corp. ("TMTC"), a BC Limited Company. As a result of completing the Qualifying Transaction, the Company is no longer a CPC and control of the Company passed to the shareholders of TMTC. Accordingly, the Qualifying Transaction was a reverse takeover ("RTO") acquisition of the Company by TMTC and was treated as a capital transaction by TMTC (Note 4).

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. The Company has incurred operating losses over the past several years and does not have a current source of revenue or sufficient financial resources to sustain operations in the long term.

During the year ended May 31, 2011, the Company discontinued its website development activities and all related assets were written off to operations. The Company's continuing operations as intended are now dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. In order to continue as a going concern and meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

While management intends to pursue additional financings and the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company, its wholly-owned subsidiary, Lights Code, Action, Inc., and its 51% owned US subsidiary, TBwaP, Inc. The Company's portion of the results of operations of subsidiaries are included from the date of acquisition or incorporation. Significant inter-company balances and transactions have been eliminated upon consolidation.

Use of estimates

The preparation of consolidated financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Actual results could differ from the estimates.

Significant accounts that require estimates relate to the possible impairment of domain name, software licenses and website development costs, future income taxes and related valuation allowances and the valuation of stock-based compensation and warrants on private placements.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments and comprehensive income

All financial instruments are classified into one of five categories: held-for-trading, held-to-maturity, loans and receivables, available for sale or other financial liabilities. All financial instruments and derivatives are measured at fair value, except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized cost. Subsequent measurement will depend on a financial instrument's initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in income. Available-for-sale financial assets are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is disposed of, impaired or its classification is changed.

The Company has classified its cash as held-for-trading. Receivables are classified as loans and receivables, and accounts payable and accrued liabilities and amounts due to related parties are classified as other liabilities, all of which are measured at amortized cost.

Disclosures are provided about the inputs used in making fair value measurements, including their classification within a hierarchy that prioritizes their significance (Note 13). The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Equipment

Equipment, which was comprised of a computer, is recorded at cost, net of accumulated amortization. Amortization is calculated on an annual basis over the estimated useful life using the declining balance method at a rate of 30% per annum. During the current year, the net book value of $778 was written off to operations.

Intangible assets

Intangible assets, consisting of a website license and software, are recorded at acquisition cost.

The intangible assets are not amortized but subject to management's review of impairment annually or when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment of long-lived assets

Canadian GAAP requires long-lived assets and intangibles held and used by the Company to be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the asset, impairment is recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Website Development Costs

Website development costs are stated at cost less accumulated amortization. Amortization commences once the website has been completed. Website hosting and maintenance costs are charged to operations.

Foreign currency translation

The Company's subsidiaries are integrated foreign operations and are translated into Canadian dollars using the temporal method. Monetary items are translated at the exchange rate in effect at the balance sheet date; non-monetary items are translated at historical exchange rates, and income and expense items are translated at rates approximating those in effect at the transaction date. Translation gains and losses are reflected in loss for the year.

Income taxes

Income taxes are recorded for using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the year that substantive enactment or enactment occurs. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Stock-based compensation

The Company uses the fair value-based method for all stock-based compensation, including options granted under the Company's incentive stock option plan and for compensatory rewards. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option and compensatory warrant and recognizes the fair value over the period of vesting. Any consideration paid by the option or warrant holders to purchase shares is credited to capital stock.

Loss per share

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 on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Existing stock options and share purchase warrants have not been included in the computation of diluted loss per share because to do so would be anti-dilutive.

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year.

3. FUTURE CHANGES IN ACCOUNTING POLICIES

International financial reporting standards

In February 2008, the Accounting Standards Board ("AcSB"), announced that 2011 is the changeover date for publicly listed companies to use International Financial Reporting Standards ("IFRS"), replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date for the Company will be June 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended May 31, 2011.

Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These Sections are applicable for interim and annual consolidated financial statements for fiscal years beginning January 1, 2011. Early adoption of these Sections is permitted and all these sections must be adopted concurrently. The Company adopted these standards during the current fiscal year.

4. RECAPITALIZATION

The Company entered into an Arrangement Agreement (the "Agreement") with TinyMassive Technologies Corp. ("TMTC") on July 8. 2009. Under the terms of the Agreement, the Company agreed to acquire 100% of the issued and outstanding shares of TMTC.

Effective December 11th 2009, the Company completed its Qualifying Transaction and acquired all of the issued and outstanding shares of TMTC in exchange for 35,000,013 common shares of the Company. In addition, all outstanding warrants and options granted by TMTC were exchanged for the equivalent replacement securities at a certain exchange ratio (see Note 8). As a result of the completion of the Qualifying Transaction, the Company is no longer considered a Capital Pool Company.

Pursuant to the terms of the Agreement, all outstanding warrants of TMTC were exchanged for equivalent replacement securities in the Company. Each TMTC warrant was exchanged for 2.5 of the Company's warrants and the new exercise price of each warrant was the original exercise price divided by 2.5. As an exception, 50,071 of the replacement warrants kept their original exercise price of $0.75 and expired on March 23, 2010.

The Company applied to voluntarily delist its shares from TSX-V on November 10, 2009. Upon the close of the Transaction, the Company's shares began trading on Canadian National Stock Exchanges ("CNSX") on December 11th 2009.

4. RECAPITALIZATION (cont'd…)

Recapitalization accounting

The reverse takeover ("RTO") was between a non-operating public company, Patriotstar, and an operating non-public company, TMTC. Per EIC-10, "Reverse Takeover Accounting", ("EIC-10") of the CICA Standards and Guidance Collection, the RTO was treated as a capital transaction.

The allocation of the purchase price is summarized in the table below:

Purchase price:		
35,000,013 common shares	$	161,164
Net assets acquired:		
Cash	$	361
Receivables		8,235
Loan receivable		95,000
Deferred financing costs		75,898
Accounts payable and accrued liabilities		(18,330)
	$	161,164

5. ACQUISITION OF LIGHTS, CODE, ACTION INC.

On August 21, 2008, the Company acquired 100% of the issued and outstanding capital stock of Lights, Code, Action Inc. ("LCA") by issuing 9,750,000 common shares. LCA is a private corporation in the state of Washington, USA.

This transaction was accounted for as a recapitalization of the Company with LCA being identified as the acquirer pursuant to EIC-10. Accordingly, the results of operations are those of LCA since its incorporation on September 14, 2007, together with the results of operations of the Company since August 21, 2008.

The Company's net liabilities of $4,186 at the date of acquisition were charged to deficit.

During the year ended May 31, 2011, LCA was dissolved.

6. DOMAIN NAME, SOFTWARE LICENSE AND WEBSITE DEVELOPMENT COSTS

During the year ended May 31, 2010, the Company entered into a software license agreement. The license granted the Company the rights to certain software in Canada, the U.S and Mexico. As consideration, the Company issued 1,198,294 common shares with a value of $239,659. The Company also purchased a domain name for its website for $3,571.

During the year ended May 31, 2009, the Company entered into a consulting agreement with Lightmaker Vancouver (Internet) Inc. ("Lightmaker") for the provision of website development services. On March 31, 2009 the Company's subsidiary entered into a settlement agreement for the termination of the consulting agreement with Lightmaker pursuant to which the Company acquired certain intellectual property rights relating to the development of the Company's website in consideration for the grant of an option, valued at $96,875, to purchase the Company's common shares at an aggregate purchase price of $1 and the issuance of a $100,000 convertible debenture (Note 7).

During the year ended May 31, 2011, the Company wrote off all costs, totaling $1,148,925, related to the domain name, software license and website development costs.

7. COVERTIBLE DEBENTURE

On April 7, 2009, the Company issued a $100,000 convertible debenture pursuant to the settlement agreement for the termination of the consulting agreement with Lightmaker Incorporated. The debenture is unsecured, non-interest bearing, and becomes payable and convertible on the date the Company completes a liquidity event (receipt of a net financing of $1,500,000 or more). Once convertible, the balance may be converted into the Company's common shares. Such a conversion will occur at the fair market value of the Company's stock which shall be the greater of the share price governing the liquidity event or the greater of the share price at the date of conversion or $0.05 per share. Any amount of the debenture outstanding on April 7, 2011 will be converted into the Company's common shares at the share price prevailing on April 11, 2011. As the loan is non-interest bearing, the Company discounted the note by $24,386 and recorded $75,614 as website costs. During the year ended May 31, 2011, the Company accreted $10,155 (2010 - $12,193) of the discount.

On May 17, 2011 the convertible debenture was converted into 2,000,000 common shares valued at $100,000.

8. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Amount	Contributed Surplus
Authorized			
Unlimited common shares, without par value			
Balance, May 31, 2009	12,781,800	$ 12,782	$ 1,148,984
Acquisition of licence	1,198,294	239,659	-
Transactions prior to recapitalization on December 11, 2009			
Reversal of TMTC	(13,980,094)	-	-
Capital stock of the Company	6,300,000	-	-
Recapitalization on December 11, 2009			
Shares issued on recapitalization	35,000,013	161,164	-
Private placement	5,612,500	1,122,500	-
Broker's fee	250,000	50,000	-
Share issuance costs	-	(308,090)	-
Agent warrants	-	(32,770)	32,770
Exercise of options	600,000	60,000	-
Reclassification of contributed surplus on exercise of options	-	215,161	(215,161)
Escrow shares cancelled	(3,000,000)	(150,000)	150,000
Stock-based compensation	-	-	574,711
Shares for debt conversion	1,729,274	227,744	-
Balance, May 31, 2010	46,491,787	1,598,150	1,691,304
Private placements	9,593,000	677,800	-
Share issuance costs	-	(55,150)	-
Shares issued to settle convertible debenture	2,000,000	100,000	-
Shares issued to settle accounts payable	560,000	56,000	-
Balance, May 31, 2011	58,644,787	$ 2,376,800	$ 1,691,304

Private placements

On February 2, 2011, the Company completed a private placement by issuing 2,013,000 units at a price of $0.10 per unit for gross proceeds of $201,300. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $20,130, was paid.

On December 10, 2010, the Company completed a private placement by issuing 1,950,000 units at a price of $0.10 per unit for gross proceeds of $195,000. Each unit consisted of one common share and one warrant enabling the holder to acquire an additional common share at $0.15 for one year. A commission of 10% of the proceeds from certain investors, totalling $17,000, was paid.

8. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd…)

On August 13, 2010, the Company completed a private placement by issuing 2,200,000 common shares at a price of $0.05 per share for gross proceeds of $110,000. A commission of 10% of the proceeds from certain investors, totalling $1,000, was paid.

On July 30, 2010, the Company completed a private placement of 3,430,000 common shares at a price of $0.05 per share for gross proceeds of $171,500. A commission of 10% of the proceeds from certain investors, totalling $14,150, was paid.

On December 11th 2009, the Company completed a RTO (Note 4).

During the year ended May 31, 2010, the Company completed a private placement consisting of 5,612,500 units (the "Units") at a price of $0.20 per Unit for gross proceeds of $1,122,500. Each Unit consisted of one common share and one-half of one share purchase warrant with each whole warrant entitling the holder to purchase one common share of the Company for twenty four months following the closing of the financing at an exercise price of $0.35.

The Company issued the Agent 250,000 common shares as an advisory fee upon the close of the financing. Additionally, the Agent was paid a commission of 10% of the gross proceeds of the offering and due diligence and administration fees totalling $258,090 in relation to the financing. In addition, the Agent was granted compensation warrants equal in number to 10% of the number of units sold. Each option will entitle the Agent to purchase one common share at a price of $0.20 per share for a period of twenty four months following the closing of the financing. These warrants were valued at $32,770 using the Black-Scholes model.

The following assumptions were used for the Black-Scholes valuation of warrants granted during the years ended May 31, 2011 and 2010:

	2011	2010
Risk-free interest rate	-	1.24%
Expected life of warrants	-	2 years
Expected volatility	-	100%
Dividend rates	-	-

Additionally, during the year ended May 31, 2010, the Company settled loans of $103,825 payable and accrued interest on these loans of $5,807 by the issuance of 548,155 units. Each unit consisted of one common share at a price of $0.20 per share and one-half of a share purchase warrant exercisable at $0.35 until expiry on January 29, 2012. Also, the Company issued 1,181,119 common shares to settle accounts payable and accrued liabilities totaling $118,112.

Escrow shares

As at May 31, 2011, 8,372,276 common shares are held in escrow.

9. STOCK OPTIONS AND WARRANTS

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

As at May 31, 2011, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
900,000	$ 0.26	January 18, 2015
2,825,000	0.12	May 20, 2015
3,725,000		

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, May 31, 2009	779,398	$	0.31
Options granted	4,725,000		0.16
Options exercised	(600,000)		0.10
Options cancelled/expired	(500,000)		0.26
Balance, May 31, 2010	4,404,398		0.18
Options cancelled/expired	(679,398)		0.35
Balance, May 31, 2011	3,725,000	$	0.15
Number of options currently exercisable	3,725,000	$	0.15

9. STOCK OPTIONS AND WARRANTS (cont'd…)

Warrants

As at May 31, 2011, the Company had outstanding share purchase warrants and broker warrants enabling the holders to acquire common shares as follows:

Number of Shares		Exercise Price	Expiry Date
2,806,250	$	0.35	December 11, 2011
311,250		0.20	December 11, 2011
274,077		0.35	January 29, 2012
2,510,000		0.15	December 10, 2011
2,013,000		0.15	February 2, 2012
7,914,577			

Warrant transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
As at May 31, 2009	-	$	-
Issued	8,321,638		0.32
Exercised	-		-
Expired	(50,071)		0.75
As at May 31, 2010	8,271,567		0.31
Issued	4,523,000		0.15
Expired	(4,879,990)		0.30
As at May 31, 2011	7,914,577	$	0.23

Stock-based compensation

For the year ended May 31, 2011, the Company recorded $Nil (2010 - $574,711) as stock-based compensation expense, with an offset to contributed surplus for options that vested during the year.

The weighted average fair value of the stock options granted during the year ended May 31, 2011 was $Nil (2010 - $0.12) per option.

9. STOCK OPTIONS AND WARRANTS (cont'd…)

Stock-based compensation (cont'd…)

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the years ended May 31, 2011 and 2010:

	2011	2010
Risk-free interest rate:	-	2.61%
Expected life of options:	-	2 years
Expected volatility:	-	100%
Dividend rate:	-	0%

10. RELATED PARTY TRANSACTIONS

During the year ended May 31, 2011, the Company entered into the following transactions with related parties:

(a) The Company paid $nil (2010 - $62,880) for prior years' accrued management fees owed to former management and management fees of $30,000 (2010 - $13,340) incurred in the current year. As at May 31, 2010, the former management of the Company agreed to forgive the balance of $25,044 of deferred management fees.

(b) The Company paid or accrued $6,500 (2010 - $Nil) in rent to a company controlled by an officer of the Company;

(c) The Company received $30,961 (2010 - $Nil) in other income from companies controlled by a former director of TbwaP, Inc.;

(d) The Company paid or accrued $54,300 (2010 - $Nil) in commissions and administrative fees to a director and a former director of TbwaP, Inc.;

(e) The Company wrote-off $65,066 (2010 - $Nil) in receivables owing from a former director of TbwaP, Inc.;

As at May 31, 2011 $31,000 (2010 - $Nil) is owed to a company controlled by an officer of the Company

During the year ended May 31, 2010 and prior, the Company entered into the following transactions with related parties:

(f) On July 15, 2008, the Company issued a promissory note to KLSC Holdings Inc., a company controlled by the President of the Company, for proceeds of $52,038 (US$49,000). The note is unsecured, bears interest at a prescribed rate equal to a credit line between KLSC Holdings Inc. and SunTrust Bank, and due on demand. On December 17, 2009 the Company repaid the promissory note principal of US$49,000 and for the year ended May 31, 2010 the Company recorded interest expense of $1,687.

10. RELATED PARTY TRANSACTIONS (cont'd…)

(g) At May 31, 2009 the Company owed $141,495 to two directors of the Company for financing of website development costs. During the year ended May 31, 2010, the Company paid $137,691 of the principal and $24,234 of accrued interest. The former directors agreed to forgive the balance of $3,313 of principal and $2,162 of accrued interest. For the year ended May 31, 2010, the Company accrued interest expense of $7,753.

(h) As at May 31, 2009, the Company owed $35,875 to a company with common directors for cash advances received. During the year ended May 31, 2010, the Company issued 192,732 common shares to settle the principal and the accrued interest.

Amounts due to related parties are due to officers and companies controlled by directors and officers, are unsecured, are non-interest bearing and have no specific terms of repayment. These transactions were conducted in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2011	2010
Cash paid during the year for interest	$ -	$ -
Cash paid during the year for income taxes	$ -	$ -

The significant non-cash investing and financing transactions during the year ended May 31, 2011 included:

a) issuing 560,000 common shares valued at $56,000 to settle accounts payable and accrued liabilities totaling $56,000; and

b) issuing 2,000,000 common shares valued at $100,000 on conversion of a debenture.

The significant non-cash investing and financing transactions during the year ended May 31, 2010 included:

a) issuing 1,198,294 common shares with a value of $239,659 to acquire a software license;

b) issuing 35,000,013 common shares valued at $161,164 pursuant to the acquisition of TMTC;

c) issuing 250,000 common shares valued at $50,000 and 311,250 compensation warrants valued at $32,770 as broker's fees pursuant to a private placement; and

d) issuing 548,155 units and 1,181,119 common shares to settle debt totaling $227,744.

12. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	2011	2010
Loss before income taxes	$ (2,037,707)	$ (1,297,166)
Expected income tax recovery	$ 539,992	$ 381,042
Non-deductible items	14,371	(155,858)
Unrecognized (recognized) benefit of non-capital losses	(554,363)	(225,184)
Future income tax (recovery) expense	$ -	$ -

The significant components of the Company's future income tax assets are as follows:

	2011	2010
Future income tax assets:		
Non-capital loss carryforwards	$ 872,500	$ 386,000
Share issuance costs	17,030	87,000
	889,530	473,000
Valuation allowance	(889,530)	(473,000)
Net future income tax asset (liability)	$ -	$ -

The Company has available for deduction against future taxable income non-capital losses of approximately $1,819,000 (2010 - $1,265,000). These losses, if not utilized, will expire through to 2031. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements and have been offset by a valuation allowance.

13. FINANCIAL INSTRUMENTS AND RISK

The Company’s financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and due to related parties. The fair value of these items approximates their carrying value due to their short-term nature. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Financial instruments measured at fair value on the balance sheet are summarized in levels of the fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash	$ 36,155	$ -	$ -	$ 36,155

13. FINANCIAL INSTRUMENTS AND RISK (cont'd…)

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk, interest rate risk and market risk.

(a) Currency Risk

The Company is not exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company currently operates in Canada.

(b) Credit Risk

The Company's cash is mainly held through large Canadian financial institutions and at May 31, 2011 mostly consist of cash held in interest bearing accounts. Accordingly, credit risk is minimized. The Company's receivables are mainly HST recoverable from the Canadian government.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in Note 14.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held mainly in interest bearing accounts and therefore there is currently minimal interest rate risk.

14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its website. The Company relies mainly on equity issuances to raise new capital. In the management of capital, the Company includes the components of shareholders' equity. The Company prepares annual estimates of development expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on bank accounts or to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated at any time without interest penalty. The Company is not subject to externally imposed capital requirements.

15. SUBSEQUENT EVENT

On September 1, 2011, the Company entered into a loan agreement with a company controlled by an officer of the Company (the "Lender"). The principal amount of the loan is $25,000 and bears interest at 5% per annum. The loan is to be repaid upon the completion of the Company's restructuring, in either cash or common shares, at the option of the Lender.