

**REPORT PURSUANT TO
NATIONAL INSTRUMENT 62-103**

A. The name and address of offeror:

Arn Schoch
1888 York Avenue
Vancouver, British Columbia
V6J 5H8

B. The designation and number or principal amount of securities and the offeror's security holding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:

The Offeror has acquired ownership of 445,000 common shares ("**Common Shares**") of ZTEST Electronics Inc. ("**ZTEST**") bringing his holdings in ZTEST to 1,695,000 common shares, 625,000 common share purchase warrants (the "**Warrants**") and 200,000 options (the "**Options**") of ZTEST. The 1,695,000 Common Shares represents 15.92% of the outstanding Common Shares of ZTEST and the 625,000 Warrants represents 31.25% of the outstanding Warrants of ZTEST and the 200,000 Options represents 33.06% of the outstanding Options of ZTEST.

A copy of the press release issued by the Offeror on August 1, 2013 is attached hereto as Schedule "A".

C. The designation and number or principal amount of securities and the offeror's security holding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:

The Offeror owns 1,695,000 Common Shares of ZTEST, representing 15.92% of the issued and outstanding Common Shares of ZTEST. The Offeror owns Warrants to acquire 625,000 Common Shares of ZTEST and Options to acquire 200,000 Common Shares of ZTEST. If the Offeror were to exercise all of its Warrants and Options, it would hold 2,520,000 Common Shares out of a partially diluted capital of 11,473,696 Common Shares (after giving effect to the exercise of its 625,000 Warrants and 200,000 Options) representing 21.96% of outstanding capital.

D. The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (c) over which:

(i) the offeror, either alone or together with any joint actors, has ownership and control:

See items B and C above.

- (ii.) the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:**

See items B and C above.

- (iii.) the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

See items B and C above.

- E. The name of the market wherein the transaction or occurrence that gave rise to the news release took place:**

The securities were acquired through a private sale.

- F. The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting of issuer:**

The Common Shares were acquired for investment purposes. The Offeror has advised that it has no present intention to either increase or decrease its holdings in ZTEST. Notwithstanding the foregoing, the Offeror has advised that it may increase or decrease its beneficial ownership, control or direction over Common Shares of ZTEST through market transactions, private agreements, exercise of warrants, other treasury issuances or otherwise.

- G. The general nature and the material terms of any agreement, other than lending arrangements, with respect to the securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to this report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

Not applicable.

- H. The names of any joint actors in connection with the disclosure set out in this Form:**

Not applicable.

- I. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:**

Not applicable.

- J. If applicable, a description of any change in any material fact set out in a previous report by the offeror under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities:**

Not applicable.

DATED the 1st day of August, 2013.

“Arn Schoch”

ARN SCHOCH

SCHEDULE "A"

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

ARN SCHOCH ACQUIRES SECURITIES OF ZTEST ELECTRONICS INC.

VANCOUVER, August 1, 2013 – Arn Schoch announces that on July 30, 2013 he acquired ownership of 445,000 common shares of ZTEST Electronics Inc. (“**ZTEST**”) bringing his holdings in ZTEST to 1,695,000 common shares, 625,000 common share purchase warrants (the “**Warrants**”) and 200,000 options (the “**Options**”) of ZTEST, representing 15.92% of the current issued and outstanding common shares of ZTEST. Each Warrant entitles Mr. Schoch to acquire one additional common share at a price of \$0.10 until February 4, 2016 and each Option entitles Mr. Schoch to acquire one common share at a price of \$0.15 until March 11, 2018. In the event that the Warrants and Options are fully exercised, these holdings would represent approximately 21.96% of the total issued and outstanding common shares of ZTEST as of July 30, 2013, calculated on a partially diluted basis assuming the exercise of the Warrants and Options only. However, Mr. Schoch has delivered an Undertaking to ZTEST that he will not exercise all of the Warrants or the Options, as the case may be, if such exercise would result in him holding 20% or more of the issued and outstanding common shares of ZTEST unless ZTEST minority shareholder approval is obtained to his holding of 20% or more of the issued and outstanding capital of ZTEST.

This transaction was made for investment purposes and Mr. Schoch could increase or decrease his investment in ZTEST depending on market conditions or any other relevant factor.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.