

EARLY WARNING REPORT

Made Pursuant To National Instrument 62-103 – *The Early Warning System and Related Take-Over bid and Insider Reporting Issues*, in connection with the acquisition of certain securities of:

VALDOR TECHNOLOGY INTERNATIONAL INC. (the "Issuer")

1. Name and Address of Offeror:

Elston Johnston (the "Offeror")
Suite 450 - 789 West Pender St.
Vancouver, B.C. V6C 1H2

2. The designation and number of principal amount of securities and the Offeror's securityholding 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:

On July 15, 2014 the Offeror acquired ownership of an additional 1,750,000 common shares and 1,750,000 share purchase warrants (directly and indirectly) in the capital of Valdor Technology International Inc. (the "Issuer"). The 1,750,000 shares and 1,750,000 warrants acquired by the Offeror combined with 5,622,775 shares and 2,055,000 share purchase warrants held prior to this transaction represent approximately 10.76% of the Issuer's issued common shares of the Company on a post-conversion beneficial ownership basis.

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

Following the acquisitions indicated in 2 above, the Offeror has beneficial ownership representing 7.36% of the Issuer's issued and outstanding shares. Based on the method of calculation on a post-conversion beneficial ownership basis, assuming the Offeror exercised all available warrants, the Offeror would be deemed to have control over, directly and indirectly a total of 11,177,775 common shares representing 12.44% of the Issuer's issued and outstanding common shares on a post-conversion beneficial ownership basis.

4. The designation and number or principal amount of securities and the percentage or outstanding securities of the class of securities referred to in paragraph 3 over which:

a) the Offeror, either alone or together with any joint actors, has ownership and control:

See Item 3 above.

b) the Offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offerer or any joint actor:

None

c) the Offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:

See Item 3 above.

5. The name of the market in which the transaction or occurrence that gave rise to the news release took place:

The Offeror's participation in the Issuer's recently completed private placement has given rise to the obligation to file a news release and this report.

6. **The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

The Offeror purchased the shares and warrants directly from the Issuer by way of private placement and provided consideration in the amount of \$175,000 (directly and indirectly).

If the Offeror were to exercise the 1,750,000 warrants acquired in this transaction, additional consideration required, payable to the Issuer, would be \$350,000.

7. **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 issuer:**

The securities of the Issuer were purchased for investment purposes by the Offeror. There is currently no intent to exercise any of the available share purchase warrants.

8. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to 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 the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

Not applicable.

9. **The names of any joint actors in connection with the required disclosure:**

Not applicable.

10. **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:**

See item 6 above.

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

Not applicable.

12. **If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance.**

N/A

Dated: July 15, 2014

VALDOR TECHNOLOGY INTERNATIONAL INC.

Elston Johnston
Director & Chairman