
NEW INTERNATIONAL INFOPET SYSTEMS LTD.

AMENDED FINANCIAL STATEMENTS

YEARS ENDED OCTOBER 31, 2012 AND 2011

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

The following document is New International Infopet System Ltd.'s amended financial statements for the years ended October 31, 2012 and 2011, which has been amended and re-filed to include the independent auditor's report which was inadvertently omitted from the first filing. No other changes have been made to the financial statements and these amended financial statements reflect the events as of the original filing date, do not reflect events that may have occurred subsequent to the original filing date, and do not modify or update in any way the other disclosures made in the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of New International Infopet Systems Ltd. (the "Company") are the responsibility of the management and Board of Directors of the Company.

The financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the date of the statement of financial position. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality and are in accordance with all applicable International Financial Reporting Standards.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "*Jack Greenberg*"
Jack Greenberg
Acting in the capacity of Chief Executive Officer
and Chief Financial Officer

(signed) "*Zoolficarali Kassum*"
Zoolficarali Kassum
Director

Toronto, Canada
February 11, 2013



Independent Auditor's Report

To the Shareholders of
New International Infopet Systems Ltd.

We have audited the accompanying financial statements of New International Infopet Systems Ltd., which comprise the statements of financial position as at October 31, 2012, October 31, 2011 and November 1, 2010 and the statements of loss and comprehensive loss, changes in equity and cash flows for the years ended October 31, 2012 and October 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 audits 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of New International Infopet Systems Ltd. as at October 31, 2012, October 31, 2011 and November 1, 2010 and its financial performance and its cash flows for the years ended October 31, 2012 and October 31, 2011 in accordance with International financial reporting standards, as issued by the International Accounting Standards Board.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 1 in the financial statements which describes that the Company will require additional financing in order to fund its planned activities. This condition, along with other matters set out in note 1, indicates the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

Toronto, Canada
February 11, 2013

"McCarney Greenwood LLP"

McCarney Greenwood LLP
Chartered Accountants
Licensed Public Accountants

New International Infopet Systems Ltd.
Statements of Financial Position
(Expressed in Canadian Dollars)

	As at October 31, 2012	As at October 31, 2011 (Note 10)	As at November 1, 2010 (Note 10)
Assets			
Current Assets			
Cash	\$ 135	\$ 1,259	\$ 1,828
	135	1,259	1,828
Long-term investment (Note 6)	1	1	1
	\$ 136	\$ 1,260	\$ 1,829
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 8,765	\$ 7,861	\$ 7,861
Due to related parties (Note 7)	191,486	191,486	191,486
	200,251	199,347	199,347
Shareholders' Deficit			
Capital stock (Note 8)	1,586,504	1,586,504	1,586,504
Reserve	224,527	224,527	224,527
Deficit	(2,011,146)	(2,009,118)	(2,008,549)
	(200,115)	(198,087)	(197,518)
	\$ 136	\$ 1,260	\$ 1,829

Nature of operations and going concern (Note 1)

Approved on behalf of the Board

"Jack Greenberg", director
 Jack Greenberg

"Zoolficarali Kassum", director
 Zoolficarali Kassum

The accompanying notes are an integral part of these financial statements

New International Infopet Systems Ltd.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended October 31,	
	2012	2011 (Note 10)
Operating expenses		
Office	\$ 2,084	\$ 2,241
Professional fees	9,944	6,328
Operating loss before the following item:	12,028	8,569
Revenue (Note 7(b))	10,000	8,000
Net loss and comprehensive loss for the year	\$ (2,028)	\$ (569)
Loss per share - basic and diluted	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding - basic and diluted	1,068,400	1,068,400

The accompanying notes are an integral part of these financial statements

New International Infopet Systems Ltd.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Capital stock	Reserve	Deficit	Total
Balance, November 1, 2010 (Note 10)	\$ 1,586,504	\$ 224,527	\$ (2,008,549)	\$ (197,518)
Net loss and comprehensive loss for the year	-	-	(569)	(569)
Balance, October 31, 2011 (Note 10)	1,586,504	224,527	(2,009,118)	(198,087)
Net loss and comprehensive loss for the year	-	-	(2,028)	(2,028)
Balance, October 31, 2012	\$ 1,586,504	\$ 224,527	\$ (2,011,146)	\$ (200,115)

The accompanying notes are an integral part of these financial statements

New International Infopet Systems Ltd.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended October 31,	
	2012	2011 (Note 10)
Operating Activities		
Net loss	\$ (2,028)	\$ (569)
Changes in non-cash working capital balances:		
Increase in accounts payable and accrued liabilities	904	-
Cash flows provided by (used in) operations	(1,124)	(569)
Change in cash	(1,124)	(569)
Cash, beginning of year	1,259	1,828
Cash, end of year	\$ 135	\$ 1,259

The accompanying notes are an integral part of these financial statements

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

1. Nature of operations and going concern

New International Infopet Systems Ltd. (the "Company") was incorporated under the laws of the Province of Ontario on March 9, 1965. The Company has no operations and is currently seeking new business opportunities. The Company has limited working capital to pursue such business opportunities. To date, activities have been funded by loans from related parties (Note 7). There can be no assurance that should additional financing from the related parties or others be required, it will be available or on terms acceptable to the Company. The ability of the Company to continue as a going concern is dependent upon, among other things, its being able to obtain additional financing, and maintaining positive operating cash flows. The Company's discretionary activities do have considerable scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly.

The primary office is located at Suite 204, 181 Eglinton Avenue East, Toronto, Ontario, Canada, M4P 1J4.

The Company's financial year ends on October 31.

The financial statements were authorized by the Board of Directors on February 11, 2013.

2. Statement of compliance

These are the Company's first annual financial statements prepared in accordance with IFRS. Previously, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). The disclosures required by the provisions of IFRS 1, "First-time adoption of International Financial Reporting Standards", explaining how the transition to IFRS has affected the reported financial performance, cash flows and financial position of the Company, are presented in Note 10.

These financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended October 31, 2012.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. They also have been applied in preparing an opening IFRS balance sheet at November 1, 2010 (Note 10) for the purposes of the transition to IFRS, as required by IFRS 1.

3. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(b) Financial assets

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Fair value through profit and loss ("FVTPL")
Financial liabilities:	Classification:
Accounts payable and accrued liabilities	Other financial liabilities
Due to related parties	Other financial liabilities

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

(b) Financial assets (continued)

Fair value through profit and loss:

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the statements of income (loss).

The Company's financial assets classified as FVTPL include cash. The Company does not currently hold any derivative instruments or apply hedge accounting.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

(b) Financial assets (continued)

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of October 31, 2012, October 31, 2011 and November 1, 2010, other than cash, none of the Company's financial instruments are recorded at fair value on the statement of financial position. Cash is considered as a Level 1 financial instrument.

(c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

(d) Cash

Cash in the statements of financial position comprises cash at banks.

(e) Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of shares outstanding. Diluted earnings (loss) per share is calculated using the treasury stock method. In order to determine diluted earnings (loss) per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings (loss) per share calculation. The diluted earnings (loss) per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

(f) Investments

Investments in entities not controlled but subject to significant influence are accounted for using the equity method.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

(g) Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- management's position that the Company will continue as a going concern; and
- management's position that there are no income tax considerations required within these financial statements.

(h) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Future accounting changes

The following accounting pronouncements have been released but have not yet been adopted by the Company.

(a) IFRS 9 Financial Instruments

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 Financial Instruments (IFRS 9) as a first phase in its ongoing project to replace IAS 39. IFRS 9, which is to be applied retrospectively, is effective for annual periods beginning on or after January 1, 2015.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities. Management has not yet determined the potential impact the adoption of IFRS 9 will have on the Company's financial statements.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

Future accounting changes (continued)

(b) IFRS 13 Fair Value Measurement

On May 12, 2011, the IASB issued IFRS 13 Fair Value Measurement (IFRS 13). IFRS 13, which is to be applied prospectively, is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted.

IFRS 13 defines fair value, provides a framework for measuring fair value and includes disclosure requirements for fair value measurements. IFRS 13 will be applied in cases when another IFRS requires (or permits) fair value measurement. Management has not yet determined the potential impact that the adoption of IFRS 13 will have on the Company's financial statements.

(c) Other

In June 2011, the IASB issued amendments to IFRS 7 Financial Instruments: Disclosures. The Company does not believe the changes resulting from these amendments are relevant to its financial statements.

In May 2011, the IASB issued IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities. The Company does not believe the changes resulting from these new standards are relevant to its financial statements.

In June 2011, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 19 Employee Benefits, primarily related to accounting for defined benefit pension plans. The Company does not believe the changes resulting from these amendments will have an impact on its financial statements.

4. Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future business opportunities, and pursuit of business or asset acquisitions; and
- To maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be capital stock, reserve and deficit which at October 31, 2012 totaled a deficit balance of \$200,115 (October 31, 2011 - deficit balance of \$198,087 and November 1, 2010 - deficit balance of \$197,518).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended October 31, 2012. The Company is not subject to any capital requirements imposed by a lending institution.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

5. Financial Instruments

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Credit Risk

The Company is exposed to credit risk through its cash, which is held at a Canadian chartered bank. The Company believes this credit risk is insignificant.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at October 31, 2012, the Company had a cash balance of \$135 (October 31, 2011 - \$1,259 and November 1, 2010 - \$1,828) to settle current liabilities of \$200,251 (October 31, 2011 - \$199,347 and November 1, 2010 - \$199,347). Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

It is expected the Company will render one invoice annually for consulting fees to the President/Chief Executive Officer of the Company in an amount sufficient to cover its ongoing operating expenses.

Fair Values

The fair values of cash, accounts payable, accrued liabilities and due to related parties approximate their carrying values due to the short-term maturity of these financial instruments.

Sensitivity analysis

The Company does not have significant financial instruments as at October 31, 2012. A one percentage point increase or decrease in the Company's financial instruments would not have a significant impact on profit or loss.

6. Long term investment

The Company owns 1,000 common shares of International Infopet Systems Inc., a privately owned company registered in Delaware, United States. This holding represents a one-third interest in that corporation.

The Company exercises significant influence over the investee and uses the equity method to account for its investment. During 2004, the investment became permanently impaired and was written down to a nominal amount of \$1. Any subsequent increase in value will be recognized only when the investment becomes profitable.

7. Due to Related Parties and Related Party Transactions

(a) The following amounts were due to related parties:

	As at October 31, 2012	As at October 31, 2011	As at November 1, 2010
Dapaul Management Limited (as trustee) (i)	\$ 157,586	\$ 157,586	\$ 157,586
857710 Ontario Limited (ii)	32,445	32,445	32,445
Due to president (iii)	1,455	1,455	1,455
	\$ 191,486	\$ 191,486	\$ 191,486

(i) The president of the Company owns 100% of Dapaul Management Limited. The amount due is non-interest bearing and payable on demand.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

7. Due to Related Parties and Related Party Transactions (continued)

(a) (continued)

(ii) 857710 Ontario Limited is a corporation controlled by a director and officer of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

(iii) The amount is due to the president of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

(b) During the year ended October 31, 2012, the Company received \$10,000 from the Company's president for consulting services rendered to him (year ended October 31, 2011 - \$8,000).

8. Capital Stock

(a) Authorized

Unlimited number of common shares

(b) Common shares issued

	Number of common shares	Stated value
Balance at November 1, 2010, October 31, 2011, and October 31, 2012	1,068,400	\$ 1,586,504

(c) Other

The Company had no convertible shares, stock options or warrants outstanding during the current or prior years.

9. Income taxes

There are no future income tax liabilities.

The Company has future income tax assets as follows:

	2012	2011
Future income tax asset		
Non-capital losses carried forward	\$ 857	\$ 350
Valuation allowance for future tax asset	(857)	(350)
	-	-
Net future income tax asset	\$ -	\$ -

At October 31, 2012, the Company had non-capital losses carried forward of \$3,428 which may be utilized to reduce future year's taxable income. These losses expire as follows:

2027	\$ 379
2028	304
2029	148
2031	569
2032	2,028
	<u>\$ 3,428</u>

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

9. Income taxes (continued)

The income tax benefit of these carry forward non-capital losses has not been recognized in these financial statements as the realization thereof is not considered more likely than not. The Company's income tax expense for each of the years ended October 31, 2012 and October 31, 2011 is \$Nil. The Company's actual income tax expense for each of the years is made up as follows:

	2012	2011
(Loss) Income before income taxes	\$ 2,028	\$ (569)
Income tax (recovery) provision at the combined federal and provincial rates of 26.79% (2011 - 28.71%)	(543)	(163)
Taxable benefit no recognized	543	163
Actual income tax (recovery) expense	\$ -	\$ -

10. Conversion to IFRS

(i) Overview

As stated in statement of compliance (Note 2), these are the Company's first annual financial statements prepared in accordance with IFRS as issued by the IASB.

The policies set out in the significant accounting policies section have been applied in preparing the financial statements for the year ended October 31, 2012, including comparatives, and in the preparation of an opening IFRS balance sheet at November 1, 2010 (the Company's Transition Date).

(ii) First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has elected to apply the following optional exemptions in its preparation of an opening IFRS statement of financial position as at the "Transition Date".

- To apply IFRS 3 Business Combinations prospectively from the Transition Date, therefore not restating business combinations that took place prior to the Transition Date.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the Transition Date are consistent with those that were made under Canadian GAAP.

The Company's Transition Date IFRS statement of financial position is included as comparative information in the statements of financial position in these financial statements.

(iii) Changes to accounting policies

The Company has changed certain accounting policies to be consistent with IFRS as is expected to be effective or available on October 31, 2012, the Company's first annual IFRS reporting date. The changes to its accounting policies have not resulted in any changes to the recognition and measurement of assets, liabilities, equity, and expenses within its financial statements.

(iv) Presentation

No amounts in the statements of financial position, statements of loss and comprehensive loss and statements of cash flows have been reclassified to conform to the presentation adopted under IFRS.

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

10. Conversion to IFRS (continued)

(v) *Reconciliation between IFRS and Canadian GAAP*

The November 1, 2010 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

November 1, 2010	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
Current assets			
Cash	\$ 1,828	\$ -	\$ 1,828
	1,828	-	1,828
Long-term investment	1	-	1
	\$ 1,829	\$ -	\$ 1,829
EQUITY AND LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$ 7,861	\$ -	\$ 7,861
Due to related parties	191,486	-	191,486
	199,347	-	199,347
Equity			
Capital stock	1,586,504	-	1,586,504
Reserves	224,527	-	224,527
Deficit	(2,008,549)	-	(2,008,549)
	(197,518)	-	(197,518)
	\$ 1,829	\$ -	\$ 1,829

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

10. Conversion to IFRS (continued)

(v) *Reconciliation between IFRS and Canadian GAAP (continued)*

The October 31, 2011 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

October 31, 2011	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
Current assets			
Cash	\$ 1,259	\$ -	\$ 1,259
	1,259	-	1,259
Long-term investment	1	-	1
	\$ 1,260	\$ -	\$ 1,260
EQUITY AND LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$ 7,861	\$ -	\$ 7,861
Due to related parties	191,486	-	191,486
	199,347	-	199,347
Equity			
Capital stock	1,586,504	-	1,586,504
Reserves	224,527	-	224,527
Deficit	(2,009,118)	-	(2,009,118)
Total equity	(198,087)	-	(198,087)
	\$ 1,260	\$ -	\$ 1,260

New International Infopet Systems Ltd.
Notes to Financial Statements
Years Ended October 31, 2012 and 2011
(Expressed in Canadian Dollars)

10. Conversion to IFRS (continued)

(v) Reconciliation between IFRS and Canadian GAAP (continued)

The Canadian GAAP statement of loss and comprehensive loss for the year ended October 31, 2011 has been reconciled to IFRS as follows:

Year ended October 31, 2011	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating expenses			
Office	\$ 2,241	\$ -	\$ 2,241
Professional fees	6,328	-	6,328
	8,569	-	8,569
Operating loss before the following item:	(8,569)	-	(8,569)
Revenue	8,000	-	8,000
Net loss and comprehensive loss for the year	\$ (569)	\$ -	\$ (569)

The Canadian GAAP statement of cash flows for the year ended October 31, 2011 has been reconciled to IFRS as follows:

Year ended October 31, 2011	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating Net loss	\$ (569)	\$ -	\$ (569)
Cash flows used in operations	(569)	-	(569)
Decrease in cash	(569)	-	(569)
Cash, beginning of year	1,828	-	1,828
Cash, end of year	\$ 1,259	\$ -	\$ 1,259