

**EARLY WARNING REPORT FILED PURSUANT TO
PART 3 OF NATIONAL INSTRUMENT 62-103**

1. Name and address of the offeror:

Eric Szustak (the "Offeror")
1169 Essex Court
Oakville Ontario
L6H 2T7

2. 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.

112,000 common shares of the Issuer were purchased on the CNSX.

3. 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 reporting obligation.

Prior to the above purchases, Eric Szustak had direct and indirect control of 532,700 common shares of the Issuer. With the new purchases, Eric Szustak has direct and indirect control of 644,700 common shares of the Issuer representing 14.11% of the outstanding shares of the Issuer.

4. Designation and number or principal amount of securities and the percentage of 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;

(b) Not applicable.

(c) 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;

Not applicable.

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

Of the 644,700 common shares, 235,200 common shares are held by his spouse (Eva Szustak) in accounts which Eric Szustak has trading authority.

Name the market in which the transaction or occurrence that gave rise to the news release took place.

The acquisition of common shares of the Company occurred via purchases on the CDNX.

- 5.1. The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction giving rise to the obligation to file a news release.**

An average of approximately \$0.095 per common share for \$ 10,680 in the aggregate.

- 5. 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.**

These common shares were acquired for investment purposes only, however, the Offeror will review his holdings from time to time and may increase or decrease his position as future circumstances may dictate.

- 6. 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.

- 7. Names of any joint actors in connection with the disclosure required herein:**

Not applicable.

- 8. 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.

- 9. If applicable, a 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.

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

Not applicable.

Dated this 19th day of July, 2013.

Per: *“Eric Szustak”*

Name: Eric Szustak