

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

VoodooVox Inc. (the "**Corporation**" or "**VoodooVox**")  
100 Consilium Place, Suite 200  
Toronto, ON M1H 3E3

**Item 2. Date of Material Change**

September 5, 2013.

**Item 3. News Release**

The Corporation issued press releases via a Canadian news wire service on August 29, 2013, September 3, 2013 and September 5, 2013, copies of which have been filed on SEDAR.

**Item 4. Summary of Material Change**

The Corporation announced that it has: (a) completed the conversion of 95.7% of its outstanding debentures; (b) consolidated its common shares on a 50:1 basis; and (c) completed its previously disclosed brokered private placement offering.

**Item 5. Full Description of Material Change**

VoodooVox announced that it has completed the previously disclosed brokered private placement offering (the "**Financing**") of an aggregate of 6,476,000 common shares in the capital of the Corporation (the "**Common Shares**") at a price of \$0.25 per Common Share for aggregate gross proceeds of \$1,619,000 to the Corporation.

Trapeze Capital Corp. (the "**Agent**") acted as the Corporation's sole agent in respect of the Financing. The Agent and its selling group were paid an aggregate amount of \$107,120 in cash fees and expenses in connection with the Financing. In addition, the Agent and its selling group collectively received an aggregate of 438,880 compensation options exercisable into Common Shares at an exercise price of \$0.25 for a period of two years from the date of issuance. Pursuant to the terms of the agency agreement entered into between the Corporation and the Agent, the Agent has the option, exercisable in whole or in part and at any time prior to 30 days after closing of the Financing, to arrange for the purchase and sale of an additional 2,000,000 Common Shares at a price of \$0.25 per Common Share.

As disclosed in press releases dated August 29, 2013 and September 3, 2013, on August 30, 2013 VoodooVox converted (the "**Conversion**") approximately 95.7% of the outstanding debentures of the Corporation (the "**Debentures**") (including all interest accrued and payable thereon), not including certain short term promissory notes and certain secured convertible debentures from strategic investors where the majority of the principal amount may be repaid by the Corporation through the provision of certain services to the holder. Accordingly, an aggregate principal amount of \$11,875,439 of Debentures and an aggregate of \$1,366,352 of interest thereon was converted into an aggregate of 2,648,358,244 Common Shares.

Following the Conversion and effective September 4, 2013, the Common Shares were consolidated on a 50:1 basis (the "**Consolidation**"). As a result of the Conversion and Consolidation, prior to the closing of the Financing there were 57,234,407 Common Shares issued and outstanding (on a post-consolidation basis). Upon completion of the Financing, there are an aggregate of 63,710,407 Common Shares issued and outstanding. For greater certainty, the Common Shares issued under the Financing were issued on a post-consolidation basis. As previously disclosed, the completion of the Financing was a condition precedent to the closing of the Conversion and, accordingly, the Corporation secured commitments from the Agent and certain subscribers to the Financing prior to completing the Conversion.

VoodooVox intends to use net proceeds from the Financing to repay certain short term loans of the Corporation, to satisfy certain amounts payable by the Corporation, and for general working capital. Management believes that the combination of the completion of the Conversion, the Consolidation and the Financing is a critical element of the Corporation's turnaround strategy and will allow the Corporation greater flexibility to pursue various future financing options given the improvement in its working capital position and reduction in the number of Common Shares outstanding. Management and the directors of the Corporation believe that the elimination of the fixed payment obligations associated with the Debentures will alleviate certain significant financial stresses to which the Corporation was previously exposed. The Conversion has resulted in the elimination of approximately \$11.9M in debt and approximately \$3.6M of interest payments over the next 3.5 years, of which approximately \$0.8M is payable in the year ending December 31, 2013.

Included in the Conversion were a total of \$355,000 principal amount of debentures which were held by officers and directors of the Corporation, and a total of \$850,000 principal amount of debentures held by a holder of more than 10% of the Common Shares immediately prior to the completion of the Conversion. Accordingly, the Conversion was a "related party transaction" pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Corporation was exempt from the requirements to obtain a formal valuation in connection with the Conversion in reliance on sections 5.5(b) of MI 61-101, while the Corporation

received "minority approval" (as defined in MI 61-101) of the Corporation's shareholders for the Conversion at the annual and special meeting of shareholders held on June 14, 2013 (the "**Meeting**"). The Corporation received the approval of "minority approval" (as defined in MI 61-101) at the Meeting in accordance with section 5.6 of MI 61-101.

The shareholders of the Corporation approved both the Conversion and the Consolidation at the Meeting and further details regarding the Conversion and the Consolidation are contained in the Management Information Circular of the Corporation dated May 13, 2013, which has been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

The Common Shares issued pursuant to the Financing will be subject to a regulatory hold period of four months and one day from the date of issuance. The Financing remains subject to final CNSX Exchange acceptance of requisite regulatory filings.

**Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not Applicable.

**Item 7. Omitted Information**

No information has been omitted from this material change report.

**Item 8. Executive Officer**

The following senior office of the Corporation is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

Mr. Alex Pekurar  
Chief Financial Officer  
VoodooVox Inc.

Telephone: (416) 619-3903 Ext. 3903  
E-mail: [Alex.Pekurar@voodoovox.com](mailto:Alex.Pekurar@voodoovox.com)

**Item 9. Date of Report**

October 18, 2013.