DEPLOY TECHNOLOGIES INC.

(A Development Stage Company)

INTERIM FINANCIAL STATEMENTS
(Unaudited)

31 January 2011

(Expressed in U.S. Dollars)

Deploy Technologies Inc. <u>Statement 1</u>

(A Development Stage Company)

Interim Balance Sheets

(Unaudited)

(U.S. Dollars)

ASSETS	As at 31 January 2011	As at 31 July 2010
Current		
Cash and cash equivalents	$ 1,996	$ 1,991
Prepaid expenses	718	1,618
Available-for-sale securities *(Note 4)*	1	1
	2,715	3,610
Property, plant and equipment *(Note 5)*	20,019	22,795
Website development costs *(Note 6)*	11,939	-
Deferred development costs *(Note 7)*	52,218	-
Fleet management technology *(Note 7)*	30,000	30,000
	$ 116,891	$ 56,405
LIABILITIES		
Current		
Accounts payable and accrued liabilities *(Note 8)*	$ 150,814	$ 41,593
Loans payable *(Note 9)*	55,984	52,076
	206,798	93,669
SHAREHOLDERS' DEFICIENCY		
Share Capital - *Statement 2 (Note 10)*		
Authorized:		
100,000,000 common shares – Par value $0.0001		
Issued and outstanding:		
40,638,399 (31 July 2010 – 40,638,399) common shares	4,063	4,063
Additional Paid-In Capital	1,691,578	1,691,578
Share Subscriptions Received In Advance *(Note 10)*	29,532	-
Accumulated Other Comprehensive Income	(8,540)	(9,179)
Deficit Accumulated Prior to the Development Stage	(1,455,010)	(1,455,010)
Deficit Accumulated During the Development Stage	(351,530)	(268,716)
	(89,907)	(37,264)
	$ 116,891	$ 56,405

Nature and Continuance of Operations and Significant Accounting Policies *(Note 1)* and **Subsequent Events** *(Note 13)*

ON BEHALF OF THE BOARD:

/s/ David Eppert , Director

/s/ Andre Thompson , Director

- See Accompanying Notes -

Deploy Technologies Inc. <u>Statement 2</u>

(A Development Stage Company)

Interim Statements of Changes in Shareholders' Deficiency

(Unaudited)

(U.S. Dollars)

	Share Capital							
	Number	Amount	Additional Paid-in Capital	Subscriptions received in advance	Other Comprehensive Income (Loss)	Deficit Accumulated Prior to the Development Stage	Deficit Accumulated During the Development Stage	Total
Balance – 31 July 2007 (Unaudited)	561,813	$ 56	$ 1,245,325		$ 2,520	$ (1,371,285)	$ -	$ (123,384)
Foreign currency translation adjustment	-	-	-	-	(303)	-	-	(303)
Loss for the year	-	-	-	-	-	(83,725)	-	(83,725)
Balance – 31 July 2008 (Restated)	561,813	$ 56	$ 1,245,325	-	$ 2,217	$ (1,455,010)	$ -	$ (207,412)
Issuance of shares for:								
- Fleet management technology *(Notes 7, 10 and 14)*	30,000,000	3,000	27,000	-	-	-	-	30,000
- Services rendered *(Notes 8,10 and 14)*	5,382,666	538	160,942	-	-	-	-	161,480
- Cash *(Note 10)*	50,000	5	2,495	-	-	-	-	2,500
Foreign currency translation adjustment	-	-	-	-	(953)	-	-	(953)
Loss for the year	-	-	-	-	-	-	(105,000)	(105,000)
Balance – 31 July 2009 (Restated)	35,994,479	$ 3,599	$ 1,435,762	-	$ 1,264	$ (1,455,010)	$ (105,000)	$ (119,385)
Issuance of shares for:								
- Services rendered *(Notes 8, 10 and 14)*	4,161,613	416	207,633	-	-	-	-	208,049
- Settlement of loans payable *(Notes 9, 10 and 14)*	139,089	14	13,895	-	-	-	-	13,909
- Cash *(Note 10)*	343,218	34	34,288	-	-	-	-	34,322
Foreign currency translation Adjustment	-	-	-	-	(10,443)		-	(10,443)
Loss for the year	-	-	-	-	-	-	(163,716)	(163,716)
Balance – 31 July 2010	40,638,399	4,063	1,691,578	-	(9,179)	(1,455,010)	(268,716)	(37,264)
Share subscriptions received in advance *(Note 10)*	-	-	-	29,532	-	-	-	29,532
Foreign currency translation Adjustment	-	-	-	-	639			639
Loss for the period	-						(82,814)	(82,814)
Balance – 31 January 2011	40,638,399	4,063	1,691,578	29,532	(8,540)	(1,455,010)	(351,530)	(89,907)

Deploy Technologies Inc. <u>Statement 3</u>

(A Development Stage Company)

Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(U.S. Dollars)

	Three Month Period Ended 31 January		Six Month Period Ended 31 January	
	2011	2010 (Restated)	2011	2010 (Restated)
General and Administrative Expenses				
Accounting and audit fees	$ 7,481	$ 435	$ 14,217	$ 868
Automobile expenses	2,557	612	4,309	1,909
Bank charges and interest *(Note 9)*	101	237	1,068	497
Consulting fees *(Note 8)*	37,309	5,797	37,309	11,380
Depreciation & amortization	1,669	-	3,258	-
Dues and subscriptions	6,673	1,787	8,568	1,911
Insurance	-	5	-	245
Filing Fees	48	-	1,964	-
Franchise taxes	18	-	744	-
Management fees *(Note 8)*	3,669	17,393	7,163	34,141
Meals and entertainment	709	326	1,405	504
Office and miscellaneous	162	4	339	187
Postage and delivery	194	161	277	310
Printing and reproduction	3	-	45	60
Telecommunications	-	118	134	795
Transfer agent fees	14	1,060	1,450	1,960
Travel Expenses		-	564	-
Tools and equipment	-	796	-	3,062
Loss Before the Following	(60,607)	(28,731)	(82,814)	(57,829)
Other Expense				
Foreign exchange, net	-	-	-	(5,131)
Loss for the Period	$ (60,607)	$ (28,731)	$ (82,814)	$ (62,960)
Other Comprehensive Income				
Foreign currency translation adjustment	1,315	2,097	639	5,243
Comprehensive Loss for the Period	$ (59,292)	$ (26,634)	$ (82,175)	$ (57,717)
Loss per Share - Basic and Fully Diluted	$ (0.001)	$ (0.001)	$ (0.002)	$ (0.002)
Comprehensive Loss per Share - Basic and Fully Diluted	$ (0.001)	$ (0.001)	$ (0.002)	$ (0.002)
Weighted Average Number of Shares Outstanding	40,638,499	35,994,479	40,638,499	35,994,479

- See Accompanying Notes -

Deploy Technologies Inc. **Statement 4**

(A Development Stage Company)

Interim Statements of Cash Flows

(Unaudited)

(U.S. Dollars)

	Three Month Period Ended 31 January		Six Month Period Ended 31 January	
Cash Resources Provided By (Used In)	2011	2010 (Restated)	2011	2010 (Restated)
Operating Activities				
Loss for the period	$ (60,607)	$ (28,731)	$ (82,814)	$ (62,960)
Items not affecting cash:				
Accrued interest *(Note 9)*	581	-	681	-
Depreciation	1,669	-	3,258	-
Prepaid expenses	-	-	900	239
Accounts payable and accrued liabilities	53,208	25,671	52,866	40,342
	(5,149)	(3,060)	(25,130)	(22,379)
Investing Activities				
Research & development costs	(5,732)	-	(8,461)	-
Website development costs	-	-	-	-
	(5,732)	-	(8,461)	-
Financing Activities				
Proceeds from loans *(Note 9)*	-	1,029	-	4,885
Share subscriptions received in advance *(Note 10)*	7,341	-	29,532	13,091
	7,341	1,029	29,532	17,976
Effect of exchange rate changes on cash and cash equivalents	3,556	2,097	4,064	5,243
Net Increase in Cash and Cash Equivalents	16	66	5	840
Cash and cash equivalents – Beginning of period	1,980	1,686	1,991	912
Cash and Cash Equivalents - End of Period	$ 1,996	$ 1,752	$ 1,996	$ 1,752

Supplemental Disclosures with Respect to Cash Flows *(Note 14)*

1. Nature and Continuance of Operations and Significant Accounting Policies

a) Nature and Continuance of Operations

Deploy Technologies Inc. (the "Company") was incorporated on 5 November 1998 in the State of Delaware, U.S.A. under the name of Concept Development Group and commenced business on the same day.

In May 2004, the Company acquired 100% of Kaleidoscope Venture Capital, Inc. (formerly Vocalscape Networks, Inc.) ("Kaleidoscope") and changed its name to Vocalscape, Inc. In November 2005, the Company changed its name to Nevstar Precious Metals Inc. as a junior mining company.

On 18 July 2008, the Board of Directors appointed Mr. David Eppert to be President and Director of the Company. After Mr. David Eppert became the President, the Company's Board of Directors approved a plan that would take the Company in a new direction. On 31 July 2008, the Company transitioned its business from mineral property exploration to developing technologies for effective fleet management.

The Company changed its name from Nevstar Precious Metals Inc. to Deploy Technologies Inc. on 19 September 2008.

On 15 September 2010, the Company incorporated in Nevada, moving from Delaware, and reduced its authorized capital from 500,000,000 common shares to 100,000,000 common shares.

The Company is a development stage company, as defined in Accounting Guideline 11, "Enterprises in the Development Stage". The Company is devoting all of its present efforts in securing and establishing a new business, and its planned principal operations have not commenced, and, accordingly, no revenue has been derived during the organization period.

At 31 January 2011, the Company had cash and cash equivalents of $1,996 (31 July 2010 - $1,991) and working capital deficit of $204,083 (31 July 2010 - $90,059). The funds on hand at 31 January 2011 are not sufficient to meet our planned corporate, administrative and development activities for the next twelve months. Additional financing will be required to meet the Company's obligations as they fall due. Because of this uncertainty, there is significant doubt about the ability to continue as a going concern.

These interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Several adverse conditions cast significant doubt upon the validity of this assumption. Consistent with other entities in the development stage, the Company has incurred operating losses since inception, has no source of revenue, was unable to self-finance operations, and has significant cash requirements to meet its overhead and continue its development activities. The Company's ability to continue as a going concern is dependent upon management's ability to secure additional financing. While management has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in future.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used, and such adjustments would be material.

b) Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards ("GAAP").

1. Nature and Continuance of Operations and Significant Accounting Policies – *Continued*

c) Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with remaining maturities at point of purchase of 90 days or less. The Company places its cash and cash investments with institutions of high-credit worthiness.

d) Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are non-interest bearing, unsecured and have settlement dates within one year.

e) Income Taxes

Income taxes are accounted for using the asset and liability method. Future taxes are recognized for the tax consequences of "temporary differences" by applying enacted or substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on future taxes for a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not. A valuation allowance is provided to the extent that it is more likely than not that future income tax assets will not be realized.

f) Foreign Currency Translation

The functional currency is the Canadian dollar and the reporting currency is the U.S. dollar. At each balance sheet date, assets and liabilities that are denominated in a currency other than U.S. dollars are adjusted to reflect the current exchange rate which may give rise to a foreign currency translation adjustment accounted for as a separate component of shareholders' equity and included in other comprehensive income (loss).

Revenues and expenses are translated at the average daily rate for the period covering the financial statement period to approximate the rate of exchange on the transaction date. Exchange gains and losses are included in the determination of net income (loss) for the period.

g) Loss per Share

Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share which assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. In years in which a loss is incurred, the effect of potential issuances of shares under options and warrants would be anti-dilutive, and therefore basic and diluted loss per share are the same.

1. Nature and Continuance of Operations and Significant Accounting Policies – *Continued*

h) Website Development Costs

The costs of website application and infrastructure development, as defined under EIC-118,"Accounting for Costs Incurred to Develop a Website", will be capitalized as incurred. Accordingly, costs incurred to acquire a website domain name under the Company name have been capitalized.

i) Research and Product Development Costs

Research costs including materials and salaries of employees directly involved in research efforts are expensed as incurred. Development costs are expensed in the period incurred, unless they meet specific criteria related to technical, market and financial feasibility, in which case they are deferred and amortized over the estimated life of the related products. Management reviews the applicable criteria on a regular basis and if the criteria are no longer met, any remaining unamortized balance is written off as a charge to income. As at 31 January 2011, the Company has deferred costs of $30,000 related to fleet management technology (31 July 2010 – $30,000) and $52,218 related to salaries, consulting fees and other material and tools directly related with the development of the On-The-Fly Weigh Systems (OWS) (31 July 2010 – $Nil) *(Notes 7, 8, 10 and 14)*.

Fleet management technology acquired is recorded at cost. Fleet management technology will be amortized over its estimated useful life and evaluated for impairment if events or changes in circumstances indicate that the asset may be impaired. To date, no amortization has been taken because the fleet management technology is not yet complete.

j) Management's Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported years. Actual results could differ from those estimates.

k) Financial Instrument Standards

Effective 1 August 2008, the Company adopted the new Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, "Financial Instruments – Recognition and Measurement"; Section 3865, "Hedges"; Section 1530, "Comprehensive Income"; and Section 3861, "Financial Instruments – Disclosure and Presentation" (the "Financial Instrument Standards"). These new standards have been adopted on a prospective basis with no restatement to prior period financial statements.

Effective 1 August 2008, the Company adopted the new CICA Handbook Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation" which replace the existing Section 3861, "Financial Instruments – Disclosure and Presentation", revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosure about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

1. Nature and Continuance of Operations and Significant Accounting Policies – *Continued*

k) Financial Instrument Standards (Continued)

The principal changes resulting from the adoption of the Financial Instrument Standards are as follows:

Financial Assets and Financial Liabilities

Under the new standards, financial assets and liabilities are initially recognized at fair value and are subsequently measured based on their classification as held-to-maturity, loans and receivables, available-for-sale or held-for-trading, as described below. The classification is not changed subsequent to initial recognition.

Held-to-Maturity and Loans and Receivables

Financial instruments that have a fixed maturity date, where the Company intends and has the ability to hold to maturity, are classified as held-to-maturity and measured at amortized cost using the effective interest rate method. Loans and receivables are measured at amortized cost using the effective interest method.

Available-for-sale

Financial assets classified as available-for-sale are carried at fair value (where determinable based on market prices of actively traded securities) with changes in fair value recorded in other comprehensive income. Available-for-sale securities are written down to fair value through earnings whenever it is necessary to reflect an other-than-temporary impairment. Transaction costs that are directly attributable to the acquisition or issue of a financial asset or financial liability are added to its fair value.

Held-for-Trading

Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are classified as held-for-trading. These instruments are measured at fair value with the change in the fair value recognized in income.

Derivatives and Hedge Accounting

The Company has determined that any share purchase warrants held are derivative financial instruments and any change in fair value is included in earnings for the period.

Comprehensive Income

Comprehensive income is composed of the Company's earnings and other comprehensive income. Other comprehensive income includes unrealized gains and losses on available-for-sale securities, foreign currency translation gains and losses on the net investment in self-sustaining operations, foreign currency translation adjustments and changes in the fair market value of derivate instruments designated as cash flow hedges, all net of income taxes. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income which is presented (if applicable) as a new category in shareholders' equity.

1. Nature and Continuance of Operations and Significant Accounting Policies – *Continued*

l) International Financial Reporting Standards ("IFRS")

In 2008, the CICA announced that GAAP for publicly accountable enterprises is to be replaced by IFRS for fiscal years beginning on or after 1 January 2011. Companies are required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from GAAP to IFRS is to be applicable to the Company's reporting for the first quarter of its 2012 year end for which the current and comparative information will be prepared under IFRS. The Company is required to apply all of those IFRS standards which are effective for fiscal years ending 31 July 2012 and 2011 and apply them to its opening 1 August 2010 balance sheet.

m) Comparative Figures

Certain comparative figures have been adjusted to conform to the current year's presentation.

2. Changes in Accounting Policies

Credit Risk and Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Canadian Institute of Chartered Accountants ("CICA") issued Emerging Issues Committee ("EIC") abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". EIC-173 requires the Company to take into account the Company's own credit risk and the credit risk of the counterparty in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this standard did not have a significant impact on the Company's financial statements.

Goodwill and Other Intangible Assets

Effective 1 May 2009, the Company adopted CICA Handbook Section 3064, "Goodwill and Other Intangible Assets". The new requirements of Section 3064 are for recognition, measurement, presentation and disclosure. Section 3064 replaces Section 3062, "Goodwill and Other Intangible Assets". The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The adoption of this standard did not have a significant impact on the Company's financial statements.

3. Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, available-for-sale securities, accounts payable and loan payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments, with the exception of available-for-sale securities, approximates their carrying values, due to their short-term maturity or capacity of prompt liquidation. The Company is exposed to currency risk on its acquisition and exploration expenditures on its loan U.S. properties since it has to convert Canadian dollars raised through equity financing in Canada to U.S. dollars. The Company's expenditures will be negatively impacted if the U.S. dollar increases versus the Canadian dollar.

The CICA Handbook Section 3862, "Financial Instruments – Disclosures" requires disclosure of a three-level hierarchy for fair value measurements based upon transparency of inputs to the valuation of financial instruments carried on the balance sheet at fair value. The three levels are defined as follows:

Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: inputs to the valuation methodology are unobservable and significant to the fair value measurement.

	Fair Value Measurement	31 January 2011	31 July 2010
Available-for-sale securities *(Note 4)*	Level 1	$ 1	$ 1

In addition to the investment noted above, cash would be Level 1 fair value.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments.

4. Available-for-Sale Securities

	31 January 2011		31 July 2010	
	Cost	Fair Value	Cost	Fair Value
Kaleidoscope 5,694 (31 July 2010 – 5,694) common shares	$ 1	$ 1	$ 1	$ 1

The above investments have been accounted for using the fair value method.

On 14 July 2008, Kaleidoscope (formerly Vocalscape Networks Inc.) performed a 1:200 reverse split of its shares, resulting in the Company's shareholding in Kaleidoscope being reduced to 5,694 shares.

5. Property, Plant and Equipment

	Cost	Accumulated Depreciation	31 January 2011 Net Book Value	31 July 2010 Net Book Value
Automobile	$ 25,157	$ 5,953	$ 19,204	$ 21,877
Furniture and office equipment	998	183	815	918
	$ 26,155	$ 6,136	$ 20,019	$ 22,795

During the six month period ended 31 January 2011, total additions to property, plant and equipment were $Nil (31 July 2010 - $25,461). The difference between net book value at 31 July 2010 and 31 January 2011 was due to depreciation for the period of $3,258 offset by $482 foreign exchange adjustment.

6. Website Development cost

	Cost	Accumulated Depreciation	31 January 2011 Net Book Value	31 July 2010 Net Book Value
Website Development	$ 11,939	$ -	$ 11,939	$ -
	$ 11,939	$ -	$ 11,939	$ -

During the six month period ended 31 January 2011, total additions to website development were $11,778 (31 July 2010 - $Nil). The difference between the additions and NBV of the website development cost at 31 January 2011 is due to foreign exchange difference.

7. Fleet Management Technology and Deferred Development Costs

On 10 November 2008, the Company acquired fleet management technology from Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations of the Company, in exchange for the issuance of 30,000,000 common shares of the Company valued at $30,000 *(Notes 8, 10 and 14)*. The technology is focusing on enabling organizations that use it to become more efficient, productive and profitable through the use of their fleet assets.

In addition, the company started to defer costs related to the development of the On-The-Fly Weigh System (OWS) during the current fiscal year. The total of the development costs deferred during the six month period ended 31 January 2011 amounted to $52,218 (31 July 2010 - $Nil).

The Company signed a Letter of Understanding with Maple Leaf Disposal who will provide an environment for testing and trials and is interested in purchasing the product once completed.

The fleet management technology is not yet complete and amortization expense for six month period ended 31 January 2011 was $Nil (31 July 2010 – $Nil) for both the purchased technology and research and development costs.

	Cost	Accumulated Amortization	31 January 2011 Net Book Value	31 July 2010 Net Book Value
Fleet management technology	$ 30,000	$ -	$ 30,000	$ 30,000
Deferred development costs	52,218	-	52,218	-
	$ 82,218	$ -	$ 82,218	$ 30,000

8. Related Party Transactions

Except as disclosed elsewhere in these financial statements, related party transactions are as follows:

a) During the six month period ended 31 January 2011, management fees of $35,939 (2010 - $34,141) were paid/accrued to the President of the Company.

b) During the six month period ended 31 January 2011, consulting fees of $11,980 (2010 - $11,380) were paid/accrued to the Vice President of Operations of the Company.

c) During the quarter ended 31 January, $37,309 (2010 - $Nil) was accrued to Grewal & Co a company owned by a director of the Company for consulting services.

d) During the six month period ended 31 January 2011, accounting fees of $9,584 (2010 – $Nil) were paid/accrued to Business Global Consulting Inc. (BESA), an accounting firm owned by the Chief Financial Officer of the Company, for accounting services provided to the Company.

e) On 10 November 2008, the Company issued 30,000,000 common shares valued at $30,000 in exchange for fleet management technology from Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations of the Company. The technology was developed by Trepped Enterprises Inc. for fleet management *(Notes 7, 10 and 14)*.

f) During the year ended 31 July 2010, the Company issued 4,161,613 common shares (2009 – 5,382,666) with a fair value of $208,049 (2009 - $161,480) to related parties for management and consulting fees incurred in the prior and current year in the amount of $115,477 (2009 - $161,480) and $92,572 (2009 - $Nil), respectively *(Notes 10 and 14)*.

8. Related Party Transactions (Continued)

g) During the year ended 31 July 2009, the Company issued 5,382,666 common shares (2008 – Nil) with a fair value of $161,480 (2008 - $Nil) to related parties for management and consulting fees incurred in a prior year *(Notes 10 and 14)*.

h) Included in accounts payable and accrued expenses as at 31 January 2011 is $96,236 (31 July 2010 - $19,367) payable to related parties for management, consulting and accounting services.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. Loans Payable

During the six month period ended 31 January 2011, the Company received $1,997 for loans from H These, an associate of the President of the Company. The principal balance bears interest at a rate of 5% per annum, is unsecured and repayable by 31 July 2011. At 31 January 2011 the balance on this loan was made up of principal $1,997 (31 July 2010 - $Nil) and interest $Nil (31 July 2010 - $Nil).

The principal balance on these loans bears interest at a rate of 5% per annum, is unsecured and repayable by 31 July 2011. The balance as at 31 January 2011 consists of principal and accrued interest of $54,298 (31 July 2010 - 46,995) and $1,685 (31 July 2010 - $988), respectively.

The Company rescheduled the payment date for a loan from Pacific Everand Ventures Ltd., a company related to the Vice President of Operations of the Company. The principal balance bears interest at a rate of 5% per annum, is unsecured and is now repayable by 31 July 2011. The balance as at 31 January 2011 consists of principal and accrued interest of $4,075 (31 July 2010 - $4,082) and $113 (31 July 2010 - $11).

During the year ended 31 July 2010, the Company issued 139,089 common shares for $13,909 to settle short-term loans *(Notes 10 and 14)*.

10. Share Capital

The Company's authorized share capital is 100,000,000 common shares with $0.0001 par value per share. Each common share entitles the holder to one vote, in person or by proxy, on matters on which action of the shareholders of the corporation are sought.

a) On 20 September 2008, the Board of Directors completed a 1:100 reverse stock split and decreased the issued and outstanding share capital from 56,110,070 common shares to 561,813 common shares with the same par value of $0.0001. Unless otherwise noted, all references herein to the number of common shares, price per common share or weighted average number of common shares outstanding have been adjusted to reflect this reverse stock split on a retroactive basis.

b) On 10 November 2008, the Company acquired fleet management technology from Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations of the Company, by issuing 30,000,000 common shares of the Company valued at $30,000 *(Notes 7, 8 and 14)*.

c) On 10 December 2008, the Board of Directors approved the issuance of 5,382,666 common shares for $161,480 in accounts payable balances related to management and consulting fees *(Notes 8 and 14)*. Share certificates for which were issued during the fourth quarter ending 31 July 2009.

d) On 2 February 2009, 50,000 common shares were issued for $0.05 per share for cash proceeds of $2,500.

10. Share Capital (Continued)

e) On 10 July 2010, the Board of Directors approved the issuance of 4,161,613 common shares for $208,049 in accounts payable balances related to management and consulting fees incurred in the prior and current year in the amounts of $115,477 and $92,572, respectively *(Notes 8 and 14)*.

f) On 11 July 2010, the Company issued 139,089 common shares valued at $13,909 to settle loans payable to business associates related to the Vice President of Operations of the Company *(Notes 8, 9 and 14)*.

g) On 11 July 2010, 343,218 common shares were issued for $0.10 per share for cash proceeds of $34,322.

h) During the six month period ended 31 January 2011, the Company received $29,532 for the purchase of common shares in the Company. As of 31 January 2011, these shares have not yet been issued.

11. Income Taxes

a) A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		For the six month period ended 31 January 2011		For the six month period ended 31 January 2010 (Restated)
Net loss for the period	$	82,814	$	62,960
Federal and state income tax rates		35%		35%
Expected income tax recovery	$	28,985	$	22,036
Permanent differences		(245)		(88)
Change in valuation allowance		(28,740)		(21,948)
Total income tax recovery	$	-	$	-

b) The significant components of the Company's future income tax assets and liabilities are as follows:

		As at 31 January 2011		As at 31 July 2010
Future income tax assets				
Net income tax operating loss carry forward	$	432,651	$	350,538
Statutory federal income tax rate		35%		35%
Effective income tax rate		0%		0%
Future income tax asset		151,428		122,688
Valuation allowance		(151,428)		(122,688)
Net future income tax assets	$	-	$	-

11. Income Taxes (Continued)

As at 31 January 2011, the Company has unused net operating losses for U.S. federal income tax purposes of approximately $432,651 that are available to offset future taxable income, which, if unutilized, will expire as follows:

2028	$	82,726
2029		104,752
2030		163,060
2031		82,113
Total	$	432,651

12. Capital Disclosure

The capital structure of the Company consists of equity attributable to common shareholders, comprising of issued capital, additional paid-in capital, accumulated other comprehensive loss and deficit. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic condition and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank sponsored instruments.

There were no changes in the Company's approach to capital management during the six month period ended 31 January 2011 compared to the year ended 31 July 2010. The Company is not subject to externally imposed capital requirements.

13. Subsequent Events

The following events occurred during the period from the six month period ended 31 January 2011 to the date the financial statements were available to be issued on 4 March 2011:

a) During the month of February 2011, the Company issued 1,065,000 shares for cash at $0.10.
b) The Company had received $235,000 CAD and $1,500 USD after the end of the quarter but before 8 March 2011. This money is in relation to share subscriptions offered at $0.10 per share. Only 1,065,000 shares have since been issued at of date of financial statements.
c) During the month of February 2011, the Company issued 740,000 shares as conversion of management fees and consulting fees owed to the President of the Company, the VP of Operation of the Company and the VP of Corporate Development.
d) The Company appointed Harjit Grewal as a Director and VP of Corporate Development.
e) On March 1, 2011 Wisdom Ncube, the CFO and director of the Company resigned.

14. Supplemental Disclosures with Respect to Cash Flows

		Six Month Period Ended 31 January	
		2011	2010
Cash paid during the period for interest	$	-	-
Cash paid during the period for income taxes	$	-	-

On 10 November 2008, the Company issued 30,000,000 common shares valued at $30,000 in exchange for technology from Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations of the Company. The technology was developed by Trepped Enterprises Inc. for fleet management *(Notes 7, 8 and 10)*.

During the year ended 31 July 2010, the Company issued 4,041,613 common shares (2009 – Nil) with a fair value of $202,049 (2009 - $Nil) to the President and Vice President of Operations of the Company for management and consulting fees incurred in the prior and current year in the amount of $112,932 (2009 - $Nil) and $89,117 (2009 - $Nil), respectively *(Notes 8 and 10)*.

During the year ended 31 July 2010, the Company issued 120,000 common shares (2009 - 5,382,666) with a fair value of $6,000 (2009 - $161,480) to a former director and officer of the Company for management and consulting fees incurred in a prior year *(Notes 8 and 10)*.

On 11 July 2010, the Company issued 139,089 common shares for $13,909 to settle loans payable to business associates related to the Vice President of Operations of the Company *(Notes 8, 9, and 10)*.

During the year ended 31 July 2009, the Company issued 5,382,666 common shares (2008 – Nil) with a fair value of $161,480 (2008 - $Nil) to related parties for management and consulting fees incurred in a prior year *(Notes 8 and 10)*.

15. Segmented Information

Details on a geographic basis as at 31 January 2011 are as follows:

	USA	Canada	Total
Assets	$ -	$ 116,891	$ 116,891
Fleet management technology	$ -	$ 30,000	$ 30,000
Deferred development costs	$ -	$ 52,218	$ 52,218
Loss for the period	$ -	$ (82,814)	$ (84,814)

Details on a geographic basis as at 31 July 2010 are as follows:

	USA	Canada	Total
Assets	$ -	$ 56,405	$ 56,505
Fleet management technology	$ -	$ 30,000	$ 30,000
Loss for the year	$ -	$ (163,716)	$ (163,716)

Details on a geographic basis as at 31 July 2009 are as follows:

	USA	Canada	Total
Assets	$ -	$ 31,152	$ 31,152
Fleet management technology	$ -	$ 30,000	$ 30,000
Loss for the year	-	(105,000)	(105,000)

16. Differences Between Canadian and United States Generally Accepted Accounting Principles ("GAAP")

These financial statements have been prepared in accordance with Canadian GAAP. Except as set out below, these financial statements also comply, in all material aspects, with United States GAAP ("U.S. GAAP").

a) **Comprehensive Income**

Accounting Standards Codification ("ASC" or "Codification") 220, "Comprehensive Income", establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. There are no differences between net loss and comprehensive loss for each of the three month periods ended 31 January 2011 and 2010.

b) **Changes in Accounting Policies**

In June 2009, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 166, "Accounting for Transfer of Financial Assets – an amendment of FASB Statement". SFAS No. 166 removes the concept of a qualifying special-purpose entity from ASC 860-10, "Transfers and Servicing", and removes the exception from applying ASC 810-10, "Consolidation". This statement also clarifies the requirements for isolation and limitations on portions of financial assets that are eligible for sale accounting. SFAS No. 166, which is referenced in ASC 105-10-65, has not yet been adopted into the Codification and remains authoritative. This statement is effective 1 May 2010. The adoption of SFAS No. 166 did not have a material impact on the Company's financial statements.

In June 2009, the FASB issued SFAS No. 168, "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principle – a replacement of FASB Statement No. 162". The Codification reorganized existing U.S. accounting and reporting standards issued by the FASB and other related private sector setter into a single source of authoritative accounting principles arranged by topic. The Codification supersedes all existing U.S. accounting standards; all other accounting literature not included in the Codification (other than SEC guidance for publicly-traded companies) is considered non-authoritative. The Codification was effective on a prospective basis for interim and annual reporting periods ending after 15 September 2009. The adoption of the Codification did not to have a material impact on the Company's results of operations, financial position or liquidity.

In May 2009, the FASB issued new guidance for accounting for subsequent events. The new guidance, which is now part of ASC 855, "Subsequent Events" is intended to establish general standards of accounting for and disclosure of events that occur after the balance sheet date, but before financial statements are issued or are available to be issued. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date. This disclosure should alert all users of financial statements that an entity has not evaluated subsequent events after that date in the set of financial statements being presented. The new guidance was effective on a prospective basis for interim or annual reporting periods ending after 15 June 2009. The adoption of this guidance did not have a material impact on the Company's financial statements.

In May 2008, the FASB issued new guidance for accounting for convertible debt instruments that may be settled in cash. The new guidance, which is now part of ASC 470-20, "Debt with Conversion and Other Options", requires the liability and equity components to be separately accounted for in a manner that will reflect the entity's nonconvertible debt borrowing rate. The Company will allocate a portion of the proceeds received from the issuance of convertible notes between a liability and equity component by determining the fair value of the liability component using the Company's nonconvertible debt borrowing rate. The difference between the proceeds of the notes and the fair value of the liability component will be recorded as a discount on the debt with a corresponding offset to paid-in capital. The resulting discount will be accreted by recording additional non-cash interest expense over the expected life of the convertible notes using the effective interest rate method. The new guidance was to be applied retrospectively to all periods presented upon those fiscal years. The adoption of this guidance did not have a material impact on the Company's financial statements.

In April 2008, the FASB issued new guidance for determining the useful life of an intangible asset. The new guidance is now part of ASC 350, "Intangibles – Goodwill and Other". In determining the useful life of intangible assets, ASC 350 removes the requirement to consider whether an intangible asset can be renewed without substantial cost of material modifications to the existing terms and conditions and, instead, requires an entity to consider its own historical experience in renewing similar arrangements. ASC 350 also requires expanded disclosure related to the determination of intangible asset useful lives. The new guidance was effective for financial statements issued for fiscal years beginning after 15 December 2008. The adoption of this guidance did not have a material impact on the Company's financial statements.

In March 2008, the FASB issued new guidance on the disclosure of derivative instruments and hedging activities. The new guidance, which is now part of ASC 815, "Derivatives and Hedging Activities", requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of, and gains and losses on, derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements. The new guidance was effective prospectively for financial statements issued for fiscal years beginning after 15 November 2008, with early application encouraged. The adoption of this guidance did not have a significant impact on the Company's financial statements.

c) **New Accounting Pronouncements**

In January 2010, the FASB issued Accounting Standards Update ("ASU") 2010-06, "Improving Disclosures about Fair Value Measurements". This update requires additional disclosure within the roll forward of activity for assets and liabilities measured at fair value on a recurring basis, including transfers of assets and liabilities between Level 1 and Level 2 of the fair value hierarchy and the separate presentation of purchases, sales, issuances and settlements of assets and liabilities within Level 3 of the fair value hierarchy. In addition, the update requires enhanced disclosures of the valuation techniques and inputs used in the fair value measurements within Levels 2 and 3. The new disclosure requirements are effective for interim and annual periods beginning after 15 December 2009, except for the disclosure of purchases, sales, issuances and settlements of Level 3 measurements. Those disclosures are effective for fiscal years beginning after 15 December 2010. As ASU 2010-06 only requires enhanced disclosures, the Company does not expect that the adoption of this update will have a material effect on its financial statements.

In February 2010, the FASB issued ASC 2010-09, "Amendments to Certain Recognition and Disclosure Requirements", which eliminates the requirement for Securities and Exchange Commission ("SEC") filers to disclose the date through which an entity has evaluated subsequent events. ASC 2010-09 is effective for its fiscal quarters beginning after 15 December 2010. The adoption of ASC 2010-09 is not expected to have a material impact on the Company's financial statements.

In February 2010, the FASB issued ASU 2010-11, "Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives". ASU 2010-11 clarifies the type of embedded credit derivative that is exempt from embedded derivative bifurcation requirements. Specifically, only one form of embedded credit derivative qualifies for the exemption – one that is related only to the subordination of one financial instrument to another. As a result, entities that have contracts containing an embedded credit derivative feature in a form other than such subordination may need to separately account for the embedded credit derivative feature. The amendments in ASU 2010-11 are effective for each reporting entity at the beginning of its first fiscal quarter beginning after 15 June 2010. Early adoption is permitted at the beginning of each entity's first fiscal quarter beginning after 5 March 2010. The adoption of ASU 2010-11 is not expected to have a material impact on the Company's financial statements.