DEPLOY TECHNOLOGIES INC.

(A Development Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

30 April 2014

(Expressed in U.S. Dollars)

MANAGEMENT'S COMMENTS ON UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Deploy Technologies Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgements based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Deploy Technologies Inc. Statement 1

(A Development Stage Company)

Condensed Interim Statements of Financial Position
(Unaudited)

(U.S. Dollars)

ASSETS		As at 30 April 2014		As at 31 July 2013
				(Audited)
Current				
Cash and cash equivalents	$	-	$	1,913
Amounts receivable and prepaids		4,612		11,108
Available-for-sale securities *(Note 5)*		1		1
		4,613		13,022
Property, plant and equipment *(Note 6)*		45,726		69,666
Fleet management technology *(Note 7)*		37,206		37,687
	$	87,545	$	120,375
LIABILITIES				
Current				
Trade payables and accrued liabilities *(Note 9)*	$	217,182	$	265,906
Due to related parties *(Note 8)*		491,749		358,832
		708,931		624,738
Loans payable *(Note 10)*		76,782		91,100
		785,713		715,838
SHAREHOLDERS' DEFICIENCY				
Share capital - *Statement 3* *(Note 11)*				
Authorized:				
100,000,000 Common Shares – Par Value $0.0001				
2,900,000 Class A Preferred Shares – No Par Value				
Issued and Outstanding:				
22,880,209 (31 July 2013 – 22,370,209) Common Shares		1,154		1,103
2,900,000 (31 July 2013 – 2,900,000) Preferred Shares		2,900		2,900
Contributed surplus		3,329,820		3,277,011
Shares to be issued *(Note 11)*		25,560		535
Foreign currency translation reserve		111,267		14,946
Warrant reserve		-		2,685
Deficit		(4,168,869)		(3,894,643)
		(698,168)		(595,463)
	$	87,545	$	120,375

Nature and Continuance of Operations *(Note 1)*, **Commitments and Contingency** *(Note 15)* and **Subsequent Event** *(Note 16)*

Approved and authorized for issue by the Board on 2 July 2014

ON BEHALF OF THE BOARD:

/s/ David Eppert , Director

/s/ Andre Thompson , Director

The accompanying notes are an integral part of these financial statements.

Deploy Technologies Inc. Statement 2

(A Development Stage Company)

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(U.S. Dollars)

	Three Month Period Ended 30 April		Nine Month Period Ended 30 April	
	2014	2013	2014	2013
General and Administrative Expenses				
Accounting and legal	$ 2,401	$ 34,881	$ 21,498	$ 41,220
Consulting fees	7,135	14,288	87,693	76,611
Depreciation *(Note 6)*	8,112	10,424	26,376	31,804
Management fees	15,527	17,689	97,167	84,392
Office and miscellaneous	7,793	18,386	41,568	70,262
Loss Before Other Items	(40,968)	(95,668)	(274,302)	(304,289)
Other Items				
Other Income	-	1,295	-	4,319
Interest Income	(2)	-	76	-
Loss for the Period	$ (40,970)	$ (94,373)	$ (274,226)	$ (299,970)
Other Comprehensive Loss				
Foreign currency translation adjustment	(13,478)	2,621	96,321	3,217
Comprehensive Loss for the Period	$ (54,448)	$ (91,752)	$ (177,905)	$ (296,753)
Loss per Share - Basic and Fully Diluted	$ (0.002)	$ (0.004)	$ (0.012)	$ (0.013)
Comprehensive Loss per Share - Basic and Fully Diluted	$ (0.002)	$ (0.004)	$ (0.008)	$ (0.013)
Weighted Average Number of Shares Outstanding	$ 22,880,209	$ 22,330,431	$ 22,698,671	$ 22,307,002

The accompanying notes are an integral part of these financial statements.

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

(A Development Stage Company)

Condensed Interim Statements of Changes in Shareholders' Deficiency

(Unaudited)

(U.S. Dollars)

	Share Capital									
	Common Shares		Class A Preferred Shares		Contributed Surplus	Shares to be Issued	Warrant reserve	Foreign Currency Translation Reserve	Deficit	Total
	Number	Amount	Number	Amount						
Balance – 31 July 2012 *(Note 17)*	22,220,209	$ 1,088	2,900,000	$ 2,900	$ 3,222,935	$ 2,556	$ 29,316	$ 277	$ (3,459,754)	$ (200,682)
Issuance of shares for:										
- Cash *(Note 11)*	120,000	12	-	-	23,988	(2,000)	-	-	-	22,000
Foreign currency translation adjustment	-	-	-	-	-	-	-	3,217	-	3,217
Loss for the period	-	-	-	-	-	-	-	-	(299,970)	(299,970)
Balance – 30 April 2013	22,340,209	1,100	2,900,000	2,900	3,246,923	556	29,316	3,494	(3,759,724)	(475,435)
Issuance of shares for:										
- Cash *(Note 11)*	30,000	3	-	-	3,457	(21)	-	-	-	3,439
Value assigned to warrants	-	-	-	-	(2,685)	-	2,685	-	-	-
Expiry of warrants					29,316	-	(29,316)	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	-	-	11,452	-	11,452
Loss for the year	-	-	-	-	-	-	-	-	(134,919)	(134,919)
Balance – 31 July 2013	22,370,209	1,103	2,900,000	2,900	3,277,011	535	2,685	14,946	(3,894,643)	(595,463)
Issuance of shares for:										
- Cash *(Note 11)*	260,000	26	-	-	25,149	-	-	-	-	25,175
- Settlement of Debt *(Note 11)*	250,000	25	-	-	24,975	-	-	-	-	25,000
Share subscriptions received in advance	-	-	-	-	-	25,025	-	-	-	25,025
Expiry of warrants	-	-	-	-	2,685	-	(2,685)	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	-	-	96,321	-	96,321
Loss for the year	-	-	-	-	-	-	-	-	(274,226)	(274,226)
Balance – 30 April 2014	22,880,209	1,154	2,900,000	2,900	3,329,820	25,560	-	111,267	(4,168,869)	(698,168)

Deploy Technologies Inc. Statement 4

(A Development Stage Company)

Condensed Interim Statements of Cash Flows

(Unaudited)

(U.S. Dollars)

	Nine Month Period Ended 30 April	
Cash Resources Provided By (Used In)	2014	2013
Operating Activities		
Loss for the period	$ (274,226)	$ (299,970)
Items not affecting cash:		
Accrued interest *(Note 10)*	3,293	2,238
Depreciation *(Note 6)*	26,376	31,804
Foreign exchange	589	(250)
Amounts receivable and prepaids	6,496	17,216
Trade payables and accrued liabilities	(48,724)	56,081
Due to related parties	132,917	144,863
	(153,279)	(48,018)
Investing Activities		
Purchase of property, plant and equipment *(Note 6)*	(5,948)	(16,385)
Financing Activities		
Proceeds from loans *(Note 10)*	10,793	36,581
Common shares issued for cash *(Note 11)*	25,175	24,000
Share subscriptions received in advance *(Note 11)*	25,025	-
	60,993	60,581
Effect of exchange rate changes on cash and cash equivalents	96,321	3,217
Net Increase (Decrease) in Cash and Cash Equivalents	(1,913)	(605)
Cash and cash equivalents – Beginning of period	1,913	2,682
Cash and Cash Equivalents - End of Period	$ -	$ 2,077

Supplemental Disclosures with Respect to Cash Flows *(Note 13)*

The accompanying notes are an integral part of these financial statements.

1. Nature and Continuance of Operations

Deploy Technologies Inc. (the "Company") was originally incorporated on 5 November 1998 in the State of Delaware, USA, under the name Concept Development Group, Inc. 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. and in September 2008, the Company changed its name to Deploy Technologies Inc.

On 15 September 2010, the Company completed a merger with its newly incorporated and wholly-owned subsidiary, Deploy Acquisition Corp., a Nevada corporation, formed for the sole purpose of changing the Company's state of incorporation from the State of Delaware to the State of Nevada. Although Deploy Acquisition Corp. was the surviving corporation, upon the completion of the merger it assumed the name of the Company and all the assets, obligations and commitments of the Company. Concurrent with the merger, the authorized capital of the Company decreased to 100,000,000 common shares from 500,000,000 common shares.

The Company's Nevada Charter authorizes it to issued two classes of equity securities. Accordingly, on 29 September 2011, the Company increased its authorized capital to include 2,900,000 Class A Preferred Shares.

The Company is a development stage company. The Company is devoting all of its present efforts to the marketing and sale of its fleet management technology in order to generate revenue. The Company only recently commenced its planned principal operations, and, accordingly, it has generated minimal revenues to date.

The head office and principal address of the Company is 19011 – 1153 56th Street, Delta, BC, V4L 2A2.

At 30 April 2014, the Company had cash and cash equivalents of $Nil (31 July 2013 – $1,913) and a working capital deficit of $704,318 (31 July 2013 – $611,716). The funds on hand at 30 April 2014 are not sufficient to meet the Company's planned corporate, administrative and development activities for the next 12 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 its ability to continue as a going concern.

These condensed 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, is generating no revenue, is 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 condensed interim financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the classifications on the statement of financial position used, and such adjustments would be material.

2. Basis of Preparation

a) Basis of Presentation

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. These financial statements are presented in US dollars except where otherwise indicated.

b) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these condensed interim financial statements comply with International Accounting Standards ("IAS") 34, *"Interim Financial Reporting".*

These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 July 2013 prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

c) Adoption of new and revised standards and interpretations

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 30 April 2014.

IFRS 9 "*Financial Instruments: Classification and Measurement"* is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.

IAS 32 (Amendment), "*Offsetting Financial Assets and Financial Liabilities*" is effective for annual periods beginning on or after 1 January 2014 that clarifies the application of offsetting requirements.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. Significant Accounting Policies

These condensed interim financial statements follow the same accounting policies and methods of their application as the Company's full annual financial statements prepared in accordance with IFRS and as such should be read in conjunction with the Company's full annual financial statements for the year ended 31 July 2013. There have been no changes to the accounting policies and methods applied in the nine month periods ended 30 April 2014.

4. Fair Value of Financial Instruments

Categories of financial instruments

		As at 30 April 2014		As at 31 July 2013
FINANCIAL ASSETS				
FVTPL, at fair value				
Cash and cash equivalents	$	-	$	1,913
Available-for-sale, at fair value				
Kaleidoscope (5,694 common shares)		1		1
Total financial assets	$	1	$	1,914
FINANCIAL LIABILITIES				
Other liabilities, at amortized cost				
Trade payables		187,976		164,754
Due to related parties		491,749		358,832
Loans payable		76,782		91,100
	$	756,507	$	614,686

Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the short term maturity of these instruments and the nature of the loans.

4. Fair Value of Financial Instruments – *Continued*

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 31 January 2014, the Company does not have any Level 3 financial instruments.

As at 31 January 2014	Level 1	Total
Financial assets at fair value		
Cash and cash equivalents	$ -	$ -
Available-for-sale	1	1
Total financial assets at fair value	$ 1	$ 1

As at 31 July 2013	Level 1	Total
Financial assets at fair value		
Cash and cash equivalents	$ 1,913	$ 1,913
Available-for-sale	1	1
Total financial assets at fair value	$ 1,914	$ 1,914

Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company is not exposed to credit risk as it does not hold cash in excess of federally insured limits, with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is exposed to liquidity risk as it has a working capital deficit of $704,318 as at 30 April 2014. However, the Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities.

4. Fair Value of Financial Instruments – *Continued*

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the term deposits is limited.

Currency risk

The Company is exposed to currency risk by incurring expenditures and holding assets denominated in currencies in the Canadian dollar. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Other risks

The Company is not exposed to other risks unless otherwise noted.

5. Available-for-Sale Securities

	30 April 2014		31 July 2013	
	Cost	Fair Value	Cost	Fair Value
Kaleidoscope 5,694 (31 July 2013 – 5,694) common shares	$ 1	$ 1	$ 1	$ 1

6. Property, Plant and Equipment

	Automobile	Tools and equipment	Furniture and office equipment	Website development costs	Total
Cost					
Balance, 1 August 2013	$ 27,453	$ 95,652	$ 16,909	$ 12,761	$ 152,775
Additions	-	5,129	819	-	5,948
Foreign exchange adjustment	(1,715)	(5,205)	(1,099)	(797)	(8,816)
Balance, 30 April 2014	$ 25,738	$ 95,576	$ 16,629	$ 11,964	$ 149,907
Accumulated depreciation					
Balance, 1 August 2013	$ 22,723	$ 38,568	$ 9,539	$ 12,279	$ 83,109
Depreciation	4,539	17,592	3,780	465	26,376
Foreign exchange adjustment	(1,524)	(2,317)	(683)	(780)	(5,304)
Balance, 30 April 2014	$ 25,738	$ 53,843	$ 12,636	$ 11,964	$ 104,181
Net book value, 30 April 2014	$ -	$ 41,733	$ 3,993	$ -	$ 45,726

6. Property, Plant and Equipment – *Continued*

		Automobile		Tools and equipment		Furniture and office equipment		Website development costs		Total
Cost										
Balance, 1 August 2012	$	28,118	$	82,660	$	15,625	$	13,071	$	139,474
Additions		-		15,166		1,718		-		16,884
Foreign exchange adjustment		(665)		(2,174)		(434)		(310)		(3,583)
Balance, 31 July 2013	$	27,453	$	95,652	$	16,909	$	12,761	$	152,775
Accumulated depreciation										
Balance, 1 August 2012	$	16,244	$	15,657	$	4,845	$	8,220	$	44,966
Depreciation		7,003		23,605		4,959		4,341		39,909
Foreign exchange adjustment		(524)		(694)		(265)		(282)		(1,765)
Balance, 31 July 2013	$	22,723	$	38,568	$	9,539	$	12,279	$	83,109
Net book value, 31 July 2013	$	4,730	$	57,084	$	7,370	$	482	$	69,666

7. Fleet Management Technology

On 10 November 2008, the Company acquired fleet management technology from a company controlled by the Chief Executive Officer of the Company 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. The technology is focusing on enabling organizations that use it to become more efficient, productive and profitable through the use of their fleet assets.

The fleet management technology was completed during the year ended 31 July 2012; however, no depreciation expense was recorded during the period ended 30 April 2014 as the technology has not been placed in use for the purpose of earning revenue.

During the year ended 31 July 2013, an addition to the fleet management technology includes $7,572 incurred to obtain a Canadian PCT patent and for the application of other international patents.

On 6 April 2013, the Company entered into an agreement with a third party to receive an exclusive license to the Air Brake Monitor technology. This technology is to be incorporated with the fleet management technology in the development of marketable products. In exchange, the Company is obligated to make royalty payments of 15% of net sales relating to products utilizing the technology. During the period ended 30 April 2014, no related sales have been made by the Company and no development costs have been incurred by the Company *(Note 15)*.

8. Related Party Balances and Transactions

The key management personnel compensation for the three and nine month periods ended 30 April 2014 and 2013 is as follows:

		Three Month Period Ended 30 April 2014		Three Month Period Ended 30 April 2013		Nine Month Period Ended 30 April 2014		Nine Month Period Ended 30 April 2013
Accounting fees	$	2,000	$	(61)	$	2,300	$	2,457
Management and consulting fees		27,000		25,718		181,000		135,492
Total	$	29,000	$	25,657	$	183,300	$	137,949

8. Related Party Balances and Transactions – *Continued*

Except as disclosed elsewhere in these condensed interim financial statements, related party transactions for the nine month periods ended 30 April 2014 and 2013 are as follows:

a) As at 30 April 2014, the amount due to related parties includes $277,337 (31 July 2013 - $204,608) payable to the Chief Executive Officer of the Company.

b) As at 30 April 2014, the amount due to related parties includes $200,722 (31 July 2013 - $144,488) payable to the Vice President of Operations of the Company.

c) As at 30 April 2014, the amount due to related parties includes $7,758 (31 July 2013 – $9,736) payable to a director of the Company.

d) As at 30 April 2014, the amount due to related parties includes $2,738 (31 July 2013 - $Nil) payable to a director of the Company.

e) As at 30 April 2014, the amount due to related parties includes $3,194 (31 July 2013 – $Nil) payable to a director of the Company.

f) As at 30 April 2014, included in loans payable is $21,139 (31 July 2013 – $21,932) payable to a company controlled by the Vice President of Operations of the Company. The loans are unsecured and bear interest at a rate of 5% per annum and are repayable by 31 July 2015. The total balance as at 30 April 2014 consists of principal and accrued interest of $17,523 (31 July 2013 - $18,691) and $3,616 (31 July 2013 - $3,241), respectively *(Note 10).*

g) During the nine month period ended 30 April 2014, management fees of $97,167 (2013 - $84,392) were paid/accrued to the Chief Executive Officer of the Company.

h) During the nine month period ended 30 April 2014, consulting fees of $71,941 (2013 - $51,100) were paid/accrued to the Vice President of Operations of the Company.

i) During the nine month period ended 30 April 2014, accounting fees of $Nil (2012 - $2,518) were paid/accrued to a director of the Company.

j) During the nine month period ended 30 April 2014, accounting fees of $2,149 (2013 - $Nil) were paid/accrued to the Chief Financial Officer of the Company.

k) During the year ended 31 July 2013, the Company issued 20,000 units at a price of $0.20 per unit for total proceeds of $4,040 (CAD$4,000) to a company controlled by a director of the Company. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of $0.40 per share for a period of 12 months from the date of issuance *(Note 11).*

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. Trade Payables and Accrued Liabilities

		30 April 2014		31 July 2013
Trades payable	$	187,976	$	164,754
Accrued liabilities		29,206		101,152
Total	$	217,182	$	265,906

The Company is in the process of completing certain of and resolving issues related to its income tax filings and has accrued $70,000 during the year ended 31 July 2013 related to potential penalties associated with these filings (*Notes 13 and 15).*

10. Loans Payable

	30 April 2014 $	31 July 2013 $
On 1 August 2009, a third party issued a loan of CAD$1,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $912 (31 July 2013 - $973) and $217 (31 July 2013 - $195) respectively.	1,129	1,168
On 1 August 2009, a third party issued a loan of CAD$2,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $1,825 (31 July 2013 - $1,947) and $434 (31 July 2013 - $389) respectively.	2,259	2,336
On 19 November 2009, a third party issued a loan of CAD$3,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $2,738 (31 July 2013 - $2,921) and $609 (31 July 2013 - $540) respectively.	3,347	3,461
On 12 February 2010, a company controlled by the Vice President of Operations of the Company, issued a loan of CAD$15,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $13,690 (31 July 2013 - $14,602) and $2,886 (31 July 2013 - $2,616) respectively *(Note 8)*.	16,576	17,218
Subtotal	23,311	24,183

10. Loans Payable – *Continued*

	30 April 2014 $	31 July 2013 $
Balance carried forward	23,311	24,183
On 28 February 2010, a third party issued a loan of CAD$7,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $6,389 (31 July 2013 - $6,814) and $1,333 (31 July 2013 - $1,165) respectively.	7,722	7,979
On 26 March 2010, a third party issued a loan of CAD$14,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $12,778 (31 July 2013 - $13,629) and $2,620 (31 July 2013 - $2,281) respectively.	15,398	15,910
On 11 July 2010, a company controlled by the Vice President of Operations of the Company, issued a loan of CAD$4,200. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $3,833 (31 July 2013 - $4,089) and $730 (31 July 2013 - $625) respectively *(Note 8)*.	4,563	4,714
Subtotal	50,994	52,786

10. Loans Payable – *Continued*

	30 April 2014 $	31 July 2013 $
Balance carried forward	50,994	52,786
On 16 October 2012, a third party issued a loan of CAD$25,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. During the nine months ended 30 April 2014, the loan was converted into 250,000 common shares of the Company *(Notes 11 and 13)*. The balance as at 30 April 2014 consists of principal and accrued interest of $Nil (31 July 2013 - $24,338) and $1,756 (31 July 2013 - $960) respectively.	1,756	25,298
On 20 November 2012, a third party issued a loan of CAD$10,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $9,127 (31 July 2013 - $9,735) and $659 (31 July 2013 - $337) respectively.	9,786	10,072
On 8 April 2013, a third party issued a loan of CAD$3,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. During the year ended 31 July 2013, the loan was extended to be repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $2,738 (31 July 2013 - $2,921) and $145 (31 July 2013 - $23) respectively.	2,883	2,944
On 1 October 2013, a third party issued a loan of CAD$4,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $3,651 (31 July 2013 - $Nil) and $137 (31 July 2013 - $Nil) respectively.	3,788	-
On 2 December 2013, a third party issued a loan of CAD$8,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is repayable by 31 July 2015. The balance as at 30 April 2014 consists of principal and accrued interest of $7,302 (31 July 2013 - $Nil) and $273 (31 July 2013 - $Nil) respectively.	7,575	-
	76,782	91,100

11. Share Capital

The Company's authorized share capital comprises 100,000,000 Common Shares, with a $0.0001 par value per share, and 2,900,000 Class A Preferred Shares, with no par value per share. Each Class A Preferred Share entitles the holder to 10 votes each.

Each Class A Preferred Share provides holders a right to receive dividends, as and if declared by the Company's board of directors, with the amount of such dividend determined by multiplying the dividend per share by 10 and a right to receive distributions, whether or not in liquidation, with the amount of such distribution determined by multiplying the distribution per share by 10. Each Class A Preferred Share can also be converted into 10 Common Shares at the election of the Company or the holder any time after two years following the date of issuance.

Issued and outstanding

a) On 22 November 2013, the Company issued 250,000 common shares valued at CAD$25,000 related to the conversion of CAD$25,000 loan by a third party *(Notes 10 and 13)*.

b) On 22 November 2013, the Company issued 20,000 common shares for $0.10 (CAD$0.10) per share for cash proceeds of $1,979 (CAD$2,000).

c) On 31 October 2013, the Company issued 70,000 common shares for $0.10 (CAD$0.10) per share for cash proceeds of $6,773 (CAD$7,000).

d) On 15 October 2013, the Company issued 150,000 common shares for $0.10 (CAD$0.10) per share for cash proceeds of $14,463 (CAD$15,000).

e) On 16 September 2013, the Company issued 20,000 common shares for $0.10 (CAD$0.10) per share for cash proceeds of $1,939 (CAD$2,000).

f) On 15 May 2013, the Company issued 30,000 common shares for $0.10 (CAD$0.10) per share for cash proceeds of $2,949 (CAD$3,000).

g) On 30 January 2013, the Company issued 10,000 units at a price of $0.20 (CAD$0.20) per unit for cash proceeds of $1,993 (CAD$2,000) to a company controlled by a director of the Company. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of $0.40 per share for a period of 12 months from the date of issuance *(Note 8)*.

h) On 9 September 2012, the Company issued 110,000 units at a price of $0.20 (CAD$0.20) per unit for cash proceeds of $22,518 (CAD$22,000). Of the 110,000 units issued, 10,000 units were issued to a company controlled by a director of the Company. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of $0.40 per share for a period of 12 months from the date of issuance *(Note 8)*.

Share to be Issued

During the nine month period ended 30 April 2014, the Company received $25,560 (31 July 2013 - $535) for the purchase of Common Shares. As of 30 April 2014, Common Shares relating to $25,560 proceeds had not yet been issued.

11. Share Capital – *Continued*

Share purchase warrants

During the nine month period ended 30 April 2014, 120,000 share purchase warrants with an exercise price of $0.40 expired.

There were no share purchase warrants outstanding as at 30 April 2014.

12. Capital Disclosure

The capital structure of the Company consists of loans payable and equity attributable to common shareholders, comprised of issued capital, contributed surplus, shares to be issued, foreign currency translation reserve 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 its 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.

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 nine month period ended 30 April 2014 compared to the year ended 31 July 2013. The Company is not subject to externally imposed capital requirements.

13. Supplemental Disclosures with Respect to Cash Flows

	Three Month Period Ended 30 April		Nine Month Period Ended 30 April	
	2014	2013	2014	2013
Cash paid during the period for interest	$ -	$ -	$ -	$ -
Cash paid during the period for income taxes	$ -	$ -	$ -	$ -

During the nine month period ended 30 April 2014, the Company issued 250,000 common shares valued at CAD$25,000 related to the conversion of CAD$25,000 loan by a third party *(Notes 10 and 11)*.

The Company is in the process of completing certain of and resolving issues related to its income tax filings and has accrued $70,000 during the year ended 31 July 2013 related to potential penalties associated with these filings (*Notes 9 and 15).*

14. Segmented Information

The Company conducts its business as a single operating segment in Canada. All property, plant and equipment and fleet management technology are situated in Canada.

15. Commitments and Contingency

On 6 April 2013, the Company entered into an agreement with a third party to receive an exclusive license to the Air Brake Monitor technology. This technology is to be incorporated with the fleet management technology in the development of marketable products. In exchange, the Company is obligated to make royalty payments of 15% of net sales relating to products utilizing the technology. During the year ended 31 July 2013 and nine month period ended 30 April 2014, no related sales have been made and no development costs have been incurred by the Company *(Note 7)*.

The Company is committed to making repayments related to its loans payable *(Note 10)*.

The Company is in the process of completing certain of its income tax filings and has accrued $70,000 during the year ended 31 July 2013 related to potential penalties associated with these filings *(Notes 9 and 13)*.

16. Subsequent Event

There were no subsequent events.

17. Restatement

The financial statements for the year ended 31 July 2012 have been restated to reflect the issuance of 353,500 share purchase warrants within a separate component of equity and other regroupings within equity related to foreign exchange.

The effects of the restatement are summarized as follows:

	As previously reported	Adjustments	As restated
Ending equity as at 31 July 2012			
Share capital	2,220	(1,132)	1,088
Contributed surplus	3,273,162	(50,227)	3,222,935
Foreign currency translation reserve	(49,571)	49,848	277
Warrant reserve	-	29,316	29,316
Shares to be issued	2,560	(4)	2,556
Deficit	$ (3,431,953)	$ (27,801)	$ (3,459,754)

The net effect of the above adjustments on equity as at 31 July 2012 is $Nil.