

*A copy of this preliminary prospectus has been filed with the securities regulatory authorities in British Columbia and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

**Amended and Restated Preliminary Prospectus dated August 12, 2011  
Amending and Restating Preliminary Prospectus dated April 20, 2011**

**NON-OFFERING PROSPECTUS**

**DEPLOY TECHNOLOGIES INC.**

Common Stock, \$0.0001 par value per share

Deploy Technologies is not offering securities pursuant to this non-offering prospectus. Deploy Technologies is filing this non-offering prospectus to become a reporting issuer in Canada and to enable it to develop an organized market for its common shares in Canada. Deploy Technologies will not receive any proceeds pursuant to this non-offering prospectus and will not pay any commissions or other compensation with respect hereto.

Deploy Technologies is included in the Reporting Issuers List of the British Columbia Securities Commission on the date of this non-offering prospectus and files reports on the SEDAR system. Deploy Technologies' common stock is traded in the over-the-counter market in the United States of America under the symbol "DPLY" and quotations are available on [otcmarkets.com](http://otcmarkets.com) (formerly, [pinksheets.com](http://pinksheets.com)). The closing price for Deploy Technologies' common stock as obtained from [otcmarkets.com](http://otcmarkets.com) for August 11, 2011 was \$0.40.

**Information about the risks of investment in Deploy Technologies' common stock is provided under the caption, "Risk Factors", beginning on page 31.**

Deploy Technologies has applied to list its common stock on the Canadian National Stock Exchange (the "CNSX"). The listing is subject to fulfilling all of the listing requirements of the CNSX, including without limitation the distribution of our common stock to a minimum number of public shareholders and meeting certain financial and other requirements. There is no assurance a listing on the CNSX will be granted.

**No underwriter has been involved in the preparation of this non-offering prospectus or performed any review or independent due diligence of the contents of this prospectus**

Deploy Technologies is incorporated under the laws the State of Nevada, United States of America. Although Deploy Technologies has registered as an extra provincial company in British Columbia and appointed Andre E. Thompson as its agent for service of process in British Columbia, it may not be possible for investors to enforce judgments obtained in Canada against Deploy Technologies. Our registered office address in British Columbia and Mr. Thompson's address for service of process is 20434 64<sup>th</sup> Avenue, Langley, BC., V2Y 1N4.

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## FORWARD LOOKING STATEMENTS

This non-offering prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities legislation. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intend", "forecast", "plans", "guidance" and similar expressions is intended to identify forward-looking statements or information.

More particularly and without limitation, this non-offering prospectus contains forward-looking statements and information relating to the following:

- the performance characteristics of our technology in development;
- projections of industrial and transportation industries;
- supply and demand for transportation weigh and fleet data management systems;
- expectations regarding the ability to raise capital;
- future sales and funds from operations;
- capital programs;
- debt levels;
- treatment under governmental regulatory regimes and tax laws; and
- capital expenditure programs.

The forward-looking statements and information contained in this non-offering prospectus are based on certain key expectations and assumptions made by us, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable tax laws, the availability of capital to undertake planned expenditures and the availability and cost of labor and services.

Although we believe that the expectations reflected in the forward-looking statements and information in this non-offering prospectus are reasonable, we can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the industrial transportation industry in general, such as operational risks in design and construction, delays or changes in plans with respect to development or capital expenditures, the uncertainty of estimates and projections relating to demand for weigh systems, other costs and expenses, competing energy price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. Readers are cautioned that the foregoing list of factors and risks is not exhaustive.

The forward-looking statements and information contained in this non-offering prospectus are made as of the date hereof and, unless so required by applicable law, we undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. The forward-looking statements and information contained in this non-offering prospectus are expressly qualified by this cautionary statement.

Unless otherwise specified, all dollar amounts in this prospectus are expressed in United States dollars.

## SUMMARY OF NON-OFFERING PROSPECTUS

**The following is a summary of the principal features of this non-offering prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this non-offering prospectus.**

DESCRIPTION OF OUR BUSINESS – See page 6.

We are a venture company in the development stage and have not generated any sales revenues. Our focus is completion of the first product project in which we have been investing time and incurring costs of development.

Deploy Technologies Inc. has developed a comprehensive suite of products focused on Fleet Data Management & Weigh Systems solutions. The core of our technology is based on the monitoring, storage and processing of hydraulic pressures data streams which are then used to address a wide range of applications including weight and loading calculations and warning systems for safety assurance initiatives. Based on input from potential customers, further functionality enhancements have been added including the ability to wirelessly track/manage assets and communicate data between mobile, remote, and corporate locations. Our technology is a hardware based complimented with highly configurable and field upgradeable firmware allowing Deploy Technologies the ability to rapidly respond to the evolving requirements of our Client Community.

We have recently completed version 2.1 of our hardware design and prototype production which will provide the hardware platform for our product offering. We have integrated expansion capabilities into the hardware to ease any upgrades we may wish to do in the interim of any future developments.

### USE OF PROCEEDS

We are not distributing securities pursuant to this non-offering prospectus and will receive no proceeds pursuant hereto.

RISK FACTORS – See page 31.

An investment in our common shares involves a high degree of risk, including risks related to an unproven technology and product, lack of sales, insufficient cash flow and liquidity, the ongoing need for financing, a volatile stock price, operational risks and costs, regulatory considerations and possible delays, management of growth (if any) and competition for and retention of key personnel. These categories of risk factors are not comprehensive and additional risks are disclosed elsewhere in this non-offering prospectus

FINANCIAL INFORMATION – See page 38.

The following selected, summary financial information is subject to the detailed information contained in our financial statements and related notes thereto appearing elsewhere in this non-offering prospectus. This selected, summary financial information is derived from our unaudited financial statements at and for the nine months ended April 30, 2011 and our audited financial statements at and for the fiscal years ended July 31, 2010 and July 31, 2009.

See also, “Management’s Discussion and Analysis” – See page 14

	Nine months ended April 30, 2011	Year ended July 31, 2010	Year ended July 31, 2009
Revenue	-0-	-0-	-0-
Net Income (Loss)	\$(183,801)	\$(163,716)	\$(105,000)
Earnings (Loss) per Common Share	\$(0.004)	\$(0.005)	\$(0.004)
Total Assets	\$301,708	\$56,405	\$31,152
Loans payable	\$57,887	\$52,076	\$10,141
Number of Common Shares	44,638,769	40,638,399	35,994,479
Total Liabilities	\$103,369	\$93,669	\$150,537

Unless otherwise indicated, all currency amounts herein are stated in U.S. Dollars.

## CORPORATE STRUCTURE

Our corporation was organized in 1998 in the State of Delaware, United States of America, under the name of Concept Development Group Inc. We changed our name in 2004 to “Vocalscape Inc.”, in 2005 to “Nevstar Precious Metals, Inc.” and in 2008 to Deploy Technologies Inc. On November 24, 2010, we changed our state of incorporation to Nevada from Delaware, both in the United States of America. On May 10 2011, we registered as an extra provincial company in British Columbia. We do not have any subsidiaries.

Our head office is located at 20434 64<sup>th</sup> Avenue, Langley, BC. V2Y 1N4. Our telephone number is 1-888-213-3888 and our facsimile number is 1-888-777-8099. The address of our web site is [www.deploy.ca](http://www.deploy.ca).

## DESCRIPTION OF OUR BUSINESS

### Brief overview of our business

We are a venture company engaged in designing and developing technologies and products based on our technologies for management of truck fleets by companies in freight haulage, waste haulage, mining, industrial operations and manufacturing, the military and law enforcement.

We identify our proprietary technology and primary product by the name Fleet Data Management & Weigh System. The principal and unique feature of our Fleet Data Management & Weigh System enables operators of heavy industrial hydraulic lifting equipment to weigh loads “on-the-fly” during the process of loading carrier vehicles. The load weight of trucks is important information for billing, compliance with highway and safety regulations and loading within capacity specifications. We have designed and developed our Fleet Data Management & Weigh System to provide this information, as well as much more, on a real time basis. Our Fleet Data Management & Weigh System provides the information for in-cab entry and delivers the information by wireless communication to operations and billing and for archives, to meet the needs of each particular fleet operator.

### How we acquired our technology.

On November 10, 2008, we acquired fleet management technologies from Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations in exchange for the issuance of 30,000,000 common shares valued at \$30,000. Trepped had developed the technology over a two year period. The technology is the basis of our Fleet Data Management & Weigh System. When we purchased the on-the-fly weigh component, it was in the planning and design stage.

### What our technology does.

We are developing a fleet data management and scale system to enable our target market to weigh loads prior to loading cargo into their trucks and to manage the recorded, live, fleet vehicle data at any location globally. The importance knowing weight of cargo include reducing the risks of fines due to overweight trucks, reducing risks to drivers of overhead hazards, reducing the amount of fuel consumption by reducing the amount of trips to unload the cargo, and increasing LEED environmental certification status which could lead to grants and tax credits for our clients.

Our technology consists of the use of hydraulic sensors and onboard computers as customized control and administrative software. This combination allows for the gathering and analyzing of data in order to save money and allow for specific weight billing for our clients.

The software will allow our clients to export data directly to their accounting software as well as use the data for more efficient truck deployment.

We are designing our Fleet Data Management & Weigh System products to assist operators of truck fleets to become more safe, efficient, productive and profitable in deployment of their fleet assets. Our Fleet Data Management & Weigh System products provide the following data:

- Empty weight, loaded weight and weight of load
- OBD II Data – Speed, mileage, hours, pressures, error codes, other standard vehicle data
- Load accepted or refused based on contents, reducing operator costs
- Pickup and delivery logistics including completion and approvals
- Approach Route to Asset through GPS Mapping
- Asset Locations
- Vehicle Location through tracking by global position system

These data are available through our on-board vehicle terminals and can be communicated in real time to the fleet operations center and billing department to meet the fleet operator's needs. These data can be exported from our Fleet Data Management & Weigh System to other software programs to meet the fleet operator's reporting and research requirements. Based on our conversations and site visits with several fleet operators, we have determined that many of these operators have only partial technological solutions implemented in their fleet environments. These components are included in the many features we have built into our Fleet Data Management & Weigh System. All other on-the-fly weigh solutions in use are based on load cells in different ways to achieve weighing. The load-cell technology is often inaccurate, does not provide complete data, and is much more expensive to purchase and maintain, as compared to our Fleet Data Management & Weigh System & Weigh System. Our Fleet Data Management & Weigh System & Weigh System, unlike other systems, can be integrated with or replace other solutions for fleet management, providing one overall solution as fleet operators increase their reliance on technology to improve safety, efficiency, and profitability.

We expect our Fleet Data Management & Weigh System products will save time, fuel and wear and tear on fleet assets by eliminating the need to divert a load in route to a scale house for weighing and the need to create, deliver, process and store paper records. We believe our Fleet Data Management & Weigh System can effectively increase driver and fleet utilization. When pricing is weight dependent, we expect the real-time availability of load weight data will enable immediate and, depending on level of automation of the fleet operator's billing system, automatic invoicing of customers upon delivery of the load.

If we are successful in achieving recognition and acceptance of our Fleet Data Management & Weigh System products by highway and transportation regulatory authorities across Canada and the United States of America, we believe relevant components of collected data, especially weight data, can be transmitted to highway inspection stations as part of the "PrePass" and similar systems which enable drivers to bypass governmental weigh and inspection stations. Such acceptance of our Fleet Data Management & Weigh System products could eliminate the requirement to stop for weighing and inspections, reducing transit times and increasing fuel efficiencies.

### **The need for our technology.**

We believe all truck fleet operators seek ways to maximize efficiency of asset utilization and decrease operating costs. Systems marketed by others, which have some of the features of our Fleet Data Management & Weigh System products, have achieved broad market acceptance. See, "Competition". None of these competing systems include an "on-the-fly weigh system" like Fleet Data Management & Weigh System products. Virtually all truck fleet operators have concern about load weight, whether this concern is for

customer billing, tipping fees, highway load limits and possible fines, and damage to roads, work yards and equipment. Many truck fleet operators charge customers partially or entirely based on load weight and mileage. Quick, real time availability of weight and mileage information enables faster billing and collections. Collection of electronic data eliminates paper records, with their inherent need for collection, possible loss, handling, transfer of information to electronic media and archiving. The elimination of paper records reduces time and costs.

### **How our technology is packaged and works.**

Our complete Fleet Data Management & Weigh System includes the following components – hydraulic sensors, sensor readout (proprietary computer with firmware and software) with printer, in-cab computer (proprietary computer with firmware and software) with monitor and keyboard, GPS receiver and wireless data communication transceiver and proprietary software for operations center computer. We will package our Fleet Data Management & Weigh System based on the needs of our clients. A package for a particular customer may include handheld hardware. A key component of our Fleet Data Management & Weigh System involves metering the differential in hydraulic pressure between the unloaded and loaded weight of the loading equipment, for example, a fork lift or front loader, to determine the weight of the load. This differential data is accumulated in the proprietary computer located on the loading equipment, printed when loading of a truck or trailer is complete and given to the driver who enters the total weight and other desirable information into the in-cab computer, which also collects location and operating information about the truck and trailer, for wireless transmission to the operations center and billing department. Our Fleet Data Management & Weigh System will function on any equipment using a hydraulic system to lift its load; and, in cases where weighing is not required and only data management is required, our products function without the weigh system activated.

We have designed our Fleet Data Management & Weigh System for connectivity with third party devices, including modems, radios, RFID transceivers, OBD II Vehicle Data Connections, and other connections. Third party devices utilize their own hardware and software. Even though our technology is designed for connectivity to any other device or system a fleet operator may use, we will need to provide a system specific application interface (commonly called an API) to communicate between our product and the other devices and to customize software to run on our products to suit the custom requirements of the client. We believe the ability to easily integrate other technological solutions into our Fleet Data Management & Weigh System gives us many advantages to help ease our product into the market and reduce any potential barriers.

Currently we have two models of our fleet data management system, a mobile unit and a portable unit.

## **MOBILE DATA TERMINAL**

Our mobile data terminal is designed to be mounted in the cab of a vehicle so the operator can interact with the unit to view and update information while on the job.



**Deploy Technologies Inc., Mobile Data Terminal**

The mobile data terminal has the capability to connect to almost all third party devices including communications, printers, vehicle OBD II data jacks, and any other device through built in USB and Serial connections. This unit allows a vehicle operator to view and manipulate route data as well as mapping for approach routes.

## **PORTABLE DATA TERMINAL**

Our portable data terminal is designed to be used in the field and is housed in a durable waterproof pelican or similar case. This unit is designed to be transported more often and used in different environments indoors and outdoors.



**Deploy Technologies Inc., Portable Data Terminal**

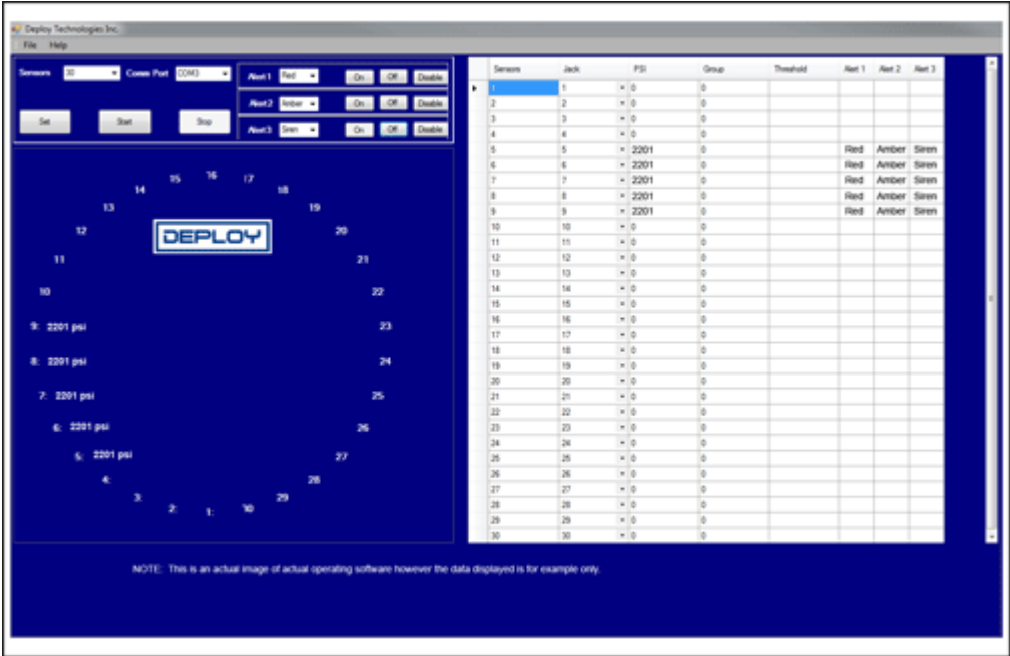
The mobile data terminal also has the capability to connect to almost all third party devices including communications, printers, vehicle OBD II data jacks, and any other device through built in USB and Serial connections. This unit does not have a built in LCD screen and is designed to connect to a laptop or other computer to view the data using our Windows based software we call Hydraulic Monitor and Alert Software.



In one case we have designed a software application which is used for lifting using multiple hydraulic jacks. The Portable Data Terminal uses our Version 2.1 Circuit Board with our Multiple Input Expansion Board. These two boards are mated together with an expansion header on each circuit board.

**HYDRAULIC MONITOR AND ALERT SOFTWARE**

Our Hydraulic Monitor and Alert Software is designed to be used with our Portable Data Terminal.

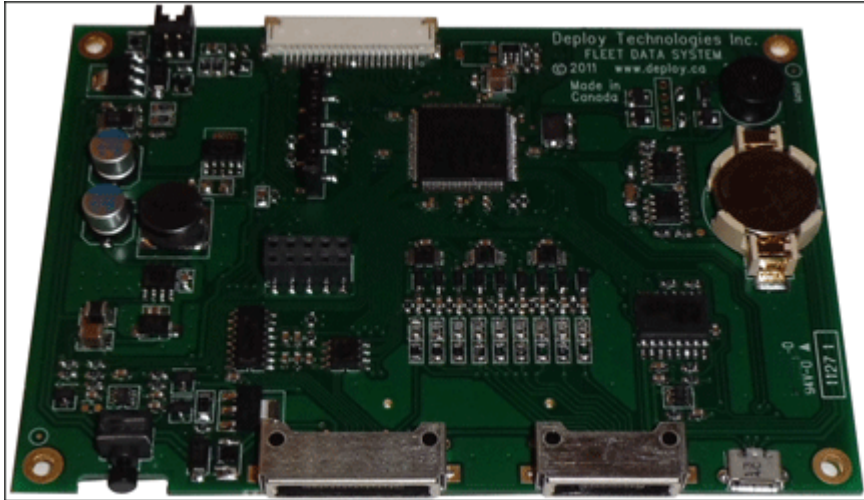


**Deploy Technologies Inc., Hydraulic Monitor and Alert Software**

This software monitors up to 30 jack inputs and can be used in environments that lift large equipment or buildings. This software has the capability built in to monitor and record data collected from sensors that are connected to each hydraulic jack. The software also monitors or triggers alerts based on predetermined pattern identifiers that a user sets in the software. An example would be, if the pressure drops on one jack more than 25psi within a given period of time, the siren will sound and the green light will be turned off and the red strobe light will be turned on. This software can be customized for any client needs and is not limited to monitoring hydraulics but any sensor that is connected to the Portable Data Terminal. The recorded data can be used for research and analysis.

## **FLEET DATA MANAGEMENT & WEIGH SYSTEM CIRCUIT BOARD V2.1**

Our proprietary Fleet Data Management & Weigh System circuit board V2.1 has many capabilities that are not mentioned in this prospectus. We have designed this board to be capable of supporting our development stage, and our market development including possibilities for expansion. We have also included an expansion slot for adding new features to the board without requiring a redesign of our primary board which could be very costly.

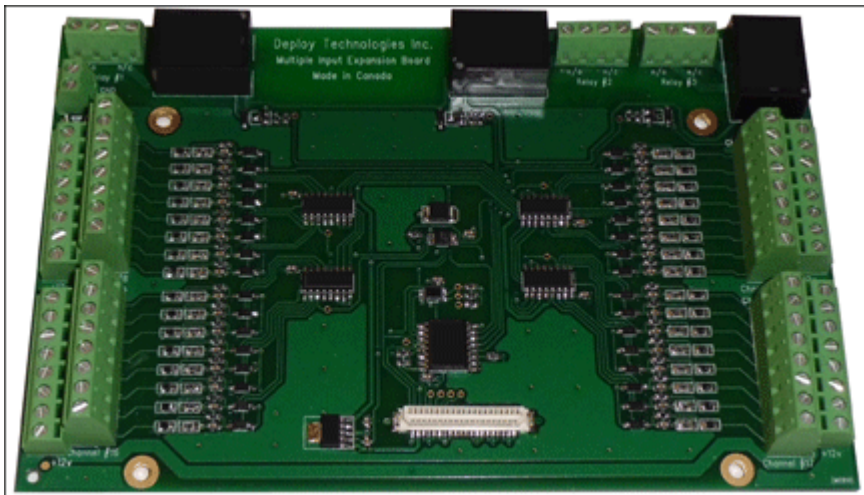


**DEPLOY TECHNOLOGIES INC., FLEET DATA MANAGEMENT & WEIGH SYSTEM V2.1**

Our Version 2.1 circuit board can be mated to any expansion board we design and develop. The primary board shown above can be mated to the Multiple Input Expansion Board below simply by mating the primary board onto the expansion board. This expansion allows us to increase the nine sensor input capability of the primary board to 41 inputs when mated with the expansion board which has thirty two inputs.

## **MULTIPLE INPUT EXPANSION BOARD**

This board includes capabilities which include triggering of alerts such as lights, sirens, and messaging. This board is the first expansion board we developed in house and is an example of the high quality development we are doing. It is the Primary V2.1 circuit board mated with this expansion board that is installed in our Portable Data Terminal.



**DEPLOY TECHNOLOGIES INC., MULTIPLE INPUT EXPANSION BOARD**

### **Development of our technology over the last three years.**

Following our acquisition in 2008 of the on-the-fly weigh system component from Trepped which is now incorporated in our Fleet Data Management & Weigh System technology, we have devoted much of our time to engineering, circuit board design and testing, firm ware and software development and testing, adding components and features, hardware selection, improving, testing and packaging of our Fleet Data Management & Weigh System technology. We have developed a first and second prototype of our Fleet Data Management & Weigh System products. We have tested both prototypes on various types of vehicles in. We have experienced delays in testing due to the need of the operators to keep the vehicles in service. We are satisfied with the results of our testing and are planning further testing as we secure more time on vehicles and add to, change and adjust the components, design and functionality of our Fleet Data Management & Weigh System technology and products.

Due to the large number of different vehicles and vehicles models that have variations in parts, our system has to be tested on each variation of vehicle before it is sold to customers to ensure it is properly calibrated for that specific vehicle. This significantly increases our testing and sales timelines.

Throughout the 2011 year, management has achieved many milestones and has now completed hardware development of the version 2.1 prototype of the Fleet Data Management and Weigh System and our multiple expansion circuit board. During the third quarter of our 2011 fiscal year we completed the product development project of our Fleet Data Management & Weigh System. Through our interactions with target clients, including successful product field tests, we have identified many companies using heavy equipment lifts that have various technologies installed, none of which are standard and few that interact or share data. We have identified this lack of technology standardization as a means of easing our weigh system into the market by adding features that allow our target clients to integrate all of their technological needs into one single product. We will present our product as a Fleet Data Management and Weight System as opposed to the previous "On-The-Fly Weigh System".

### **Our plans for marketing and sales.**

It is evident that the primary mandate for almost all of the companies we have approached is safety. Safety is a primary consideration when purchasing technologies for most industrial environments. We have therefore identified many safety benefits of our core product and plan to highlight these features alongside our productivity features.

The refuse industry, our initial target market, being a required service, is going to continue to present strong opportunities for growth for our prospects. With population growth comes infrastructure growth requirements and the large fleet invested service providers such as garbage, law enforcement and military, are primary contractors to governments, municipalities, corporations and civilians alike. A primary consideration in the decision to move into offering products and services to fleet invested corporations is the simple fact that a small margin for such large firms could present solid opportunities for growth.

The current environment remains favorable for logistics and transportation services in Canada. Our product has been designed to be very versatile, can be implemented in many different environments and able to achieve many different goals. It has been developed to address opportunities in multiple market segments outside the initial refuse collection targets. The dynamics and flexibility of our hardware and software designs enable multiple application adaptations in almost all heavy equipment applications that use hydraulics to lift are all advantages that will be marketed.

We plan to engage a market research analyst to help provide us gain insights we require into the market potentials, wherein we will define our core product line. Consequently, our marketing plan has not yet been finalized and we do not intend to engage in formal marketing campaigns for the immediate future, with the exception of our corporate website. We will market our product directly to potential clients to sell installations of custom applications and create a showcase of reliable solutions.

While each vehicle type requires independent testing, and software to support its mechanical differences, we know that not having a full solution to demonstrate as a selling tool is a limitation in our sales approach. We are currently developing two custom solutions for two clients who wish to purchase our products once they see them working. We will continue to drive our sales efforts and build relationships with prospective clients in order to prepare for broader sales initiatives.

The development of our core product has two components. The first being the Fleet Data Management & Weigh System hardware with software(firmware) designed to run the hardware, and the second being the Windows Software Application used to analyze and manage the data that is collected (Software) from the use of the Hardware. It is intended that the Hardware will be comprised of various components from which the client can select and the Software will be an annual fee based Software to continue revenues after the sale of the Hardware.

### **How we will manufacture our products and source parts and materials.**

We currently intend to continue designing and manufacturing our products in-house and in Canada. We will have our proprietary circuit boards manufactured by a certified manufacturing house in Burnaby, BC. We will purchase hardware components, such as resistors, capacitors, microcontrollers, connectors through various suppliers and assemble these components on our circuit board. We will load and burn in our proprietary firmware, load our proprietary software applications and test each unit prior to delivery. We also design and have manufactured by local machine shops, our enclosures for various applications. We will purchase other components, such as cases and cabinets, GPS receivers, wireless communications transceivers, keyboards, monitors and printers from available commercial sources. We expect hardware components to be readily available from a variety of commercial sources at competitive prices and do not expect to encounter shortages or limited supplies at any time.

Because each client will require a level of customization, we do not expect at this point mass produce or stock large quantities of inventory or third party integrate able solutions until we are required to in order to support clients sales.

Because we outsource our printed circuit board manufacturing, and use in-house consultants on an as needed basis for layout and assembly, we have reduced the requirement for staffing and equipment in these areas.

### **Who we will compete against.**

We have been developing custom applications and have yet to define our marketable product line. Our Fleet Data Management & Weigh System has many different components which in combination are unlike the competitors of which we are aware. Competing products have one circuit board for each solution, while our Fleet Data Management & Weigh System has one circuit board that is suitable for many solutions.

The combined solutions of our Fleet Data Management & Weigh System compete against different individual solutions provided by potential competitors. While this makes it difficult to identify any companies with whom we expect to compete with, some of the most likely competitors are using load cell technology for weighing purposes. Many of these companies have a longer operating history, established market presence and greater financial resources than we do. You have no assurance that one or more of them or new market entrants will not develop an effective weigh system for existing or future technology.

Once we have secured initial customer contracts, implemented solutions specific to their needs, and built up a client base, we will be better able to establish our target market based on establishing our final product offerings.

### **Protection of our intellectual property.**

Although our technology development is ongoing, we have filed a provisional patent application in order to protect our intellectual property prior to selling the product.

We have been advised by legal counsel that we may be able to obtain the protection of Canadian and United States patents for certain features of our Fleet Data Management & Weigh System technology and products. We have recently filed a provisional patent application with the United States Patent and Trademark Office. We may file additional patent applications in the United States and plan to file patent applications in Canada before making the first deliveries of our products to customers. There is no assurance that another party may not be able to engineer around our patents, if issued, or develop an alternative means of achieving substantially or adequately similar results compared to our products, without infringing any patent that we may obtain. Should we need to bring legal action for infringement of our patents, prosecution of claims can be expected to be expensive and consume substantial management time and attention which would be better devoted to our prospectus. We believe that our technology does not infringe the patents of any other party; however, should infringement claims be made against us, defense against those claims can be expected to be expensive and consume time of our management which would be better spent on our prospectus matters. And, there is no assurance we would prevail in any litigation brought by or against us.

#### **Personnel, now and who we expect to need.**

We have utilized the services of consultants on an as needed basis in order to keep our long term liabilities to a minimum. Because we have the need to move into sales we have entered into a six month agreement with one engineer who works full time at our location developing software. We currently use a number of technical consultants for hardware enclosure design and manufacture as well as schematic layout for production of circuit boards. Messrs. Eppert and Thompson are actively operating our prospectus. At the date of this non-offering prospectus, in addition to our executive personnel, we employ one person in sales and three consulting engineers, one full and two part time employees. We can better determine our future staffing requirements once we have exited development stage and achieved sales.

We have hired consultants for various technical tasks including schematic design, printed circuit board design and manufacture, and circuitry assembly, in order to complete the development of the prototype in a timely and cost effective manner. This enables the development of the core products without the cost of maintaining full time staff; however, we have hired one full time engineer for a six month period to meet our short term objectives. We expect this position to be ongoing; however, we are limiting contract terms in order to ensure we will have the capital to support the cost.

#### **Facilities, now and what we expect to need.**

We currently rent 500 square meters of warehouse space in Delta, BC on a month-to-month basis at a rate of \$1,500. We use this space for our research and development. We believe this facility provides room to grow for the next two years, without acquiring additional space, including implementation of our product assembly operations. The property owner has recently listed the property for sale and therefore we may be required to relocate if the property does sell to new owners.

### **DIVIDENDS AND DISTRIBUTIONS**

We have not paid dividends or made distributions on our common shares in the past three fiscal years and through the date of this non-offering prospectus. We have no present intention of paying dividends in the near future. We will pay dividends when, as and if declared by our board of directors. We expect to pay dividends only out of retained earnings, which there is no assurance we will have, in the event retained earnings are not required for operations and reserves. There are no restrictions in our articles of incorporation or bylaws that prevent us from declaring dividends; but, Nevada corporation law prohibits us from declaring and paying dividends if after doing so we would not be able to pay our debts as they become due in the usual course of prospectus; or our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution. We have no preferential shares authorized or outstanding.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") and also comply, in all material aspects with United States GAAP ("U.S. GAAP"). This MD&A should be read in conjunction with our financial statements and related notes appearing elsewhere herein.

### Material Items

We raised \$263,000 Canadian in a private placement of capital in the third quarter of 2011 and have been using the funds for product development, accounting reform conversion requirements, sales and marketing, regulatory filings, and preparation for an application for a listing on the CNSX.

As part of our plans to transition from product development to sales, we have filed a provisional patent application with the United States Patent and Trademark Office. We have filed Extra Provincial Registration in British Columbia in order to acquire an HST (Harmonized Sales Tax) number which is required to sell our product in British Columbia and Canada.

Shareholders' surplus amounted to \$198,339 at April 30, 2011, compared with a deficit of \$37,264 at July 31, 2010. The change in the shareholders' surplus is mainly due to the issuance of common shares in the 3<sup>rd</sup> quarter of 2011

### Overall Performance

	31 July 2010	31 July 31 2009	30 April 2011 YTD	30 April 2010 YTD	30 April 2011 Q3	30 April 2010 Q3
Total revenue	-	-	-	-	-	-
Net loss	(163,716)	(105,000)	(183,801)	(120,281)	(100,987)	(57,321)
Foreign currency translation adjustment	(10,443)	(953)	10,907	(5,684)	10,268	(10,927)
Comprehensive loss	(174,159)	(105,953)	(172,894)	(125,965)	(90,719)	(68,248)
Basic and fully diluted loss per share	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.001)
Weighted average number of shares outstanding	36,261,072	25,715,444	40,997,641	35,994,479	41,748,782	35,994,479
Cash & cash equivalents	1,991	912	101,015	2,030	101,015	2,030
Total assets	56,405	31,152	301,708	28,850	301,708	28,850
Total non-current liabilities	-	-	57,887	-	57,887	-
Dividends declared	-	-	-	-	-	-

Our financial position to date reflects our focused efforts and significant progress towards achieving our key short term objectives:

- advance the project of development of our first product; Fleet Data Management & Weigh System
- patent application in the U.S. for the Fleet Data Management & Weigh System
- continue meeting accounting reform conversion requirements
- continue to advance and meet regulatory reporting requirements: BCSC (British Columbia Securities Commission), Canada and OTC Markets
- file a prospectus for a listing on the CNSX (Canadian National Stock Exchange)
- raise private equity to facilitate funding our objectives

### Results of Operations

Fiscal years 2010, 2009 and 2008 compared.  
See tables below

The Company had no revenues during the years ended July 31, 2010 and 2009 and 2008, respectively.

Operating expenses totaled \$163,716 for the year ended July 31, 2010, compared with \$105,000 for the same period ended July 31, 2009. Expenses relating to continuing activities for the year ended July 31, 2008 were minimal – information relating to discontinued activities is given at the end of this section. The significant fluctuation from 2009 to 2010 relates to the fact that there were new operating expenses for 2010. During the year ended July 31, 2010, the Company sought to be current with its filing and regulatory obligations and as a result experienced increased expenditures for accounting services, legal services and filing services. Due to the increased activity during the fiscal year ended July 31, 2010 other administrative expenses increased.

There were no discontinued operations during the years ended July 31, 2010 and 2009. However, the Company discontinued its mining business at the end of the fiscal year ended July 31, 2008. Net loss from discontinued operations was \$80,926 for the year ended July 31, 2008. The 2008 net loss on discontinued operations included related party management fees of \$43,157 and related party consulting fees of \$36,699.

Nine months ended April 30, 2011 and 2010 compared  
See tables below

Significant expenditure increases occurred in 2011 over 2010, especially in the third quarter, relative to the product development project; accounting conversion requirements, regulatory filings and patent applications and sales initiatives. Operating activities used funds for: sales; we have completed the development project of our first product, but have not yet generated sales revenues; general and administration expenditures: accounting fees; consulting fees for accounting conversion requirements, and sales and marketing efforts; depreciation (non-cash expense); rent; dues and subscriptions; filing fees for regulatory filings and patent application.

Effective August 1, 2010, 80% of the President's and 100% of the VP Operation's salaries were included in research and development costs and capitalized. These individuals transitioned from a two year administrative turnaround to development of the Fleet Data Management & Weigh System product; exchange rate, material variation swings have occurred in exchange rates; our functional currency is the Canadian dollar and the reporting currency is the U.S. dollar

Three months ended April 30, 2011 and 2010 compared  
See tables below

More activity in 2011 over 2010 resulted in an increased net loss in the quarter ended April 30, 2011 totaling \$100,987; compared with \$57,321 for the quarter ended April 30, 2010. Many expenditures were non-operational in nature (for example; accounting conversion requirements) and one time requirements; general and administrative expenses remained relatively constant during the quarter ended April 30, 2011

Material, individual General and Administrative expense increases are reported in the following table:

<b>General and Administrative Expenses</b>	<b>Year Ended July 31,</b>		<b>Nine Months to April 30,</b>		<b>Three Months to April 30,</b>	
	<b>2010</b>	<b>2009</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Accounting fees	\$30,213	\$1,420	\$19,177	\$10,852	\$4,960	\$9,984
Consulting fees	\$22,279	\$27,640	\$110,090	\$17,502	\$72,781	\$6,122
Depreciation and amortization	\$2,666	-	\$8,705	\$1,021	\$5,447	\$1,021
Dues and subscriptions	\$5,197	\$345	\$11,111	\$3,357	\$2,543	\$1,446
Filing Fees	\$4,502	-	\$10,684	\$269	\$8,720	\$269
Management fees (recovery)	\$66,838	\$64,921	\$ (6,705)	\$52,507	\$ (13,868)	\$18,366
Rent	\$1,393	\$612	\$6,020	-	\$6,020	-

## Summary of Quarterly Results

The following is a summary of quarterly ended results in 2011 and 2010

	Three Months Ended							
	30 April 2011	31 January 2011	31 October 2010	31 July 2010	30 April 2010	31 January 2010	31 October 2009	31 July 2009
Net Loss	\$(100,987)	\$(60,607)	\$(22,207)	\$(43,435)	\$(57,321)	\$(28,731)	\$(34,229)	\$(30,282)
Foreign Currency Translation Adjustment	\$10,268	\$1,315	\$(676)	\$(4,759)	\$(10,927)	\$2,097	\$3,146	\$(8,475)
Comprehensive Loss	\$(90,719)	\$(59,292)	\$(22,883)	\$(48,194)	\$(68,248)	\$(26,634)	\$(31,083)	\$(38,757)
Basic and Fully Diluted Loss per share	\$(0.002)	\$(0.001)	\$(0.001)	\$(0.001)	\$(0.002)	\$(0.001)	\$(0.001)	\$(0.001)
Weighted average number of shares outstanding	41,748,782	40,638,499	40,638,399	37,099,588	35,994,479	35,994,479	35,994,479	25,715,444

## Liquidity and Capital Resources

We are a venture company in development stage and accordingly, we have not generated cash from operations. We finance our activities by raising capital through the equity markets.

Our cash position was \$101,015 as at April 30, 2011 compared to \$1,991 at July 31, 2010 and \$912 at July 31, 2009.

Working capital as at April 30, 2011 was \$61,988 compared to a working capital deficit of \$90,059 at July 31, 2010 and \$149,385 at July 31, 2009.

We generated significant funds in the nine months ended April 30, 2011 through equity private equity placements in the amount of \$263,000.

Cash used in operating activities during the nine months ended April 30, 2011 was \$69,006 (2010 - \$40,665). Accrued interest not yet paid, depreciation on fixed assets, shares issued for services, non-cash write-down of management fees previously owed to a prior director and changes in non-cash working capital items make up the amounts that reconcile the net loss for the nine months ended April 30, 2011 to the cash flows from operating activities.

During the nine months ended April 30, 2011, we purchased property and equipment for \$31,843 cash (2010 - \$25,027; 2009 - \$Nil) and spent additional cash of \$69,909 and \$13,819 on development of our fleet management technology and website, respectively.

Our investment policy is to keep cash treasury on deposit in an interest bearing Canadian chartered bank account. We do not hold any asset-backed commercial paper.

Capital expenditures or investing activities used funds for: consulting and deferred management fees for critical product development, design and testing; purchase of equipment and tools for product development; development of a web site for marketing purposes. We will expend funds for these activities in fiscal 2012 and do not currently have commitments for additional capital expenditures. When we begin manufacturing, warehousing and selling product, we anticipate a need at some point for leasing of facilities suitable for these purposes, as well as for a headquarters office.



## Long Term Debt

Long-term loans amount to \$57,887 at April 30, 2011 compared to \$Nil at July 31, 2010 and July 31, 2009. During the period ended April 30, 2011, we rescheduled the repayments dates for loans and is now repayable by 31 July 2012. All loans are unsecured and bear interest at 5% p.a.

<i>Contractual Obligations</i>	<b>Total</b>	<b>Less than 1 Year</b>	<b>1 – 3 Years</b>	<b>4 – 5 Years</b>	<b>After 5 Years</b>
Short-Term Debt	-	-	-	-	-
Long Term Debt	\$57,887	-	\$57,887	-	-
Capital Lease Obligations	-	-	-	-	-
Operating Leases	-	-	-	-	-
Purchase Obligations	-	-	-	-	-
Other Long Term Obligations	-	-	-	-	-
Total Contractual Obligations	\$57,887	-	\$57,887	-	-

## Off-Balance Sheet Arrangements

We do not have any off-balance sheet transactions, obligations under guaranty contracts for financing instruments, any obligations under derivative interests or any special purpose entity transactions.

## Transactions with Related Parties

See “Interest of Management and Others in Material Transactions”

## Critical Accounting Estimates

Preparation of the financial statements in conformity with accounting principles, Canadian GAAP, requires management to make estimates and assumptions regarding accounting estimates for certain amounts contained within the financial statements. We believe that each assumption and estimate is appropriate to the circumstances and represents the most likely future outcome. However, because of the uncertainties inherent in making assumptions and estimates regarding unknown future outcomes, future events may result in significant differences between estimates and actual results.

## Changes in Accounting Policies including Initial Adoption

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt International Financial Reporting Standards (“IFRS”) for financial periods beginning on and after January 1, 2011. The effective implementation date of the conversion from Canadian generally accepted accounting principles (“Canadian GAAP”) to IFRS is August 1, 2011, with an effective date of August 1, 2010 for financial statements prepared on a comparative basis. We are engaged in an assessment and conversion process which includes consultation with external consulting firms.

Our information technology, accounting and financial reporting systems are not expected to be significantly impacted.

Key area where accounting policies differ and where accounting policy decisions are necessary that will impact our reported financial position and results of operations is impairment of assets. Under IFRS, impairment tests are generally carried out using the discounted future cash flows (one step test). Write-downs to net realizable values under an impairment test can be reversed if the conditions of impairment cease to exist. Under Canadian GAAP, impairment tests are generally done on the basis of undiscounted future cash flows and impairment loss is measured as the excess of the carrying value over the discounted cash flows (two step approach). Unlike IFRS, write-downs are permanent changes in the carrying value of assets and cannot be reversed. Our financial statements will not be impacted on the changeover to IFRS based on the analysis of impairment indicators. Nevertheless, in subsequent year, IFRS could generate more impairment write-downs than Canadian GAAP since its uses a one-step test.

The transition to IFRS requires us to apply IFRS 1, "First-Time Adoption of International Financial Reporting Standards" which details the requirement for preparing IFRS-compliant financial statements in the first reporting period after the date of transition. IFRS 1 provides entities adopting IFRS for the first time with a number of optional and mandatory exemptions in certain areas to the general requirement of full retrospective application of IFRS. Based on management's analysis of the various, accounting policy choices available, IFRS 1 election relevant to us relates to property, plant and equipment. IFRS 1 allows us to elect to have fair value or revaluation amounts as the deemed cost of property, plant and equipment at the date of transition. In accordance with IFRS 1, we may elect to measure certain items of property, plant and equipment at their fair values at the date of transition. Any fair value adjustments and changes to the assessment of the related useful lives of the individual components of property, plant and equipment could impact the depreciation charges subsequent to the date of transition. We do not intend to elect to utilize this transitional provision and will record property, plant and equipment at cost upon adoption of IFRS.

### **Financial Instruments**

We classify all financial instruments as either held for trading, held to maturity, loans and receivables, available-for-sale and other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. Held for trading instruments are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

We have designated cash as held for trading, which is measured at fair value. Amounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and loans payable are classified as other financial liabilities which are measured at amortized cost. We have classified investment in another private company as available-for-sale and therefore carries it at fair market value, with the unrealized gain or loss recorded in shareholders' equity as a component of accumulated other comprehensive income. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary.

### **Going Concern (see audited statements below)**

Management cannot provide assurance that we will ultimately achieve profitability or become cash flow positive, or be able to raise additional debt and/or equity capital. However, based on its demonstrated ability to raise capital during the nine month period ended April 30, 2011, management believes our capital resources should be adequate to continue operating and maintain our prospectus strategy during fiscal 2011. However, if we are unable to raise additional capital in the future, management expects we will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. The financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classifications of liabilities that might be necessary should Deploy Technologies Inc. be unable to continue as a going concern.

### **Controls and Procedures**

Our management is responsible for establishing and maintaining a system of controls and procedures over our public disclosure of financial and non-financial information. Management is also responsible for the design and maintenance of effective internal control over financial reporting to provide reasonable assurance regarding the integrity and reliability of our financial information and the preparation of its financial statements in accordance with Canadian generally accepted accounting principles. Management maintains appropriate information systems, procedures and controls to ensure integrity of the financial statements and maintains appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.

## DESCRIPTION OF CAPITAL STRUCTRE

**We are not distributing any securities pursuant to this non-offering prospectus. We are providing the following description of our common shares for the information of public investors.**

The following description of our common stock is qualified in our entirety by reference to our Articles of Incorporation, as amended, our bylaws and Nevada corporation law. We are only authorized to issue one hundred million shares of common stock, \$0.0001 par value per share and no other class of equity securities, such as preferred stock. At the date of this prospectus, we have shares issued and outstanding. Holders of our common stock:

- have one vote per share on election of each director and other matters submitted to a vote of stockholders;
- do not have cumulative voting rights;
- have equal rights with all holders of issued and outstanding common stock to receive dividends from funds legally available therefore, if any, when, as and if declared from time to time by the board of directors;
- are entitled to share equally with all holders of issued and outstanding common stock in all of our assets remaining after payment of liabilities, upon liquidation, dissolution or winding up of our affairs;
- do not have preemptive, subscription or conversion rights; and
- do not have conversion or exchange rights
- are not subject to redemption, retraction, purchase for cancellation or surrender;
- are not subject to sinking fund or purchase provision; and
- are not subject to provisions requiring the contribution of additional capital.

### Constraints

We are not aware of any constraints imposed on the ownership of our securities to ensure that we have any required level of Canadian ownership.

### Ratings

We have not asked for or received a stability rating and we are not aware that we have received any other kind of rating.

## CONSOLIDATED CAPITALIZATION

We have not had any material change in our loan and equity capital after July 31, 2010 to the date of this non-offering prospectus. At the date of this non-offering prospectus compared to July 31, 2010, our loan capital increased to \$58,497 and our equity capital increased to \$185,325.

## OPTIONS TO PURCHASE SECURITIES

We have not issued options, warrants or similar securities to purchase our securities to any person for any purpose.

## MARKET FOR SECURITIES

### Prior Sales

Our common stock is the only class of equity security that we have authorized, issued and outstanding.

## Trading Price and Volume

Our common shares are traded in the over-the-counter securities market in the United States of America under the symbol “DPLY” and is quoted on otcmarkets.com (formerly, pink sheets.com) quotation service.

The following table sets forth the reported high and low prices and the trading volume as reported by stockwatch.com for our shares in each month the twenty-four month period prior to the date of this non-offering prospectus. These prices may not reflect commissions, discounts and markups and may not represent actual transactions.

Date	High (U.S. \$)	Low (U.S. \$)	Volume
August 2011 to date	0.40	0.19	13,296
July 2011	0.19	0.05	31,744
June 2011	0.19	0.18	51,931
May 2011	0.19	0.10	5,253
April 2011	0.19	0.08	2,500
March 2011	0.2499	0.14	34,623
February 2011	0.23	0.23	450
January 2011	0.23	0.16	20,569
December 2010	0.20	0.15	16,550
November 2010	0.20	0.11	51,049
October 2010	0.20	0.20	2,157
September 2010	0.20	0.15	8,674
August 2010*	0.17	0.09	34,907
July 2010*(1)	0.20	0.20	0

\*Cease Trade Order imposed by the British Columbia Securities Commission for delinquency in filing reports on SEDAR in effect in Canada during all or a part of the reported period.

## ESCROWED SECURITIES AND OTHER SECURITIES SUBJECT TO RESALE RESTRICTIONS

To the best of our knowledge, none of our common stock is held in escrow or is subject to contractual restrictions on transfer at the end of our most recently completed financial year and subsequent to the date thereof and the date of this non-offering prospectus.

## PRINCIPAL SHAREHOLDERS

Our principal stockholders are identified in the following table. No other director or executive officer owns any of our common shares. We do not know of any other stockholder who owns ten percent or more of our common shares.

Name	Nature of Ownership	Number of Shares	Percentage Fully Diluted
Bower, Terry T.	Record ownership	50,000	*
Dunnigan, Harold L.	Record ownership	36,000	*
Eppert, David A.	Record ownership	47,012	*
	Beneficial ownership (1)	2,000,000	4.48
	Beneficial ownership (3)	15,755,992	
Total		17,803,004	
Grewal, Harjit S.	Beneficial ownership (4)	600,000	1.34
Rehal, Kulbir S.	Record ownership	100,000	*
Thompson, Andre E.	Beneficial ownership (2)	1,000,000	2.24
	Beneficial ownership (3)	15,755,992	35.25

Total	16,755,992	37.49
All directors and officers as a group (six persons)	35,344,995	79.07

\*less than one percent.

- (1) Shares owned of record by Force Options Inc., a private company wholly-owned by Mr. Eppert.
- (2) Shares owned of record by Pacific Everand Ventures Limited, a private company owned by Mr. Thompson and his spouse.
- (3) Shares owned of record by Trepped Enterprises Inc., a private company equally by Messrs. Eppert and. Thompson.
- (4) Includes 600,000 shares owned of record by Grewal & Co. Professional Services Ltd.

The full dilution calculation is based on 44,698,769 shares issued and outstanding at the date of this non-offering prospectus

## DIRECTORS AND OFFICERS

The names of our directors and officers and other selected information is set forth in the following table.

Name Residence	Position Held Committee Membership	Age	Dates of Service *
Terry T. Bower British Columbia, Canada	Director Audit Committee (Chair)	65	October 13, 2010
Harold L. Dunnigan California, U.S.A	Director	80	October 23, 2009
David A. Eppert British Columbia, Canada	Chairman of the Board, President, Chief Executive Officer, Audit Committee (Member)	43	July 18, 2008
Harjit S. Grewal British Columbia, Canada	Director, Vice President- Corporate Development	36	February 28, 2011
Kulbir S. Rehal British Columbia, Canada	Director Audit Committee (Member)	59	October 13, 2010
Andre E. Thompson British Columbia, Canada	Director, Vice President- Operations, Chief Financial Officer	67	February 2, 2009
Charles J. M. Ward Alberta, Canada	Director Audit Committee (Member)	61	November 8, 2009

\* The date provided is the date each respective director was first elected.

Each director is elected (i) by our stockholders at our annual meeting of stockholders or (ii) by the board between our annual meeting of stockholders and serves until the next annual meeting of stockholders and until his successor is elected and qualified. We plan to hold annual meetings within 90 days from the end of our financial year end. Our officers are appointed by our board of directors.

At the date of this non-offering prospectus, our directors and officers as a group hold directly or indirectly 35,344,995 shares of our common stock, or 79.07 percent of our issued and outstanding common stock.

### Prospectus Experience of Our Directors and Officers

The following is a brief account of the education and prospectus experience during at least the past five years of each director, executive officer and key employee, indicating the person's principal occupation during that period, and the name and principal prospectus of the organization in which such occupation and employment were carried out.

**Terry T. Bower** is one of our directors and chair of the audit committee. He is a registered public accountant. From 1984 to the present, he has been employed by Jenrob & Associates as senior partner. Bachelor of Arts , University of Washington, Bellingham, WA, 1980 and RPA (registered professional accountant), University of Alberta, Edmonton, Alberta, Canada 2003.

**Harold L. Dunnigan** is one of our directors. Harold retired from 25 years teaching, following a military career January 2005. Mr. Dunnigan earned a Bachelor of Arts degree in physical education with a minor in mathematics in 1960 from California State University in Los Angeles, CA.

**David A. Eppert** is one of our directors and our president and chief executive officer beginning July 2008. In 2001 he founded and served until January 2006 as President of Think Security Corporation, a company that developed online banking security technology post-secondary Vancouver College, Vancouver, BC, Canada.

**Harjit S. Grewal (Bobby)** is one of our directors and our Vice President- Corporate Development on a part time basis. Mr. Grewal expects to devote approximately five percent of his time to our affairs. He is the founder, in 2003, and president of Grewal & Company, Chartered Accountants, located in Surrey, BC, over 400 corporate and personal clients. Mr. Grewal is also an agent of Allied Insurance Services, auto & general insurance. He earned a bachelor of prospectus administration degree (1999) from Simon Fraser University in Burnaby, BC, Canada.

**Kulbir S. Rehal** is one of our directors and a member of our audit committee. From March, 2006 to the present, Mr. Rehal has been a partner and general manager in Pacific Auto Group, a car dealership. He earned a bachelor of arts degree in economics and geography (1974) from Guru Nanak University, Amritsar, Punjab, India.

**Andre E. Thompson** is one of our directors and our vice president of operations on a part time basis. He expects to devote approximately ten percent of his time to our affairs. From January 1989 to present, Mr. Thompson is a partner and general manager of Brenson Pacific Technologies, a company providing computer and technology consulting services [more info]. He earned a Bachelor of Arts degree in mathematics and chemistry (year) from Oakwood College, Huntsville, Alabama attended graduate studies in mathematics at Andrews University, Berrien Springs, Michigan.

**Charles J. M. Ward** is one of our directors and a member of our audit committee. From January to June 2006 Mr. Ward organized the founding of LINCS, a logistics software development and consulting firm of which he has been the president from July 2006 to present. From January 1996 to December 2005, Mr. Ward was a vice president with Air France Cargo. Mr. Ward earned a bachelor of commerce degree from Dalhousie University, Halifax, Nova Scotia, Canada.

#### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Except as stated below, none of our directors and executive officers was, within the ten year period prior to the date of this non-offering prospectus, a director or officer of a company that has been subject to a cease trade order. The period covered is irrespective of whether the director or officer was in service of any such company.

- The British Columbia Securities Commission issued a cease trade order against us on July 3, 2009 for failure to file (i) interim financial statements for the periods ended October 31, 2008, January 31, 2009 and April 30, 2009, (ii) a Form 51-102F1 - *Management's Discussion and Analysis* - for the periods ended October 31, 2008, January 31, 2009 and April 30, 2009, and (iii) copies of our news releases dated November 6, 2008, February 2, 2009 and February 3, 2009, and related material change reports. The cease trade order was revoked on September 9, 2009.
- The British Columbia Securities Commission issued a cease trade order against us on December 7, 2009, for failure to file (i) comparative financial statements for the year ended July 31, 2009, (ii) a Form 51-102F1 - *Management's Discussion and Analysis* - for the year ended July 31, 2009, and (iii) a Form 51-102F2 - *Annual Information Form* - for the year ended July 31, 2009. The cease trade order was revoked on August 11, 2010.

None of our directors, officers or shareholders holding a sufficient number of our securities to affect materially control over us has been, within the ten year period prior to the date of this non-offering prospectus, either personally has been or as a director or officer of a company that has been subject to a bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any

proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. The period covered is irrespective of whether the director or officer was in service of any such company.

None of our directors, officers or shareholders holding a sufficient number of our securities to affect materially control over us has subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### Conflict of Interest

At the date of this non-offering prospectus, we believe that none of our directors and officers has a conflict or potential conflict between our interests and other interest which he may have.

## EXECUTIVE COMPENSATION

The following summary compensation table sets forth the compensation we have paid to our chief executive officer and our next highest paid officer in each of the last three fiscal years in all capacities which they serve us, including as consultants. The amounts in the table were booked as management and consulting fees paid to entities owned by the respective executive officers. We do not have any other officer whose compensation exceeds \$150,000 per year.

Name and Principal Position	Year	Cash Compensation Accrual (2)	Total
David A. Eppert (1) <i>President, Chief Executive Officer</i>	2011	\$90,603	\$90,603
	2010	\$66,838	\$66,838
	2009	\$64,921	\$64,921
	2008	\$22,437	\$22,437
Andre E. Thompson (1) <i>Vice President – Operation and Chief Financial Officer</i>	2011	\$30,201	\$30,201
	2010	\$22,279	\$22,279
	2009	\$21,640	\$21,640
	2008	\$1,870	\$1,870

(1) Mr. Eppert and Mr. Thompson have provided their executive services to us through consulting companies which they each own. Compensation has, accordingly, been booked as payments directly to those companies.

(2) To conserve cash, we have not paid any of Mr. Eppert's and Mr. Thompson's cash compensation in cash. We have satisfied our obligations to pay these amounts by issuance of our common stock, as follows:

For Mr. Eppert – 2011, 352,777 shares, 2010, 3,077,313 shares; 2009, no shares. For Mr. Thompson – 2011, 117,593; 2010, 964,300; 2009, no shares. The shares issued in 2011 relate to compensation accrued during that period. For Mr. Eppert, of the shares issued in 2010, 1,333,896 relate to compensation accrued in that year, 1,295,638 relate to compensation accrued in 2009, and the balance of 447,779 relate to 2008. For Mr. Thompson, of the shares issued in 2010, 469,187 relate to compensation accrued in that year, 455,731 relate to compensation accrued in 2009, and the balance of 39,382 relate to 2008. We valued the shares at the price we were selling shares to others at the date of issue.

Other than as set forth in the preceding table, we did not pay any cash or noncash bonuses, make any option awards, have any non-equity incentive plan, pay any nonqualified, deferred compensation or pay any other compensation to our executive officers named above.

### Compensation Strategy

We have not established a strategy for setting executive salary levels; standards we apply in setting compensation levels or what factors we intend to encourage by establishing compensation levels. We have issued shares of common stock annually to Messrs. Eppert and Thompson in lieu of cash compensation and reimbursement of expenses. When we begin sales, we expect to compensate them at levels comparable to

executive officers of companies within our class.

### **Compensation of Directors**

We do not provide compensation to our directors in their capacity as directors. Each of the directors understands that we are in development stage and each is willing to wait until we are in a better position financially to have a reasonable compensation defined. We expect to address director compensation after the 2011 year-end financial report has been completed and this non-sale prospectus is final.

### **Employment Agreements**

We do not have employment agreements with either of Mr. Eppert or Mr. Thompson.

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS**

No current or former director, executive officer or employee is indebted to us for the purchase of shares or otherwise. WE have not provided a guaranty, support agreement, letter of credit or other similar arrangement or understanding, to any other entity with respect to the indebtedness to such other entity of any current or former director, executive officer or employee.

## **AUDIT COMMITTEE**

### **Our Audit Committee Charter**

#### **PURPOSE AND AUTHORITY**

The purpose of the Audit Committee (the "Committee") is to oversee the accounting and financial reporting processes of the Company and the audits of its financial statements, and thereby assist the Board of Directors (the "Board") in monitoring (1) the integrity of the financial statements of the Company, (2) compliance by the Company with legal and regulatory requirements related to financial reporting, (3) the performance and independence of the Company's independent auditors, and (4) performance of the Company's internal controls and financial reporting process.

The Committee performs such functions as may be assigned by law, by the Company's articles or similar documents, or by the Board. The Committee has the power to conduct or authorize investigations into any matters within its scope of responsibilities, with full access to all books, records, facilities and personnel of the Company, its auditors and its legal advisors. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this charter, the Committee has the authority to independently retain special legal, accounting, or other consultants to advise it, and may request any officer or employee of the Company, its independent legal counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee has the power to create specific sub-committees with all of the power to conduct or authorize investigations into any matters within the scope of the charter of the sub-committee, with full access to all books, records, facilities and personnel of the Company, its auditors and its legal advisors. In particular, the Committee may delegate to one or more independent Committee members the authority to pre-approve non-audit services provided that the preapproval is presented to the Committee at the first scheduled meeting following such pre-approval.

The Company's independent auditor is ultimately accountable to the Board of Directors and to the Committee, who, as representatives of the Company's shareholders, have the ultimate authority and responsibility to evaluate the independent auditor, appoint and replace the independent auditor, and to determine appropriate compensation for the independent auditor. In the course of fulfilling its specific



responsibilities hereunder, the Committee must maintain free and open communication between the Company's independent auditors, Board of Directors and Company management.

The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Board. While the Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles.

## **MEMBERSHIP AND ORGANIZATION**

### ***Membership***

1. The Committee shall consist of a minimum of three members of the Board, appointed annually, the majority of whom are affirmatively confirmed as independent by the Board, with such affirmation disclosed in the Company's annual public disclosures;
2. A member of the Committee may be replaced at any time by the Board and will cease to be a member upon ceasing to be a Director of the Company;
3. The Board will elect, by a majority vote, one member as chairperson of the Committee;
4. The Committee will appoint its own secretary who need not be a Director of the Company;
5. Each member of the Committee shall be able to read and understand financial statements, including balance sheets, income statements, and cash flow statements;
7. At least one member of the Committee will be an audit committee financial expert as defined by the applicable rules set out by the SEC or any other applicable regulatory authority;
8. No director who has participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years will be eligible for membership on the Committee;
9. Any member of the Committee who serves on more than three public company audit committees must inform the Chairman of the Board who will consider and assess that member's ability to be effective on the Committee; and
10. A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Board of Directors, or any other Board committee, accept any consulting, advisory, or other compensatory fee from the Company, and may not be an affiliated person of the Company or any subsidiary thereof.

### ***Committee Meetings***

1. The Committee will meet at least quarterly or more often as may be deemed necessary or appropriate in its judgment, either in person or telephonically;
2. The Committee will meet with the independent auditor at least quarterly, either in person or telephonically;
3. Meetings may be requested by any member of the Committee, Chief Executive Officer (CEO), Chief Financial Officer (CFO) or the independent auditors;
4. The independent auditor will be notified of every Committee meeting and be permitted to appear and speak at those meetings;
5. The Committee will keep minutes of its meetings which will be provided to the Board;
6. The Committee will report its actions to the Board along with such recommendations as the Committee may deem appropriate; and
7. A majority of the members of the Committee shall constitute a quorum.

## **DUTIES & RESPONSIBILITIES**

### ***Independent Auditor***

The independent auditor reports directly to the Committee and the Committee and the Board have the authority to replace the independent auditor. With respect to its oversight of the independent auditor, the Committee shall:

1. Annually appoint the independent auditor to be proposed for shareholder approval;
2. Approve the compensation of the independent auditor;
3. Review with the independent auditor, the audit scope and plan of the independent auditor;
4. Evaluate the performance of the independent auditor and, if so determined by the Committee, replace the independent auditor;
5. Approve permissible non-audit services of the independent auditor and establish policies and procedures for their engagement for such services and to ensure that the independent auditor is not engaged to perform any activities prohibited by any of the Canadian provincial securities commissions, or any securities exchange on which the Company's shares are traded, including:
  - a. Bookkeeping or other services related to accounting records or financial statements of the Company;
  - b. Financial information systems design and implementation consulting services;
  - c. Appraisal or valuation services, fairness opinions, or contributions-in-kind reports;
  - d. Actuarial services;
  - e. Internal audit outsourcing services;
  - f. Any management or human resources function;
  - g. Broker, dealer, investment advisor, or investment banking services;
  - h. Legal services;
  - i. Expert services unrelated to the auditing service; and
  - j. Any other service the Board determines is not permitted;
6. Ensure that no individual who is, or in the past 3 years has been, affiliated with or employed by a present or former auditor of the Company or an affiliate, is hired by the Company as a senior officer, including Corporate Director, Finance, until at least 3 years after the end of either the affiliation or the auditing relationship;
7. Take reasonable steps to confirm the independence of the independent auditor, which shall include:
  - a. Ensuring receipt from the independent auditor of a formal written statement delineating all relationships between the independent auditor and the Company, consistent with the Independence Standards Board Standard No. 1 and related Canadian regulatory body standards;
  - b. Reviewing with the independent auditor any relationships or services provided to the Company, including non-audit services, that may impact the objectivity and independence of the independent auditor; and
  - c. As necessary, taking, or recommending that the Board take, other appropriate actions to oversee the independence of the independent auditor;
8. Ensure that the audit partner rotation requirements are met;
9. Confirm with management and the independent auditor that no restrictions are placed on the scope of the auditors' review and examination of the Company's accounts;
10. Discuss in private with the independent auditor matters affecting the conduct of their audit and other corporate matters; and
11. Review and discuss with management and the independent auditor at the completion of its examination, any serious difficulties or disputes with management encountered during the course of the audit or review.

### ***Financial Information Review Process***

In connection with the review of the annual audited financial statements, interim financial statements, Management Discussions and Analysis (MD&A), press releases or other financial disclosure, the Committee, as applicable, shall:

1. Review and discuss with management and the independent auditor at the completion of its annual audit and interim reviews:
  - a) The Company's audited annual or reviewed interim financial statements and related notes and the Company's accompanying MD&A;

- b) The appropriateness of the presentation of any non-GAAP and IFRS related financial information;
  - c) The adequacy of the Company's internal accounting and financial controls that management and the Board have established and the effectiveness of those systems;
  - d) Financial statement effects of significant transactions and other complex accounting issues;
  - e) The accounting policies which may be viewed as critical, including all alternative treatments for financial information within generally accepted accounting principles that have been discussed with management, and review and discuss any significant changes in the accounting policies of the Company and industry accounting and regulatory financial reporting proposals that may have a significant impact on the Company's financial reports;
  - f) Any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies; and
  - g) The management letter delivered by the independent auditor in connection with the audit;
2. Approve and recommend to the Board that the audited annual financial statements and MD&A, be approved by the Board prior to public disclosure;
  3. Approve the interim financial statements and MD&A, prior to public disclosure;
  4. Review with the Company's General Counsel, litigation and other legal matters that may have a material impact on the financial statements, the Company's financial compliance policies and any material reports or inquiries received from regulators or governmental agencies related to financial matters;
  5. Review financial press releases and earnings guidance;
  6. Review and approve all financial disclosure contained in filings with the Sedar and the Pink Sheets;
  7. Review representation letters provided by management to the independent auditor;
  8. Review minutes of all Disclosure Committee meetings of the Company; and
  9. Review the process for certification of the interim and annual financial statements, internal controls, disclosure controls and absence of any material misstatements or omissions in the required filings by the CEO and the CFO and the certifications made by the CEO and CFO.

### ***Accountability***

1. At least annually, the Committee will review and evaluate the performance of the Committee and its members and report its findings to the Board;
2. The Committee will annually review and reassess the adequacy of the Committee's Charter and recommend any proposed changes to the Board for approval; and
3. The Committee shall review and approve any Audit Committee disclosures required by securities regulators contained in the Company's disclosure documents.

### ***Other Duties & Responsibilities***

The Committee shall:

1. Review policies and procedures with respect to transactions between the Company and officers and directors, or affiliates of officers and directors, and review and approve all such transactions including those related party transactions that would be disclosed;
2. Review with management the Company's major financial risk exposures, review the Company's policies for risk assessment and risk management and assess the steps management has taken to monitor and control such risks;
3. Review the appointment of the Chief Financial Officer and any other senior financial executives involved in the financial reporting process;
4. Annually review and approve the Company's key financial policies;
5. Review and discuss with management treasury activities, and approve changes to, the Company's Corporate Treasury Policy; and
6. Annually review Board Member expenses.

## Audit Committee Composition, Relevant Education and Experience

For information about the members of our audit committee, their independence, financial literacy, relevant education and experience, see “Directors and Officers”.

## Audit Committee Oversight

Since the commencement of our most recently completed financial year, our Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

## Reliance On Certain Exemptions

Since the commencement of our most recently completed financial year, we have not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed five percent of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

## Pre-Approval Policies and Procedures

Our Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by our Board of Directors, and where applicable by the Audit Committee, on a case-by-case basis.

## External Auditor Service Fees

In the following table, the following terms have the following meanings:

- "Audit Fees" means, the aggregate fees billed by our external auditor for audit services.
- "Audit-Related Fees" means the aggregate fees billed for assurance and related services by our external auditor that are reasonably related to the performance of the audit or review of our financial statements and are not reported under “Audit Fees”.
- "Tax Fees" means the aggregate fees billed for professional services rendered by our external auditor for tax compliance, tax advice, and tax planning.
- "All Other Fees" means the aggregate fees billed for products and services provided by our external auditor, other than the services reported under “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

<b>Fiscal Year Ended</b>				
<b>July 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2009	\$Nil	\$Nil	\$Nil	\$Nil
2010	\$10,515	\$Nil	\$Nil	\$1,198

## CORPORATE GOVERNANCE

Our Board of Directors follows corporate governance policies for public companies to ensure transparency and accountability to shareholders.

Our directors who are independent are Mr. Bower; Mr. Dunnigan; Mr. Rehal; and Mr. M. Ward. We do not provide leadership for our independent directors.

Our directors who are not independent are Mr. Eppert, Mr. Grewal; and Mr. Thompson. Mr. Eppert is the chairman of our board of directors.

A majority of our directors are independent. We are using the definition of independence contained in the NASDAQ [FINRA] listing rules to determine which directors are independent and which are not.

None of our directors is a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction.

Our independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. We neither encourage nor discourage open and candid discussions among our independent directors.

Our board of directors has held 4 special discussions and 3 regular meetings, in person and by telephone, since the beginning of our most recently completed fiscal year and to the date of this non-offering prospectus. The attendance of our directors at these board meetings is set forth in the following table.

<b>Name</b>	<b>Special Discussions</b>	<b>Meetings attended</b>
Terry T. Bower	4	0
Harold L. Dunnigan	3	1
David A. Eppert	4	3
Harjit S. Grewal	3	3
Kulbir S. Rehal	4	3
Andre E. Thompson	4	3
Charles J. M. Ward	4	0

### **Board Mandate**

Our Bylaws, Article V, Section 1 define the Director, defining the duties and responsibilities of our directors, provides that:

All corporate powers shall be exercised by or under the authority of, and the prospectus and affairs of the Corporation shall be managed under the direction of, the Board of Directors, except as may otherwise be provided by the Articles of Incorporation, these Bylaws or applicable law. The Board of Directors shall make appropriate delegations of authority to the officers and, to the extent permitted by law, by appropriate resolution, the Board of Directors may authorize one or more committees to act on its behalf when it is not in session.

### **Position Descriptions**

The position descriptions of our executive officers are contained in our Bylaws, as follows:

#### **ARTICLE VIII. OFFICERS**

Section 2. Duties. The officers of the Corporation shall have the following duties.

(a) President. The President shall be the Chief Executive Officer of the Corporation, shall have general and active management of the prospectus and affairs of the Corporation subject to the directions of the Board of Directors, and shall preside at all meetings of the stockholders and Board of Directors.

(b) Vice President. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there is more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of

the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an Assistant Secretary, certificates for shares of the Corporation, and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

(c) Secretary. The Secretary shall have custody of, and maintain, all of the corporate records except the financial records; shall record the minutes of all meetings of the stockholders and Board of Directors; send out all notices of meetings; and perform such other duties as may be prescribed by the Board of Directors or the President.

(d) Treasurer. The Treasurer shall have custody of all corporate funds and financial records, shall keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of stockholders and whenever else required by the Board of Directors or the President, and shall perform such other duties as may be prescribed by the Board of Directors or the President.

### **Orientation and Continuing Education**

Our board of directors briefs all new directors with respect to the policies of the board of directors and other relevant corporate and prospectus information. The board of directors does not provide any continuing education.

### **Ethical Prospectus Conduct**

Our board of directors believes that the fiduciary duties placed on individual directors by common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the board of directors operates independently of management and in the best interests of our company.

### **Nomination of Directors**

Our board of directors is responsible for identifying individuals qualified to become new Board members and recommending to the board of directors new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general prospectus management, special expertise in an area of strategic interest to our prospectus, the ability to devote the required time, show support for our mission and strategic objectives, and a willingness to serve.

### **Compensation**

We do not have a compensation committee. Our board of directors conducts reviews with regard to the compensation of the directors and CEO once a year. To make its recommendations on such compensation, the Board takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

### **Other Board Committees**

We have an audit committee. See "Directors and Officers" and "Audit Committee". We do not have a nominating committee. Our board of directors nominates directors to stand for election at our annual meetings of stockholders or elects directors between our annual meetings of stockholders. We do not have any other committees.

### **Assessments**

Our Board facilitates its exercise of independent supervision over our management through meetings of the Board and frequent communications with management.

## PLAN OF DISTRIBUTION

We are not distributing any securities pursuant to this non-offering prospectus

We have applied to list our outstanding common shares on the Canadian National Stock Exchange. Listing will be subject to our fulfillment of all the listing requirements of the Canadian National Stock Exchange, including the issue of a receipt by the British Columbia Securities Commission covering this non-offering prospectus. There is no assurance the Canadian National Stock Exchange will approve our common shares for listing. We are not aware of any constraints imposed for any required level of Canadian ownership.

## RISK FACTORS

In addition to the forward-looking statements outlined in the preceding topic in this prospectus and other comments regarding risks and uncertainties included in the description of our prospectus and elsewhere in this prospectus, the following risk factors should be carefully considered when evaluating our prospectus. Our prospectus, financial condition or financial results could be materially and adversely affected by any of these risks. The following risk factors do not include factors or risks which may arise or result from general economic conditions that apply to all prospectuses in general or risks that could apply to any issuer or any offering.

### **Risks Associated with Prospectus**

*If we are unable to make sales of our products, which may not be market ready or for which there may be no demand, we will not be able to become a going concern and our investors can expect to lose their entire investment.*

We have not begun to market our products. We have no assurance that our products are market ready or that significant changes in our products will not be desired or requested by possible customers before we make any sales. If we are not able to make sufficient sales of our products and generate profits, we will be unable to become a going concern. If we should cease to operate for lack of sales and profitability, investors in our common stock will lose their entire investment.

*Our limited liquidity and financial resources threaten our ability to remain in the development stage and pursue our prospectus plan.*

Our liquidity and financial resources are limited. We have relied on debt and equity funding in the development of our technology and products. We do not have sufficient capital to fund future development, manufacturing and marketing of our products without more debt or equity funding. Limited availability of future funding could be expected to slow our ability to continue development of our technology and limit the inventory we can have manufactured and limit our efforts to market our products. Questions and doubts about our financial viability may discourage potential customers who would otherwise purchase our products may be discouraged from doing so because of concerns that we will continue in prospectus and be available to provide warranty coverage for or service and maintenance to our products. In the event we are not able to obtain future funding, we may cease operations, in which event investors in our common stock will lose their entire investment. The notes to our financial statements contain a "going-concern" qualification in which our auditor expresses substantial doubt about our ability to remain in prospectus

*In the event we make sales of our products on credit and are unable to collect our accounts receivable, our ability to stay in prospectus will be jeopardized.*

In the event we begin to make sales of our products on credit to customers, our accounts receivable will be concentrated in one or a few customers. If any such customers should default in payment of our accounts, the reduction in cash flow and the expenses of collection would further limit our financial resources.

*Our limited operating history makes it difficult for potential investors to evaluate the merits of purchasing our common stock.*

We are development-stage enterprise. We have not yet sold any products or earned revenues since inception through the date of this non-offering prospectus. We have incurred operating losses since inception and anticipate incurring additional losses from operating activities in the near future. Our limited operations do not provide a sufficient basis for potential investors to assess of our prospectus and prospects. Potential investors have no assurance we will be able to generate sufficient revenues from our prospectus to reach a break-even level or to become profitable in future periods. Without sufficient revenues, we may be unable to create value in our common stock, to pay dividends and to become a going concern. We are subject to the risks inherent in any new prospectus with a new product in a highly competitive marketplace. Potential investors must consider the likelihood of our success in light of the problems, uncertainties, unexpected costs, difficulties, complications and delays frequently encountered in developing and expanding a new prospectus and the competitive environment in which we operate. If we fail to successfully address these risks, our prospectus, financial condition and results of operations would be materially harmed. Our common stock should be considered a high risk investment because of our unseasoned, early stage prospectus which may likely encounter unforeseen costs, expenses, competition and other problems to which such prospectuses are often subject.

*Our key personnel lack experience in food products development, sourcing, marketing and sales, which could cause our prospectus to suffer.*

Our chief executive officer and vice president of operations have no previous experience in the development of equipment for the trucking industry. To the extent they are not able to quickly adapt to the needs of our prospectus or we are unable to hire personnel with experience in these areas, especially marketing and sales, our prospectus may suffer adversely.

*Loss of key personnel could have a material adverse effect on our operations.*

We are particularly dependent upon our current management during the period before we achieve commercially sustainable operations, of which there is no assurance. The termination of one or more members of our current management for any reason in the near future could be expected to have a materially adverse effect on us because we only have three members of management at the date of this prospectus and we believe we cannot employ replacements for them who would have their level of dedication to, vision for and financial interest in us. Furthermore, the salary and benefits required by replacements may exceed our financial resources in the foreseeable future. We do not have employment agreements with our current management at the present time.

*Voting control by management stockholders means it is unlikely investors in our common stock will be able to elect our directors and you will have little influence over our management.*

Management stockholders own directly and indirectly 34,558,996 shares, or 77.32 percent, of our issued and outstanding common stock. Each issued and outstanding share of common stock is entitled to one vote on each nominee for a directorship and on other matters presented to stockholders for approval. Our Articles of Incorporation do not authorize cumulative voting for the election of directors. Any person or group who controls or can obtain more than fifty percent of the votes cast for the election of each director, as Mr. Eppert does now, will control the election of all directors and other stockholders will not be able to elect any directors or exert any influence over management decisions. Removal of a director for any reason requires a majority vote of our issued and outstanding shares of common stock.

*If we are unable to effectively manage our growth, our ability to implement our prospectus strategy and our operating results will likely be materially adversely affected.*

Implementation of our prospectus plan will likely place a significant strain on our management, administrative, operating and financial infrastructures, which are limited to the extent they exist at all. To manage our prospectus and planned growth effectively, we must successfully develop, implement, maintain and enhance



our financial and accounting systems and controls, identify, hire and integrate new personnel and manage expanded operations. Our failure to do so could either limit our growth or cause our prospectus to fail.

*Infringement on or loss of our intellectual property protection, if we are able to obtain any, would materially impede our marketing efforts*

We may not be able to obtain patent coverage for one or more aspects of our Fleet Data Management & Weigh System. In this event, anyone could reverse engineer our product and offer a competing brand. If we obtain patent coverage, others could infringe our patents, which would require significant financial and personnel resources to pursue. And, it is possible that other may develop a significantly similar product without infringing any patent protection we may obtain.

*We intend to rely on independent manufacturers to supply our products. There is no assurance we will be able to identify and successfully contract with any manufacturers to supply our products, which could result in our failure to meet customer demand.*

We do not plan to manufacture our own products. We intend to rely on others for all of our manufacturing needs. We have not begun to investigate available and suitable manufacturers. We believe that there are a limited number of competent, high-quality manufacturers and assemblers of electronics products. Our inability to identify and to enter into a satisfactory manufacturing agreement could limit our ability to implement our prospectus plan or meet customer demand.

*We could experience increased competition from conventional truck scale facilities, as well as from others who seek to develop and market “on-the-fly weigh equipment”.*

There are virtually no barriers to entry in the commercial and industrial weighing prospectus sectors. As it is largely unregulated, we may face growing competition from any number of persons or firms who provide truck scale services. It is possible that one or more competitor could develop an “on-the-fly weigh” product to compete directly with us.

*Loss of key personnel could have a material adverse effect on our operations.*

We are particularly dependent upon our current management, and in particular, Mr. Eppert, during the period before we achieve commercially sustainable operations, of which there is no assurance. The termination of one or more members of our current management for any reason in the near future could be expected to have a materially adverse effect on us because we few members of management at the date of this non-offering prospectus and we believe we cannot employ replacements for them who would have their level of dedication to, vision for and financial interest in us. Furthermore, the salary and benefits required by replacements may exceed our financial resources in the foreseeable future. We do not have employment agreements with our current management at the present time.

*If we are unable to recruit or retain qualified personnel, it could have a material adverse effect on our operating results and stock price.*

We will need to attract and retain highly skilled personnel, including technical personnel, to accommodate our technical development plans and to replace personnel who leave. Competition for qualified personnel can be intense, and there are a limited number of people with the requisite knowledge and experience. Under these conditions, we could be unable to recruit, train, and retain employees. If we cannot attract and retain qualified personnel, it could have a material adverse impact on our operating results and stock price.

*Trading on the OTC Markets may be volatile and sporadic, which could depress the market price of our common stock and make it difficult for our stockholders to resell their shares.*

Our common stock is traded in the over-the-counter market and is quoted on the OTC Markets service and other quotation services. Trading in stock in the over-the-counter market is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with our operations or prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the over-the-counter market is not a stock exchange, and trading of securities on in the over-the-counter market is often more sporadic than the trading of securities listed on a quotation system like NASDAQ or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of the shares.

*Because we do not intend to pay any dividends on our shares, investors seeking dividend income or liquidity should not purchase our shares.*

We have not declared or paid any dividends on our shares since inception, and do not anticipate paying any such dividends for the foreseeable future. Investors seeking dividend income or liquidity should not invest in our shares.

*Because we can issue additional shares, purchasers of our shares may incur immediate dilution and may experience further dilution.*

We are authorized to issue up to 100,000,000 common shares. Our Board of Directors has the authority to cause us to issue additional shares. Consequently, our stockholders may experience more dilution in their ownership of our company in the future.

## **Other Risks**

*You may find it difficult to sell the shares you purchase.*

There is currently no market for our common stock. Our shares will only be sold by the selling stockholders if a public market develops for our stock. You have no assurance, however, how active the public market for our common stock will become or remain. It is likely that the public market for our common stock will be volatile, in that it may be subject to wide and unpredictable price and volume swings.

*"Penny stock" rules may make buying and selling our common stock difficult.*

We expect trading in our common stock will be subject to the "penny stock" rules of the Securities and Exchange Commission. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock to deliver a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer must also provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules generally require that prior to a transaction in a penny stock the broker-dealer make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for our common stock and limiting the number of broker-dealers who will accept our common stock in their customers' accounts. As a result, you may find it more difficult to sell our common stock into the public market.

*The Financial Industry Regulatory Authority, or FINRA, has adopted sales practice requirements which may also limit a stockholder's ability to buy and sell our stock.*

In addition to the "penny stock" rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their

non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

## **PROMOTERS**

We have not had a promoter during our two most recently completed fiscal years.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

We are not and were not during our most recently completed fiscal year engaged in any legal proceedings and none of our property is or was during that period the subject of any legal proceedings. We do not know of any such legal proceedings which are contemplated.

We are not and were not during our most recently completed fiscal year subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or any other penalties or sanctions imposed by a court or regulatory body or settlement agreements entered into before a court relating to securities legislation or with a securities regulatory authority.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as described below, during our three most recent fiscal years and to the date of this non-offering prospectus, we have not engaged in any transactions with our directors or executive officers or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than ten percent of any class or series of our outstanding common stock or any associate or affiliate of any of our directors and executive officers and such persons or companies within the three years before the date of this non-offering prospectus that has materially affected or is reasonably expected to materially affect us.

In 2008, we acquired the on-the-fly weigh technology from Trepped, a private company controlled by two of our directors who are our president and chief executive officer and our vice president of operations and chief financial officer, in exchange for the issuance of 30,000,000 common shares in our capital stock, valued at \$30,000.

On February 12, 2010, we borrowed \$15,581 from Pacific Everand Venture Ltd., a company owned by one of our directors and vice president of operations. We issued an unsecured promissory note originally due July 31, 2011, with simple interest at five percent per annum. We have repaid a total of \$ NIL principal amount prior to the date of this non-offering prospectus and rescheduled the maturity date July 31, 2012. The principal balance outstanding as of the date of this non-offering prospectus is \$15,581.

On July 11, 2010 we borrowed \$4,363 from Pacific Everand Venture Ltd., a company owned by one of our directors and vice president of operations. We issued an unsecured promissory note originally due July 31, 2011, with simple interest at five percent per annum. We have repaid a total of \$ NIL principal amount prior to the date of this non-offering prospectus and rescheduled the maturity date July 31, 2012. The principal balance outstanding as of the date of this non-offering prospectus is \$4,363.

During the nine month period ended April 30, 2011, we had the following transactions with related parties:

- A total of \$56,376 (2010 - \$52,507) was paid or accrued to the President of the Company
- Consulting fees of \$18,976 (2010 - \$17,502) were paid or accrued to the Vice President of Operations.
- Consulting fees of \$50,163 (2010 - \$Nil) were paid or accrued to a company controlled by the Vice President of Corporate Development.
- Accounting fees of \$11,061 (2010 - \$Nil) were paid or accrued to a company controlled by the former Chief Financial Officer.
- 470,370 common shares were issued to a company controlled by the President and the Vice President of Operations, for a total of \$47,037 related to management and consulting services rendered.
- 500,000 common shares were issued to a company controlled by the Vice President of Corporate Development for \$50,000 related to consulting services rendered.

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

### **AUDITOR**

Our auditor is James Stafford, Inc., Chartered Accountants, Suite 350, 1111 Melville Street, Vancouver, British Columbia, V6E 3V6.

### **TRANSFER AGENT AND REGISTRAR**

Our primary transfer agent and registrar is Securities Transfer Corporation, Suite 102, 2591 Dallas Parkway, Frisco, Texas, 75034 and its telephone number is 469-633-0101

Our secondary transfer agent is Valiant Trust Company, Suite 600, 750 Cambie Street, Vancouver, BC V6B 0A2 and its telephone number is (604) 699-4880.

### **MATERIAL CONTRACTS**

We did not enter into any material contracts during our most recently ended fiscal year and to the date of this non-offering prospectus. We do not have any material contracts entered into before that period which are still in effect.

### **NAMES AND INTERESTS OF EXPERTS**

Our audited financial statements included in this Prospectus have been included in reliance upon the report of James Stafford, Inc., Chartered Accountants, and upon the authority of such firm as experts in accounting and auditing.

Neither James Stafford, Inc. nor any of its associates and affiliates, has a registered or beneficial interests, direct or indirect, in any of our securities or other property or in the securities or other property of our associates or affiliates.

### **OTHER MATERIAL FACTS**

There are no material facts other than as disclosed herein.

### **RIGHTS OF WITHDRAWAL AND RECISSION**

Applicable to distributions, only.

## **LIST OF EXEMPTIONS FROM INSTRUMENT**

Except as stated below, we do not anticipate requesting any exemptions with respect to distribution or this non-offering prospectus.

On August 8, 2011, we applied for but have not yet received exemptive relief under Part 19 of NI 41-101, from the requirement under section 2.3(1) of NI 41-101 to file our prospectus ninety days from April 21, 2011, the date of the receipt for the preliminary prospectus that relates to the final prospectus.

## **WHERE YOU CAN FIND ADDITIONAL INFORMATION ABOUT US**

We file reports on the SEDAR system operated by the Canadian Securities Administrators. This non-offering prospectus does not include all of the information contained in those reports. You should refer to those reports for additional information. You can read our SEDAR filings on the Internet at [www.sedar.com](http://www.sedar.com).

**DEPLOY TECHNOLOGIES INC.**

*(A Development Stage Company)*

**INTERIM FINANCIAL STATEMENTS  
(Unaudited)**

**30 April 2011**

**(Expressed in U.S. Dollars)**

**Deploy Technologies Inc.**  
(A Development Stage Company)  
**Interim Balance Sheets**

Statement 1

(Unaudited)  
(U.S. Dollars)

<b>ASSETS</b>	As at 30 April 2011	As at 31 July 2010
<b>Current</b>		
Cash and cash equivalents	\$ 101,015	\$ 1,991
Amounts receivable	1,798	-
Prepaid expenses	4,656	1,618
Available-for-sale securities (Note 4)	1	1
	107,470	3,610
Property, plant and equipment (Note 5)	50,215	22,795
Website development costs (Note 6)	10,899	-
Deferred development costs (Note 7)	103,124	-
Fleet management technology (Note 7)	30,000	30,000
	\$ 301,708	\$ 56,405
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 45,482	\$ 41,593
Loans payable (Note 9)	-	52,076
	45,482	93,669
<b>Long Term</b>		
Loans payable (Note 9)	57,887	-
	103,369	93,669
<b>SHAREHOLDERS' DEFICIENCY</b>		
<b>Share Capital - Statement 2 (Note 10)</b>		
Authorized:		
100,000,000 common shares – Par value \$0.0001		
Issued and outstanding:		
44,638,769 (31 July 2010 – 40,638,399) common shares	4,462	4,063
<b>Additional Paid-In Capital</b>	2,091,216	1,691,578
<b>Share Subscriptions Received In Advance (Note 10)</b>	8,460	-
<b>Accumulated Other Comprehensive Income</b>	1,728	(9,179)
<b>Deficit Accumulated Prior to the Development Stage</b>	(1,455,010)	(1,455,010)
<b>Deficit Accumulated During the Development Stage</b>	(452,517)	(268,716)
	198,339	(37,264)
	\$ 301,708	\$ 56,405

**Nature and Continuance of Operations and Significant Accounting Policies (Note 1), Contingency (Note 13) and Subsequent Events (Note 14)**

ON BEHALF OF THE BOARD:

\_\_\_\_\_/s/ David A. Eppert\_\_\_\_\_, Director

\_\_\_\_\_/s/ Andre E. Thompson\_\_\_\_\_, Director

**Deploy Technologies Inc.***(A Development Stage Company)***Interim Statements of Changes in Shareholders' Equity (Deficiency)***(Unaudited)**(U.S. Dollars)*

	Share Capital		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
	Number	Amount						
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 15)	30,000,000	3,000	27,000	-	-	-	-	30,000
- Services rendered (Notes 8, 10 and 15)	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 15)	4,161,613	416	207,633	-	-	-	-	208,049
- Settlement of loans payable (Notes 9, 10 and 15)	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)	-	-	-	8,460	-	-	-	8,460
Issuance of shares for:								
- Services rendered (Notes 8, 10 and 15)	1,370,370	136	136,901	-	-	-	-	137,037
- Cash (Note 10)	2,630,000	263	262,737	-	-	-	-	263,000
Foreign currency translation adjustment	-	-	-	-	10,907	-	-	10,907
Loss for the period	-	-	-	-	-	-	(183,801)	(183,801)
Balance – 30 April 2011	44,638,769	\$ 4,462	\$ 2,091,216	\$ 8,460	\$ 1,728	\$ (1,455,010)	\$ (452,517)	\$ 198,339



**Deploy Technologies Inc.**

Statement 3

(A Development Stage Company)

**Interim Statements of Loss and Comprehensive Loss**

(Unaudited)

(U.S. Dollars)

	<b>Three Month Period Ended 30 April</b>		<b>Nine Month Period Ended 30 April</b>	
	2011	2010 (Restated)	2011	2010 (Restated)
<b>General and Administrative Expenses</b>				
Accounting and audit fees	\$ 4,960	\$ 9,984	\$ 19,177	\$ 10,852
Automobile expenses	4,948	13,472	9,257	15,381
Bank charges and interest (Note 9)	1,887	493	2,955	990
Consulting fees (Note 8)	72,781	6,122	110,090	17,502
Depreciation & amortization	5,447	1,021	8,705	1,021
Dues and subscriptions	2,543	1,446	11,111	3,357
Insurance	-	6	-	251
Filing Fees	8,720	269	10,684	269
Franchise taxes	6	196	750	196
Legal fees	2,500	2,500	2,500	2,500
Management fees (recovery) (Note 8)	(13,868)	18,366	(6,705)	52,507
Meals and entertainment	1,114	487	2,519	991
Office and miscellaneous	257	686	596	873
Postage and delivery	503	104	780	414
Printing and reproduction	-	-	45	60
Rent	6,020	-	6,020	-
Telecommunications	255	20	389	815
Transfer agent fees	2,810	1,050	4,260	3,010
Travel Expenses	131	-	695	-
Tools and equipment	-	1,098	-	4,160
<b>Loss Before Other Items</b>	<b>(101,014)</b>	<b>(57,320)</b>	<b>(183,828)</b>	<b>(115,149)</b>
<b>Other Items</b>				
Foreign exchange, net	-	(1)	-	(5,132)
Interest income	27	-	27	-
<b>Loss for the Period</b>	<b>\$ (100,987)</b>	<b>\$ (57,321)</b>	<b>\$ (183,801)</b>	<b>\$ (120,281)</b>
<b>Other Comprehensive Income</b>				
Foreign currency translation adjustment	10,268	(10,927)	10,907	(5,684)
<b>Comprehensive Loss for the Period</b>	<b>\$ (90,719)</b>	<b>\$ (68,248)</b>	<b>\$ (172,894)</b>	<b>\$ (125,965)</b>
<b>Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.002)</b>	<b>\$ (0.001)</b>	<b>\$ (0.004)</b>	<b>\$ (0.003)</b>
<b>Comprehensive Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.002)</b>	<b>\$ (0.002)</b>	<b>\$ (0.004)</b>	<b>\$ (0.003)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>41,748,782</b>	<b>35,994,479</b>	<b>40,997,641</b>	<b>35,994,479</b>

- See Accompanying Notes -

**Deploy Technologies Inc.**  
*(A Development Stage Company)*  
**Interim Statements of Cash Flows**

Statement 4

(Unaudited)

*(U.S. Dollars)*

<b>Cash Resources Provided By (Used In)</b>	<b>Three Month Period Ended 30 April</b>		<b>Nine Month Period Ended 30 April</b>	
	2011	2010 (Restated)	2011	2010 (Restated)
<b>Operating Activities</b>				
Loss for the period	\$ (100,987)	\$ (57,321)	\$ (183,801)	\$ (120,281)
Items not affecting cash:				
Accrued interest <i>(Note 9)</i>	2,534	-	3,215	-
Depreciation	5,447	1,021	8,705	1,021
Shares issued for services <i>(Notes 8, 10 and 15)</i>	118,222	-	118,222	-
Write down of management fees <i>(Notes 8 and 13)</i>	(17,540)	-	(17,540)	-
Prepaid expenses	(3,938)	(2,700)	(3,038)	(2,461)
Accounts payable and accrued liabilities	(45,816)	40,714	7,029	81,056
Amounts receivable	(1,798)	-	(1,798)	-
	<u>(43,876)</u>	<u>(18,286)</u>	<u>(69,006)</u>	<u>(40,665)</u>
<b>Investing Activities</b>				
Purchase of property, plant and equipment	(31,843)	(25,027)	(31,843)	(25,027)
Deferred development costs	(61,448)	-	(69,909)	-
Website development costs	(13,819)	-	(13,819)	-
	<u>(107,110)</u>	<u>(25,027)</u>	<u>(115,571)</u>	<u>(25,027)</u>
<b>Financing Activities</b>				
Proceeds from loans <i>(Note 9)</i>	2,000	41,908	2,000	46,793
Settlement of loans <i>(Note 9)</i>	(2,200)	(5,931)	(2,200)	(5,931)
Common shares issued for cash	263,000	-	263,000	-
Share subscriptions received in advance <i>(Note 10)</i>	(21,072)	18,541	8,460	31,632
	<u>241,728</u>	<u>54,518</u>	<u>271,260</u>	<u>72,494</u>
Effect of exchange rate changes on cash and cash equivalents	8,277	(10,927)	12,341	(5,684)
<b>Net Increase (decrease) in Cash and Cash Equivalents</b>	99,019	278	99,024	1,118
Cash and cash equivalents – Beginning of period	1,996	1,752	1,991	912
<b>Cash and Cash Equivalents - End of Period</b>	<u>\$ 101,015</u>	<u>\$ 2,030</u>	<u>\$ 101,015</u>	<u>\$ 2,030</u>

**Supplemental Disclosures with Respect to Cash Flows** *(Note 15)*

## **Deploy Technologies Inc.**

*(A Development Stage Company)*

### **Notes to Interim Financial Statements**

**30 April 2011**

(Unaudited)

*U.S. Dollars*

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#### **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 prospectus 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 A. Eppert to be President and Director of the Company. After Mr. David A. 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 prospectus 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 prospectus, and its planned principal operations have not commenced, and, accordingly, no revenue has been derived during the organization period.

At 30 April 2011, the Company had cash and cash equivalents of \$101,015 (31 July 2010 - \$1,991) and working capital surplus of \$61,988 (31 July 2010 - deficit of \$90,059). The funds on hand at 30 April 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 prospectus

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 generally accepted accounting principles ("GAAP").

**Deploy Technologies Inc.**  
(A Development Stage Company)  
**Notes to Interim Financial Statements**  
**30 April 2011**  
(Unaudited)  
U.S. Dollars

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**1. Nature and Continuation 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.

**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.

**Deploy Technologies Inc.**

(A Development Stage Company)

**Notes to Interim Financial Statements****30 April 2011**

(Unaudited)

U.S. Dollars

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**1. Nature and Continuance of Operations and Significant Accounting Policies – Continued****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 30 April 2011, the Company has deferred costs of \$30,000 related to fleet management technology (31 July 2010 – \$30,000) and \$103,124 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 15).

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.

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.

**Deploy Technologies Inc.**  
*(A Development Stage Company)*  
**Notes to Interim Financial Statements**  
**30 April 2011**  
(Unaudited)  
*U.S. Dollars*

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

**k) Financial Instrument Standards – Continued**

*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 derivative 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.

**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.

**Deploy Technologies Inc.***(A Development Stage Company)***Notes to Interim Financial Statements****30 April 2011***(Unaudited)**U.S. Dollars***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, amounts receivable, available-for-sale securities, accounts payable and loans 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	30 April 2011	31 July 2010
Available-for-sale securities <i>(Note 4)</i>	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.

**Deploy Technologies Inc.**  
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**4. Available-for-Sale Securities**

	30 April 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 Vocalscope 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**

	30 April 2011		31 July 2010	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Automobile	\$ 27,620	\$ 8,006	\$ 19,614	\$ 21,877
Tools and equipment	26,693	774	25,919	-
Furniture and office equipment	5,150	468	4,682	918
	\$ 59,463	\$ 9,248	\$ 50,215	\$ 22,795

During the nine month period ended 30 April 2011, total additions to property, plant and equipment were \$31,843 (31 July 2010 - \$25,461). The difference between net book value at 31 July 2010 and 30 April 2011 was due to additions during the period and depreciation for the period of \$5,925 offset by a foreign exchange adjustment of \$1,502.

**6. Website Development cost**

	30 April 2011		31 July 2010	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Website Development	\$ 13,819	\$ 2,920	\$ 10,899	\$ -
	\$ 13,819	\$ 2,920	\$ 10,899	\$ -

During the nine month period ended 30 April 2011, total additions to website development were \$13,819 (31 July 2010 - \$Nil). The difference between the additions and net book value of the website development cost at 30 April 2011 is due to depreciation for the period of \$2,780 offset by a foreign exchange difference of \$140.

**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 15). 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 nine month period ended 30 April 2011. The total development costs deferred during the nine month period ended 30 April 2011 is \$103,124 (31 July 2010 - \$Nil).

In November 2010, 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.



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**7. Fleet Management Technology and Deferred Development Costs – Continued**

The fleet management technology is not yet complete and amortization expense for nine month period ended 30 April 2011 is \$Nil (31 July 2010 – \$Nil) for both the purchased technology and research and development costs.

	Cost	Accumulated Amortization	30 April 2011 Net Book Value	31 July 2010 Net Book Value
Fleet management technology	\$ 30,000	\$ -	\$ 30,000	\$ 30,000
Deferred development costs	103,124	-	103,124	-
	<u>\$ 133,124</u>	<u>\$ -</u>	<u>\$ 133,124</u>	<u>\$ 30,000</u>

**8. Related Party Transactions**

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

- a) During the nine month period ended 30 April 2011, a total of \$56,376 (2010 - \$52,507) was paid/accrued to the President of the Company. Of this total amount, \$10,835 (2010 - \$52,507) has been included in management fees and \$45,541 (2010 - \$Nil) has been included in deferred development costs.
- b) During the nine month period ended 30 April 2011, consulting fees of \$18,976 (2010 - \$17,502) were paid/accrued to the Vice President of Operations of the Company and included in deferred development costs.
- c) During the nine month period ended 30 April 2011, consulting fees of \$50,163 (2010 - \$Nil) were paid/accrued to Grewal & Co. Professional Services, a company controlled by the Vice President of Corporate Development.
- d) During the nine month period ended 30 April 2011, accounting fees of \$11,061 (2010 - \$Nil) were paid/accrued to Prospectus Global Consulting Inc. (BESA), an accounting firm owned by the former Chief Financial Officer of the Company.
- e) During the nine month period ended 30 April 2011, the Company reversed the accrual of management fees of \$17,540 (2010 - \$Nil) previously due to a former director of the Company (*Note 13*).
- f) On 20 April 2011, 470,370 common shares were issued to Trepped Enterprises Inc., a company controlled by the Chief Executive Officer and Vice President of Operations of the Company, for a total of \$47,037 related to management and consulting services rendered during the nine month period ended 30 April 2011 (*Notes 10 and 15*). Of this total amount, \$18,815 was allocated to deferred development costs and \$28,222 was allocated to management and consulting fees.
- g) On 20 April 2011, 500,000 common shares were issued to Grewal & Co Professional Services for \$50,000 related to consulting services rendered during the nine month period ended 30 April 2011 (*Notes 10 and 15*).
- h) 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 15*).
- i) On 11 July 2010, the Company issued 139,089 common shares valued at \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (*Notes 9, 10 and 15*).

## **Deploy Technologies Inc.**

*(A Development Stage Company)*

### **Notes to Interim Financial Statements**

**30 April 2011**

*(Unaudited)*

*U.S. Dollars*

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#### **8. Related Party Transactions – Continued**

- j) 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 15*).
- k) 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 15*).
- l) Included in accounts payable and accrued expenses as at 30 April 2011 is \$29,228 (31 July 2010 - \$19,367) payable to related parties for management and consulting 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**

The Company rescheduled the repayment dates for loans received from an investor, prospectus associates related to the Vice President of Operations of the Company and Pacific Everand Ventures Ltd., a company related to the Vice President of Operations of the Company. The principal balance on these loans bears interest at a rate of 5% per annum, is unsecured and is now repayable by 31 July 2012. The balance as at 30 April 2011 consists of principal and accrued interest of \$54,672 (31 July 2010 - \$51,077) and \$3,215 (31 July 2010 - \$999), respectively.

During the year ended 31 July 2010, the Company issued 139,089 common shares for \$13,909 to settle short-term loans (*Notes 8, 10 and 15*).

#### **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 April 2011, 470,370 common shares were issued to Trepped Enterprises Inc., a company controlled by the Chief Executive Officer and Vice President of Operations of the Company, valued at a total of \$47,037 related to management and consulting services rendered during the nine month period ended 30 April 2011 (*Notes 8 and 15*). Of this total amount, \$18,815 was allocated to deferred development costs and \$28,222 was allocated to management and consulting fees.
- b) On 20 April 2011, 500,000 common shares were issued to Grewal & Co Professional Services valued at \$50,000 related to consulting services rendered during the nine month period ended 30 April 2011 (*Notes 8 and 15*).
- c) On 20 April 2011, 400,000 common shares valued at \$40,000 were issued for consulting services rendered during the nine month period ended 30 April 2011 (*Note 15*).
- d) On 20 April 2011, 1,635,000 common shares were issued for \$0.10 per share for cash proceeds of \$163,500.
- e) On 21 February 2011, 995,000 common shares were issued for \$0.10 per share for cash proceeds of \$99,500.

**Deploy Technologies Inc.***(A Development Stage Company)***Notes to Interim Financial Statements****30 April 2011***(Unaudited)**U.S. Dollars***10. Share Capital – Continued**

- f) During the nine month period ended 30 April 2011, the Company received \$8,460 for the purchase of common shares in the Company. As of 30 April 2011, these shares have not yet been issued.
- g) On 11 July 2010, the Company issued 139,089 common shares valued at \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (*Notes 8, 9 and 15*).
- h) On 11 July 2010, 343,218 common shares were issued for \$0.10 per share for cash proceeds of \$34,322.
- i) 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 15*).
- j) On 2 February 2009, 50,000 common shares were issued for \$0.05 per share for cash proceeds of \$2,500.
- k) 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 15*). Share certificates for which were issued during the fourth quarter ending 31 July 2009.
- l) 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 15*).
- m) 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.

**11. Income Taxes**

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

	For the nine month period ended 30 April 2011	For the nine month period ended 30 April 2010 (Restated)
Net loss for the period	\$ 183,801	\$ 120,281
Federal and state income tax rates	35%	35%
Expected income tax recovery	\$ 64,330	\$ 42,098
Permanent differences	(3,487)	(173)
Change in valuation allowance	(60,843)	(41,925)
Total income tax recovery	\$ -	\$ -

**Deploy Technologies Inc.**  
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**11. Income Taxes – Continued**

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

	As at 30 April 2011	As at 31 July 2010
Future income tax assets		
Net income tax operating loss carry forward	\$ 524,374	\$ 350,538
Statutory federal income tax rate	35%	35%
Effective income tax rate	0%	0%
Future income tax asset	183,531	122,688
Valuation allowance	(183,531)	(122,688)
Net future income tax assets	\$ -	\$ -

As at 30 April 2011, the Company has unused net operating losses for U.S. federal income tax purposes of approximately \$524,374 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	173,836
Total	\$ 524,374

**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 nine month period ended 30 April 2011 compared to the year ended 31 July 2010. The Company is not subject to externally imposed capital requirements.

**13. Contingency**

During the nine month period ended 30 April 2011, the Company wrote off amounts due to related parties of \$17,540 related to the Company's former director. Management does not consider that these amounts are payable. This write down has been recorded as a recovery of expenses and a decrease in accounts payable and accrued liabilities (*Note 8*).

**Deploy Technologies Inc.***(A Development Stage Company)***Notes to Interim Financial Statements****30 April 2011***(Unaudited)**U.S. Dollars***14. Subsequent Events**

The following events occurred during the period from the nine month period ended 30 April 2011 to the date the financial statements were available to be issued on 14 June 2011:

- a) On 10 May 2011, the Company registered as an extraprovincial company under the Prospectus Corporations Act of British Columbia.
- b) Subsequent to the nine month period ended 30 April 2011, the Company received share subscriptions in advance of \$76,160 for the purchase of common shares in the Company. These shares have not yet been issued.

**15. Supplemental Disclosures with Respect to Cash Flows**

	<u>Nine Month Period Ended 30 April</u>	
	2011	2010
Cash paid during the period for interest	\$ -	-
Cash paid during the period for income taxes	\$ -	-

On 20 April 2011, the Company issued 470,370 common shares valued at \$47,037 to Trepped Enterprises Inc., a company controlled by the President and Vice President of Operations of the Company, for management and consulting services rendered during the nine month period ended 30 April 2011 (*Notes 8 and 10*).

On 20 April 2011, the Company issued 500,000 common shares valued at \$50,000 to Grewal & Co. Professional Services, a company controlled by the Vice President of Corporate Development for consulting services rendered during the nine month period ended 30 April 2011 (*Notes 8 and 10*).

On 20 April 2011, the Company issued 400,000 (31 July 2010 - Nil) common shares valued at \$40,000 (31 July 2010 - \$Nil) for consulting services rendered during the nine month period ended 30 April 2011 (*Note 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 – 2,271,333) with a fair value of \$6,000 (2009 - \$68,140) to a former director and officer of the Company for 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 prospectus 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 3,111,333 common shares (2008 – Nil) with a fair value of \$93,340 (2008 - \$Nil) to a former director and officer of the Company for management fees incurred in a prior year (*Notes 8 and 10*).

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*).

**Deploy Technologies Inc.**  
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**16. Segmented Information**

Details on a geographic basis as at 30 April 2011 are as follows:

	U.S.A	Canada	Total
Assets	\$ -	\$ 301,708	\$ 301,708
Fleet management technology	\$ -	\$ 30,000	\$ 30,000
Deferred development costs	\$ -	\$ 103,124	\$ 103,124
Loss for the period	\$ -	\$ (183,801)	\$ (183,801)

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

	U.S.A	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:

	U.S.A	Canada	Total
Assets	\$ -	\$ 31,152	\$ 31,152
Fleet management technology	\$ -	\$ 30,000	\$ 30,000
Loss for the year	-	(105,000)	(105,000)

**17. 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 30 April 2011 and 2010.

**b) Recent 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.

**Deploy Technologies Inc.**  
*(A Development Stage Company)*  
**Notes to Interim Financial Statements**  
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**17. Differences Between Canadian and United States GAAP – Continued**

b) **Recent Accounting Pronouncements – Continued**

In March 2010, the FASB issued ASU No. 2010-11, "Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives" (codified within ASC 815 - Derivatives and Hedging). ASU 2010-11 improves disclosures originally required under Statement of Financial Accounting Standards No. 161. ASU 2010-11 is effective for interim and annual periods beginning after 15 June 2010. The adoption of ASU 2010-11 is not expected to have any material impact on our financial position, results of operations or cash flows.

In April 2010, the FASB issued ASU No. 2010-17, "Revenue Recognition - Milestone Method (Topic 605): Milestone Method of Revenue Recognition" (codified within ASC 605 - Revenue Recognition). ASU 2010-17 provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. ASU 2010-17 is effective for interim and annual periods beginning after 15 June 2010. We do not expect that the adoption of ASU 2010-17 will have a material impact on the Company's financial position, results of operations or cash flows.

**DEPLOY TECHNOLOGIES INC.**

*(A Development Stage Company)*

**FINANCIAL STATEMENTS**

**31 July 2010 and 2009**

**(Expressed in U.S. Dollars)**



# JAMES STAFFORD

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## **Independent Auditors' Report**

### **To the Directors of Deploy Technologies Inc.**

We have audited the balance sheets of **Deploy Technologies Inc.** (the "Company") as at 31 July 2010 and 2009 and the statements of loss and comprehensive loss, cash flows and changes in shareholders' deficiency for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at 31 July 2010 and 2009 and the results of its operations, its cash flows and its changes in shareholders' deficiency for the years then ended in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada

•  
**Chartered Accountants**

14 September 2010, except as to Note 12 which is as of 12 August 2011

**Deploy Technologies Inc.**  
(A Development Stage Company)

Statement 1

**Balance Sheets**

**As at 31 July**  
(U.S. Dollars)

<b>ASSETS</b>	2010	2009 (Restated)
<b>Current</b>		
Cash and cash equivalents	\$ 1,991	\$ 912
Prepaid expenses	1,618	239
Available-for-sale securities (Note 4)	1	1
	3,610	1,152
Property, plant and equipment (Note 5)	22,795	-
Fleet management technology (Note 6)	30,000	30,000
	\$ 56,405	\$ 31,152
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 41,593	\$ 140,396
Loans payable (Note 8)	52,076	10,141
	93,669	150,537
<b>SHAREHOLDERS' DEFICIENCY</b>		
<b>Share Capital – Statement 2 (Note 9)</b>		
Authorized:		
100,000,000 common shares – Par value \$0.0001 (Note 12a)		
Issued and outstanding:		
40,638,399 (31 July 2009 – 35,994,479) common shares	4,063	3,599
<b>Additional Paid-In Capital</b>	1,691,578	1,435,762
<b>Accumulated Other Comprehensive Income (Loss)</b>	(9,179)	1,264
<b>Deficit Accumulated Prior to the Development Stage</b>	(1,455,010)	(1,455,010)
<b>Deficit Accumulated During the Development Stage</b>	(268,716)	(105,000)
	(37,264)	(119,385)
	\$ 56,405	\$ 31,152

**Nature and Continuance of Operations and Significant Accounting Policies (Note 1) and Subsequent Events**  
(Note 12)

ON BEHALF OF THE BOARD:

\_\_\_\_\_  
/s/ David A. Eppert                      Director

\_\_\_\_\_  
/s/ Andre E. Thompson                 Director

**Deploy Technologies Inc.***(A Development Stage Company)***Statement 2****Statements of Changes in Shareholders' Deficiency***(U.S. Dollars)*

	Share Capital		Additional Paid-in Capital	Other Comprehensive Income (Loss)	Deficit Accumulated Prior to the Development Stage	Deficit Accumulated During the Development Stage	Total
	Number	Amount					
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 <i>(Notes 6, 9 and 13)</i>	30,000,000	3,000	27,000	-	-	-	30,000
- Services rendered <i>(Notes 7, 9 and 13)</i>	5,382,666	538	160,942	-	-	-	161,480
- Cash <i>(Note 9)</i>	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 <i>(Notes 7, 9 and 13)</i>	4,161,613	416	207,633	-	-	-	208,049
- Settlement of loans payable <i>(Notes 8, 9 and 13)</i>	139,089	14	13,895	-	-	-	13,909
- Cash <i>(Note 9)</i>	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)

- See Accompanying Notes -

**Deploy Technologies Inc.**

Statement 3

(A Development Stage Company)

**Statements of Loss and Comprehensive Loss**

(U.S. Dollars)

	Years Ended 31 July	
	2010	2009 (Restated)
<b>General and Administrative Expenses</b>		
Accounting fees	\$ 30,213	\$ 1,420
Automobile expenses	5,660	568
Bank charges and interest (Note 8)	2,124	540
Consulting fees (Note 7)	22,279	27,640
Depreciation	2,666	-
Dues and subscriptions	5,197	345
Filing fees	4,502	-
Insurance	708	162
Legal fees	5,000	-
Management fees (Note 7)	66,838	64,921
Meals and entertainment	1,312	497
Office and miscellaneous	2,571	953
Rent	1,393	612
Telecommunications	778	-
Transfer agent fees	5,077	4,465
Tools and equipment	6,071	2,877
Travel	1,327	-
<b>Loss for the Year</b>	\$ (163,716)	\$ (105,000)
<b>Other Comprehensive Income (Loss)</b>		
Foreign currency translation adjustment	(10,443)	(953)
<b>Comprehensive Loss for the Year</b>	\$ (174,159)	\$ (105,953)
<b>Loss and Comprehensive Loss per Share - Basic and Fully Diluted</b>	\$ (0.005)	\$ (0.004)
<b>Weighted Average Number of Shares Outstanding</b>	36,261,072	25,715,444

- See Accompanying Notes -

**Deploy Technologies Inc.**  
(A Development Stage Company)  
**Statements of Cash Flows**  
(U.S. Dollars)

Statement 4

	<b>Years Ended 31 July</b>	
	2010	2009 (Restated)
<b>Cash Resources Provided By (Used In)</b>		
<b>Operating Activities</b>		
Loss for the year	\$ (163,716)	\$ (105,000)
Items not affecting cash:		
Accrued interest (Note 8)	999	73
Depreciation	2,666	-
Common shares issued for service (Note 9)	89,117	-
Prepaid expenses	(1,379)	(239)
Accounts payable and accrued liabilities	20,129	94,447
	<u>(52,184)</u>	<u>(10,719)</u>
<b>Investing Activities</b>		
Purchase of property, plant and equipment (Note 5)	(25,461)	-
<b>Financing Activities</b>		
Proceeds from issuance of common shares (Note 9)	34,322	2,500
Proceeds from loans (Note 8)	62,120	14,709
Settlement of loans (Note 8)	(7,275)	(4,641)
	<u>89,167</u>	<u>12,568</u>
Effect of exchange rate changes on cash and cash equivalents	(10,443)	(953)
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,079</b>	<b>896</b>
Cash and cash equivalents – Beginning of year	912	16
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 1,991</b>	<b>\$ 912</b>

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

**Deploy Technologies Inc.**

*(A Development Stage Company)*

**Notes to Financial Statements****31 July 2010 and 2009**

*(U.S. Dollars)*

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**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 prospectus 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 prospectus 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.

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 prospectus, and its planned principle operations have not commenced, and, accordingly, no revenue has been derived during the organization period.

At 31 July 2010, the Company had cash and cash equivalents of \$1,991 (2009 - \$912) and working capital deficit of \$90,059 (2009 - \$149,385). The funds on hand at 31 July 2010 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 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 prospectus

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, 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 the future.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the 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 generally accepted accounting principles ("GAAP").

**Deploy Technologies Inc.**

*(A Development Stage Company)*

**Notes to Financial Statements**

**31 July 2010 and 2009**

*(U.S. Dollars)*

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**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 year covering the financial statement year 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 year.

**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 year. 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.

**Deploy Technologies Inc.**

(A Development Stage Company)

**Notes to Financial Statements****31 July 2010 and 2009**

(U.S. Dollars)

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**1. Nature and Continuance of Operations and Significant Accounting Policies – Continued****h) 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 July 2010, the Company has deferred costs of \$30,000 related to fleet management technology (2009 – \$30,000) (Notes 6, 7, 9 and 13).

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.

**i) Management's Estimates**

The preparation of financial statements in conformity with GAAP 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.

**j) 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.

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.



**Deploy Technologies Inc.**  
*(A Development Stage Company)*  
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**1. Nature and Continuance of Operations and Significant Accounting Policies – Continued**

**j) Financial Instrument Standards – Continued**

*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 derivative 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.

**k) International Financial Reporting Standards ("IFRS")**

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after 1 January 2011. The transition date of 1 January 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended 31 July 2011. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The Company has developed the framework of a plan for IFRS convergence and has started the implementation process. Detailed analysis of the differences between IFRS and the Company's accounting policies and assessment of the various alternatives for first time adoption of IFRS are in progress. Management's assessment to date indicates that there will be revisions to the Company's disclosures on adoption of IFRS, but there will be no major financial impact or accounting policy or procedural changes.

**l) Comparative Figures**

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

**Deploy Technologies Inc.**  
*(A Development Stage Company)*  
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**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 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	2010	2009 (Restated)
Available-for-sale securities <i>(Note 4)</i>	Level 1	\$ 1	\$ 1

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

**Deploy Technologies Inc.**  
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**4. Available-for-Sale Securities**

	31 July 2010		31 July 2009 (Restated)	
	Cost	Fair Value	Cost	Fair Value
Kaleidoscope 5,694 (2009 – 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 (2007 – 5,694).

**5. Property, Plant and Equipment**

	Cost	Accumulated Depreciation	31 July	
			2010 Net Book Value	2009 (Restated) Net Book Value
Automobile	\$ 24,489	\$ 2,612	\$ 21,877	\$ -
Furniture and office equipment	972	54	918	-
	\$ 25,461	\$ 2,666	\$ 22,795	\$ -

During the year ended 31 July 2010, total additions to property, plant and equipment were \$25,461 (2009 - \$Nil).

**6. Fleet Management Technology**

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 7, 9 and 13*). 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 is not yet complete and amortization expense for year ended 31 July 2010 was \$Nil (2009 – \$Nil).

	Cost	Accumulated amortization	Net Book Value	
			31 July 2010	31 July 2009 (Restated)
Fleet management technology	\$ 30,000	\$ -	\$ 30,000	\$ 30,000

**7. Related Party Transactions**

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

- During the year ended 31 July 2010, management fees of \$66,838 (2009 - \$64,921) were paid/accrued to the President of the Company.
- During the year ended 31 July 2010, consulting fees of \$22,279 (2009 - \$21,640) were paid/accrued to the Vice President of Operations of the Company.

**Deploy Technologies Inc.**

(A Development Stage Company)

**Notes to Financial Statements****31 July 2010 and 2009**

(U.S. Dollars)

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**7. Related Party Transactions – Continued**

- c) During the year ended 31 July 2010, consulting fees of \$Nil (2009 - \$6,000) were paid/accrued to a former officer and director of the Company.
- d) 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 (Notes 9 and 13).
- e) 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 9 and 13).
- f) 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 6, 9 and 13).
- g) On 11 July 2010, the Company issued 139,089 common shares valued at \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (Notes 7, 8 and 13).
- h) Included in accounts payable as at 31 July 2010 is \$19,367 (2009 - \$136,432) payable to related parties for management and consulting 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.

**8. Loans Payable**

During the year ended 31 July 2010, the Company received loans from investors, Pacific Everand Ventures Ltd., a company related to the Vice President of Operations of the Company and a prospectus associate 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 repayable by 31 July 2011. The balance as at 31 July 2010 consists of principal and accrued interest of \$46,995 (2009 - \$Nil) and \$988 (2009 - \$Nil), respectively.

During the year ended 31 July 2010, the Company received 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 repayable by 15 September 2010. The balance as at 31 July 2010 consists of principal and accrued interest of \$4,082 (2009 - \$Nil) and \$11 (2009 - \$Nil), respectively.

During the year ended 31 July 2010, the Company issued 139,089 common shares for \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (Notes 7, 9 and 13).

During the year ended 31 July 2009, the Company received loans from prospectus associates 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 repayable by 31 July 2010. The balance as at 31 July 2010 consists of principal and accrued interest of \$Nil (2009 - \$9,140) and \$Nil (2009 - \$73), respectively.

During the year ended 31 July 2009, the Company received a loan from the President of the Company. The principal balance is non-interest bearing, unsecured and has no fixed terms of repayment. The balance as at 31 July 2010 consists of principal of \$Nil (2009 - \$928).

(A Development Stage Company)

## Notes to Financial Statements

31 July 2010 and 2009

(U.S. Dollars)

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### 9. Share Capital

The Company's authorized share capital is 100,000,000 common shares with \$0.0001 par value per share (*Note 12a*). 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 6, 7 and 13).
- 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 7 and 13). 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.
- 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 (Notes 7 and 13).
- f) On 11 July 2010, the Company issued 139,089 common shares valued at \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (Notes 7, 8 and 13).
- g) On 11 July 2010, 343,218 common shares were issued for \$0.10 per share for cash proceeds of \$34,322.

### 10. Income Taxes

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

	2010	2009 (Restated)
Net loss for the year	\$ 163,716	\$ 105,000
Federal and state income tax rates	35%	35%
Expected income tax recovery	\$ 57,301	\$ 36,750
Permanent differences	(230)	(87)
Change in valuation allowance	(57,071)	(36,663)
Total income tax recovery	\$ -	\$ -

**Deploy Technologies Inc.**  
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**10. Income Taxes – Continued**

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

	2010	2009 (Restated)
Future income tax assets		
Net income tax operating loss carry forward	\$ 353,204	\$ 187,478
Statutory federal income tax rate	35%	35%
Effective income tax rate	0%	0%
Future income tax asset	122,688	65,617
Valuation allowance	(122,688)	(65,617)
Net future income tax assets	\$ -	\$ -

As at 31 July 2010, the Company has unused net operating losses for U.S. federal income tax purposes of approximately \$350,538 that are available to offset future taxable income, which, if unutilized, will expire as follows:

2028	\$ 82,726
2029	104,752
2030	163,060
<b>Total</b>	<b>\$ 350,538</b>

**11. 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 year ended 31 July 2010 compared to the year ended 31 July 2009. The Company is not subject to externally imposed capital requirements.

**Deploy Technologies Inc.**

*(A Development Stage Company)*

**Notes to Financial Statements**

**31 July 2010 and 2009**

*(U.S. Dollars)*

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**12. Subsequent Events**

The following events occurred during the period from the year ended 31 July 2010 to the date the financial statements were available to be issued on 29 July 2011:

- a) On 15 September 2010, the Company reduced the number of authorized share capital from 500,000,000 to 100,000,000 (*Note 9*).
- b) Effective 15 September 2010, the Company completed a merger with its wholly-owned subsidiary, Deploy Acquisition, which was incorporated solely for the purpose to promote and carry on any lawful prospectus under the laws of the State of Nevada. The Company entered into an Agreement of Merger, whereby the Company shall cease and terminate upon filing of the Articles of Merger with the Delaware Secretary of State and Deploy Acquisition shall continue as the surviving company except that the company name shall be Deploy Technologies Inc. The terms of the Agreement of Merger are summarized as follows:
  - i. The issued and outstanding securities of Deploy Acquisition shall be cancelled and extinguished;
  - ii. The issued and outstanding common shares of the Company shall be automatically converted into and become the issued and outstanding stock of Deploy Acquisition;
  - iii. The directors and management of the Company shall automatically become the directors and management of Deploy Acquisition;
  - iv. The obligations of Deploy Acquisition and the Company existing prior to the merger shall be unaffected by the merger; and
  - v. The obligations of the Company existing prior to the merger shall be unaffected by the merger and by operation of law become obligations of Deploy Acquisition, including, but not limited to:
    - 1) Obligations, contracts and agreements wholly or partially unperformed on the date of the merger;
    - 2) Advances, loans, notes, debts, bonds, debentures and other obligations for money borrowed outstanding on the date of the merger; and
    - 3) Commitments, obligations, contracts and agreements to issue shares of common shares outstanding on the date of the merger.
- c) On 21 February 2011, the Company issued 995,000 common shares for cash proceeds of \$99,500.
- d) On 20 April 2011, the Company issued 970,370 common shares of the Company to settle amounts due to related parties of \$97,037. Of this amount, \$47,037 was payable to a company controlled by the President and the Vice President of Operations, and \$50,000 was payable to the Vice President of Corporate Development.
- e) On 20 April 2011, the Company issued 400,000 common shares of the Company valued at \$40,000 for consulting services.
- f) On 20 April 2011, the Company issued 1,635,000 common shares for cash proceeds of \$163,500.
- g) Subsequent to the year ended 31 July 2010, the Company received share subscriptions in advance of \$84,620 for the purchase of common shares in the Company. These shares have not yet been issued.

**Deploy Technologies Inc.***(A Development Stage Company)***Notes to Financial Statements****31 July 2010 and 2009***(U.S. Dollars)***13. Supplemental Disclosures with Respect to Cash Flows**

	Years Ended 31 July	
	2010	2009 (Restated)
Cash paid during the year for interest	\$ 292	-
Cash paid during the year 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 6, 7 and 9*).

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 (*Notes 7 and 9*).

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 7 and 9*).

On 11 July 2010, the Company issued 139,089 common shares for \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company (*Notes 7, 8 and 9*).

**14. Segmented Information**

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

	U.S.A	Canada	Total
Assets	\$ -	\$ 56,405	\$ 56,405
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:

	U.S.A	Canada	Total
Assets	\$ -	\$ 31,152	\$ 31,152
Fleet management technology	\$ -	\$ 30,000	\$ 30,000
Loss for the year	\$ -	\$ (105,000)	\$ (105,000)

Details on a geographic basis as at 31 July 2008 are as follows:

	U.S.A	Canada	Total
Assets	\$ -	\$ 17	\$ 17
Loss for the year	\$ -	\$ (83,725)	\$ (83,725)



**Deploy Technologies Inc.**

*(A Development Stage Company)*

**Notes to Financial Statements****31 July 2010 and 2009**

*(U.S. Dollars)*

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**15. 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) 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.

**Deploy Technologies Inc.**

(A Development Stage Company)

**Notes to Financial Statements****31 July 2010 and 2009**

(U.S. Dollars)

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**15. Differences Between Canadian and U.S. GAAP – Continued****a) Changes in Accounting Policies – Continued**

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.

**b) 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.

**DEPLOY TECHNOLOGIES INC.**  
**(Formerly known as NEVSTAR PRECIOUS METALS INC.)**

*(A Development Stage Company)*

**FINANCIAL STATEMENTS**  
**(Amended and Restated)**

**31 July 2009 and 2008**

**(Expressed in U.S. Dollars)**

# JAMES STAFFORD

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## **Independent Auditors' Report**

### **To the Directors of Deploy Technologies Inc. (Formerly known as Nevstar Precious Metals Inc.)**

We have audited the balance sheets of **Deploy Technologies Inc.** (formerly known as Nevstar Precious Metals Inc.) (the "Company") as at 31 July 2009 and 2008 and the statements of loss and comprehensive loss, cash flows and changes in shareholders' deficiency for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at 31 July 2009 and 2008 and the results of its operations, its cash flows and its changes in shareholders' deficiency for the years then ended in accordance with Canadian generally accepted accounting principles.

As discussed in Note 16, the accompanying financial statements have been restated.

Vancouver, Canada

•  
**Chartered Accountants**

14 September 2010, except as to Note 12 which is as of 12 August 2011

**Deploy Technologies Inc.**Statement 1

(Formerly known as Nevstar Precious Metals Inc.)

*(A Development Stage Company)***Balance Sheets****As at 31 July***(U.S. Dollars)*

<b>ASSETS</b>	2009 (Restated)	2008 (Restated)
<b>Current</b>		
Cash and cash equivalents	\$ 912	\$ 16
Prepaid expenses	239	-
Available-for-sale securities <i>(Note 4)</i>	1	1
	1,152	17
Fleet management technology <i>(Note 5)</i>	30,000	-
	\$ 31,152	\$ 17
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities <i>(Note 6)</i>	\$ 140,396	\$ 207,429
Loans payable <i>(Note 7)</i>	10,141	-
	150,537	207,429
<b>SHAREHOLDERS' DEFICIENCY</b>		
<b>Share Capital - Statement 2 (Note 8)</b>		
Authorized:		
100,000,000 common shares – Par value \$0.0001 <i>(Note 12e)</i>		
Issued and outstanding:		
35,994,479 (31 July 2008 – 561,813) common shares	3,599	56
<b>Additional Paid-In Capital</b>	1,435,762	1,245,325
<b>Accumulated Other Comprehensive Income</b>	1,264	2,217
<b>Deficit Accumulated Prior to the Development Stage</b>	(1,455,010)	(1,455,010)
<b>Deficit Accumulated During the Development Stage</b>	(105,000)	-
	(119,385)	(207,412)
	\$ 31,152	\$ 17

**Nature and Continuance of Operations and Significant Accounting Policies (Note 1) and Subsequent Events (Note 12)**

ON BEHALF OF THE BOARD:

\_\_\_\_\_  
/s/ David A. Eppert , Director

\_\_\_\_\_  
/s/ Andre E. Thompson , Director

**Deploy Technologies Inc.**

(Formerly known as Nevstar Precious Metals Inc.)

(A Development Stage Company)

**Statements of Changes in Shareholders' Deficiency**

(U.S. Dollars)

	Share Capital		Additional Paid-in Capital	Other Comprehensiv e Income	Deficit Accumulated Prior to the Development Stage	Deficit Accumulated During the Development Stage	Total
	Number	Amount					
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 , 5, 6, 8 and 13)	30,000,000	3,000	27,000	-	-	-	30,000
- Services rendered (Notes 6, 8 and 13)	5,382,666	538	160,942	-	-	-	161,480
- Cash (Note 8)	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)

**Deploy Technologies Inc.**Statement 3

(Formerly known as Nevstar Precious Metals Inc.)

*(A Development Stage Company)***Statements of Loss and Comprehensive Loss***(U.S. Dollars)*

	<b>Years Ended 31 July</b>	
	2009 (Restated)	2008 (Restated)
<b>General and Administrative Expenses</b>		
Accounting fees	\$ 1,420	\$ -
Automobile expenses	568	-
Bank charges and interest <i>(Note 7)</i>	540	-
Consulting fees <i>(Note 6)</i>	27,640	-
Dues and subscriptions	345	-
Insurance	162	-
Management fees <i>(Note 6)</i>	64,921	-
Meals and entertainment	497	-
Office and miscellaneous	953	-
Rent	612	-
Transfer agent fees	4,465	1,800
Tools and equipment	2,877	-
Write-down of investment <i>(Note 4)</i>	-	999
<b>Loss From Continuing Operations</b>	<b>\$ (105,000)</b>	<b>\$ (2,799)</b>
<b>Loss From Discontinued Operations</b> <i>(Note 11)</i>	<b>\$ -</b>	<b>\$ (80,926)</b>
<b>Loss for the Year</b>	<b>\$ (105,000)</b>	<b>\$ (83,725)</b>
<b>Other Comprehensive Income (Loss)</b>		
Foreign currency translation adjustment	(953)	(303)
<b>Comprehensive Loss for the Year</b>	<b>\$ (105,953)</b>	<b>\$ (84,028)</b>
<b>Loss per Share - Basic and Fully Diluted</b>		
Continuing Operations	\$ (0.004)	\$ (0.005)
Discontinued Operations	\$ -	\$ (0.144)
<b>Comprehensive Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.004)</b>	<b>\$ (0.150)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>25,715,444</b>	<b>561,813</b>

**Deploy Technologies Inc.**

Statement 4

(Formerly known as Nevstar Precious Metals Inc.)

*(A Development Stage Company)***Statements of Cash Flows***(U.S. Dollars)*

	<b>Years Ended 31 July</b>	
	2009 (Restated)	2008 (Restated)
<b>Cash Resources Provided By (Used In)</b>		
<b>Operating Activities</b>		
Loss for the year	\$ (105,000)	\$ (83,725)
Items not affecting cash:		
Accrued interest <i>(Note 7)</i>	73	-
Write-down of investment <i>(Note 4)</i>	-	999
Prepaid expenses	(239)	-
Accounts payable and accrued liabilities	94,447	82,895
	<u>(10,719)</u>	<u>169</u>
<b>Financing Activities</b>		
Proceeds from issuance of common shares <i>(Note 8)</i>	2,500	-
Proceeds from loans <i>(Note 7)</i>	14,709	-
Settlement of loans <i>(Note 7)</i>	(4,641)	-
	<u>12,568</u>	<u>-</u>
Effect of exchange rate changes on cash and cash equivalents	(953)	(303)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	896	(134)
Cash and cash equivalents – Beginning of year	16	150
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 912</u>	<u>\$ 16</u>

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



**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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**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 prospectus 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 prospectus 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.

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 prospectus, and its planned principle operations have not commenced, and, accordingly, no revenue has been derived during the organization period.

At 31 July 2009, the Company had cash and cash equivalents of \$912 (2008 - \$16) and working capital deficit of \$149,385 (2008 - \$207,412). The funds on hand at 31 July 2009 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 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 prospectus

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, 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 the future.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the 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 generally accepted accounting principles ("GAAP").

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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**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 loss.

Revenues and expenses are translated at the average daily rate for the year covering the financial statement year 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 year.

**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 year. 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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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

**h) 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 July 2009, the Company has deferred costs of \$30,000 related to fleet management technology (2008 – \$Nil) (*Notes 5, 6, 8 and 13*).

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.

**i) Management's Estimates**

The preparation of financial statements in conformity with GAAP 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.

**j) 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.

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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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

**k) Financial Instrument Standards – Continued**

*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 another-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 derivative 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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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**l) International Financial Reporting Standards (“IFRS”)**

In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after 1 January 2011. The transition date of 1 January 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended 31 July 2011. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The Company has developed the framework of a plan for IFRS convergence and has started the implementation process. Detailed analysis of the differences between IFRS and the Company’s accounting policies and assessment of the various alternatives for first time adoption of IFRS are in progress. Management’s assessment to date indicates that there will be revisions to the Company’s disclosures on adoption of IFRS, but there will be no major financial impact or accounting policy or procedural changes.

**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 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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**3. Fair Value of Financial Instruments – Continued**

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	2009 (Restated)	2008 (Restated)
Available-for-sale securities ( <i>Note 4</i> )	Level 1	\$ 1	\$ 1

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

**4. Available-for-Sale Securities**

	31 July 2009 (Restated)		31 July 2008 (Restated)	
	Cost	Fair Value	Cost	Fair Value
Kaleidoscope 5,694 (2008 – 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 performed a 1:200 reverse split of its shares, resulting in the Company’s shareholding in Kaleidoscope being reduced to 5,694 shares (2007 – 5,694).

During the year ended 31 July 2009, the Company recorded an impairment in the amount of \$Nil (2008 - \$999) for its investment in Kaleidoscope.

**5. Fleet Management Technology**

On 8 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 6, 8 and 13*). 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 is not yet complete and amortization expense for year ended 31 July 2009 was \$Nil (2008 – \$Nil).

**5. Fleet Management Technology – Continued**

	Net Book Value			
	Cost	Accumulated amortization	31 July 2009 (Restated)	31 July 2008 (Restated)
Fleet management technology	\$ 30,000	\$ -	\$ 30,000	\$ -

**6. Related Party Transactions**

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

- a) During the year ended 31 July 2009, management fees of \$64,921 (2008 - \$22,437) were paid/accrued to the President of the Company (*Note 11*).
- b) During the year ended 31 July 2009, consulting fees of \$21,640 (2008 - \$1,870) were paid/accrued to the Vice President of Operations of the Company (*Note 11*).
- c) During the year ended 31 July 2009, management fees of \$Nil (2008 - \$20,720) were paid/accrued to a former director of the Company (*Note 11*).
- d) During the year ended 31 July 2009, consulting fees of \$6,000 (2008 - \$34,070) were paid/accrued to a former officer and director of the Company (*Note 11*).
- e) 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 a former director and officer of the Company for management and consulting fees incurred in a prior year (*Notes 8 and 13*).
- f) 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 Present of Operations of the Company. The technology was developed by Trepped Enterprises Inc. for fleet management (*Notes 5, 8 and 13*).
- g) During the year ended 31 July 2009, the Company received loans from prospectus associates related to the Vice President of Operations of the Company (*Note 7*). The principal balance bears interest at a rate of 5% per annum, is unsecured and repayable by 31 July 2010. The balance as at 31 July 2009 consists of principal and accrued interest of \$9,140 (2008 - \$Nil) and \$73 (2008 - \$Nil), respectively.
- h) During the year ended 31 July 2009, the Company received a loan from the President of the Company (*Note 7*). The principal balance is non-interest bearing, unsecured and has no fixed terms of repayment. The balance as at 31 July 2009 consists of principal of \$928 (2008 - \$Nil).
- i) Included in accounts payable as at 31 July 2009 is \$136,432 (2008 - \$205,205) payable to related parties for management and consulting 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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

U.S. Dollars

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**7. Loans Payable**

During the year ended 31 July 2009, the Company received loans from prospectus associates related to the Vice President of Operations of the Company (*Note 6*). The principal balance bears interest at a rate of 5% per annum, is unsecured and repayable by 31 July 2010. The balance as at 31 July 2009 consists of principal and accrued interest of \$9,140 (2008 - \$Nil) and \$73 (2008 - \$Nil), respectively.

During the year ended 31 July 2009, the Company received a loan from the President of the Company (*Note 6*). The principal balance is non-interest bearing, unsecured and has no fixed terms of repayment. The balance as at 31 July 2009 consists of principal of \$928 (2008 - \$Nil).

**8. Share Capital**

The Company's authorized share capital is 100,000,000 common shares with \$0.0001 par value per common share (*Note 12e*). 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 technologies 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 5, 6 and 13*).
- 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 incurred in a prior year (*Notes 6 and 13*). 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.

**9. Income Taxes**

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

	2009 (Restated)		2008 (Restated)
Net loss for the year	\$ 105,000	\$	83,725
Federal and state income tax rates	35%		35%
Expected income tax recovery	\$ 36,750	\$	29,304
Permanent differences	(87)		(350)
Change in valuation allowance	(36,663)		(28,954)
Total income tax recovery	\$ -	\$	-



**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**9. Income Taxes – Continued**

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

	2009 (Restated)	2008 (Restated)
Future income tax assets		
Net income tax operating loss carry forward	\$ 187,478	\$ 82,726
Statutory federal income tax rate	35%	35%
Effective income tax rate	0%	0%
Future income tax asset	65,617	28,954
Valuation allowance	(65,617)	(28,954)
Net future income tax assets	\$ -	\$ -

As at 31 July 2009, the Company has unused net operating losses for U.S. federal income tax purposes of approximately \$187,478 that are available to offset future taxable income, which, if unutilized, will expire as follows:

2028	\$ 82,726
2029	104,752
Total	\$ 187,478

**10. 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 year ended 31 July 2009 compared to the year ended 31 July 2008. The Company is not subject to externally imposed capital requirements.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**11. Discontinued Operations**

During the fourth quarter of fiscal year 2008, the Company approved a plan to exit the mining industry and change direction to focus on the prospectus of fleet management. On 31 July 2008, the Company discontinued its mining operations and transitioned to developing technologies for effective fleet management. With the exit, the Company no longer has continuing involvement with the mining industry. The financial results associated with the mining operations for the fiscal year 2008 were classified as discontinued operations, and all prior periods were restated. Their operating results and losses on disposal are separately reported as discontinued operations on the statement of loss and comprehensive loss.

During fiscal year 2009, the Company did not classify any additional prospectuses as discontinued operations. Loss from discontinued operations is summarized as follows:

	<b>Years Ended 31 July</b>	
	2009	2008
	(Restated)	(Restated)
Operating costs and expenses		
Bank charges and interest	\$ -	\$ 260
Consulting fees <i>(Note 6)</i>	-	36,699
Foreign exchange, net	-	810
Management fees <i>(Note 6)</i>	-	43,157
Loss from discontinued operations	\$ -	\$ (80,926)

**12. Subsequent Events**

The following events occurred during the period from the year ended 31 July 2009 to the date the financial statements were available to be issued on 29 July 2011:

- a) On 10 July 2010, the Board of Directors approved the issuance of 4,161,613 common shares for \$208,049 in management and consulting fees.
- b) On 11 July 2010, the Company issued 139,089 common shares valued at \$13,909 to settle loans payable to prospectus associates related to the Vice President of Operations of the Company.
- c) On 11 July 2010, 343,218 common shares were issued for \$0.10 per share for cash proceeds of \$34,322.
- d) On 7 August 2010, the British Columbia Securities Commission revoked the cease trade order that it had placed on the Company on 7 December 2009.
- e) On 15 September 2010, the Company reduced the number of authorized share capital from 500,000,000 to 100,000,000 *(Note 8)*.

**12. Subsequent Events – Continued**

- f) Effective 15 September 2010, the Company completed a merger with its wholly-owned subsidiary, Deploy Acquisition, which was incorporated solely for the purpose to promote and carry on any lawful prospectus under the laws of the State of Nevada. The Company entered into an Agreement of Merger, whereby the Company shall cease and terminate upon filing of the Articles of Merger with the Delaware Secretary of State and Deploy Acquisition shall continue as the surviving company except that the company name shall be Deploy Technologies Inc. The terms of the Agreement of Merger are summarized as follows:
- i. The issued and outstanding securities of Deploy Acquisition shall be cancelled and extinguished;
  - ii. The issued and outstanding common shares of the Company shall be automatically converted into and become the issued and outstanding stock of Deploy Acquisition;
  - iii. The directors and management of the Company shall automatically become the directors and management of Deploy Acquisition;
  - iv. The obligations of Deploy Acquisition and the Company existing prior to the merger shall be unaffected by the merger; and
  - v. The obligations of the Company existing prior to the merger shall be unaffected by the merger and by operation of law become obligations of Deploy Acquisition, including, but not limited to:
    - 1) Obligations, contracts and agreements wholly or partially unperformed on the date of the merger;
    - 2) Advances, loans, notes, debts, bonds, debentures and other obligations for money borrowed outstanding on the date of the merger; and
    - 3) Commitments, obligations, contracts and agreements to issue shares of common shares outstanding on the date of the merger.
- g) On 21 February 2011, the Company issued 995,000 common shares for cash proceeds of \$99,500.
- h) On 20 April 2011, the Company issued 970,370 common shares of the Company to settle amounts due to related parties of \$97,037. Of this amount, \$47,037 was payable to a company controlled by the President and the Vice President of Operations, and \$50,000 was payable to the Vice President of Corporate Development.
- i) On 20 April 2011, the Company issued 400,000 common shares of the Company valued at \$40,000 for consulting services.
- j) On 20 April 2011, the Company issued 1,635,000 common shares for cash proceeds of \$163,500.
- k) Subsequent to the year ended 31 July 2010, the Company received share subscriptions in advance of \$84,620 for the purchase of common shares in the Company. These shares have not yet been issued.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**13. Supplemental Disclosures with Respect to Cash Flows**

	<b>Years Ended 31 July</b>	
	2009 (Restated)	2008 (Restated)
Cash paid during the year for interest	\$ -	-
Cash paid during the year for income taxes	\$ -	-

On 10 November 2008, the Company issued 30,000,000 common shares in exchange for fleet management technology to Trepped Enterprises Inc., a company controlled by the President and Vice Present of Operations of the Company. The technology was developed by Trepped Enterprises Inc. for fleet management (*Notes 5, 6 and 8*).

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 6 and 8*).

**14. Segmented Information**

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

	U.S.A	Canada	Total
Assets	\$ -	\$ 31,152	\$ 31,152
Fleet management technology	\$ -	\$ 30,000	\$ 30,000
Loss for the year	\$ -	\$ (105,000)	\$ (105,000)

Details on a geographic basis as at 31 July 2008 are as follows:

	U.S.A	Canada	Total
Assets	\$ -	\$ 17	\$ 17
Loss for the year	\$ -	\$ (83,725)	\$ (83,725)

**15. 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) Changes in Accounting Policies**

In May 2009, the Financial Accounting Standards Board (“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.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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**15. Differences Between Canadian and U.S. GAAP – Continued**

**a) Changes in Accounting Policies – Continued**

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.

**b) New Accounting Pronouncements**

In June 2009, the 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 Company does not expect that the adoption of SFAS No. 166 will have a material impact on its financial statements.

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

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**15. Differences Between Canadian and U.S. GAAP – Continued**

**b) New Accounting Pronouncements – Continued**

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.

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 is not expected to have a material impact on the Company’s results of operations, financial position or liquidity.

**16. Restatement of Financial Statements**

The Company’s financial statements for the years ended 31 July 2009 and 2008 have been restated to change the financial statement presentation from United States GAAP to Canadian GAAP and to record a fair value of \$30,000 related to 30,000,000 common shares of the Company issued to acquire fleet management technology (*Note 5*). The effect of this restatement is detailed in the following tables.

**Deploy Technologies Inc.**  
**(Formerly known as Nevstar Precious Metals Inc.)**  
*(A Development Stage Company)*

**Amended and Restated**

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**16. Restatement of Financial Statements – Continued**

Changes in the balance sheet as at 31 July 2009 are as follows:

<b>ASSETS</b>	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>Current</b>			
Cash and cash equivalents	\$ 912	\$ -	\$ 912
Prepaid expenses	239	-	239
Investments	114	(113)	1
	1,265	(113)	1,152
Fleet management technology	-	30,000	30,000
	\$ 1,265	\$ 29,887	\$ 31,152
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	\$ 140,396	\$ -	\$ 140,396
Loan payable	10,142	(1)	10,141
	150,538	(1)	150,537
<b>SHAREHOLDERS' DEFICIENCY</b>			
<b>Share Capital</b>			
Authorized:			
100,000,000 common shares – Par value \$0.0001			
Issued and outstanding:			
35,994,479 common shares	3,600	(1)	3,599
<b>Additional Paid-In Capital</b>	1,405,786	29,976	1,435,762
<b>Accumulated Other Comprehensive Loss</b>	1,818	(554)	1,264
<b>Deficit Accumulated Prior to the Development stage</b>	(1,455,568)	558	(1,455,010)
<b>Deficit Accumulated During the Development Stage</b>	(104,909)	(91)	(105,000)
	(149,273)	29,888	(119,385)
	\$ 1,265	\$ 29,887	\$ 31,152

**Deploy Technologies Inc.**  
**(Formerly known as Nevstar Precious Metals Inc.)**  
*(A Development Stage Company)*

**Amended and Restated**

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**16. Restatement of Financial Statements – Continued**

Changes in the balance sheet as at 31 July 2008 are as follows:

<b>ASSETS</b>	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>Current</b>			
Cash and cash equivalents	\$ 16	\$ -	\$ 16
Investments	740	(739)	1
	<u>\$ 756</u>	<u>\$ (739)</u>	<u>\$ 17</u>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	\$ 207,429	\$ -	\$ 207,429
	<u>207,429</u>	<u>-</u>	<u>207,429</u>
<b>SHAREHOLDERS' DEFICIENCY</b>			
<b>Share Capital</b>			
Authorized:			
100,000,000 common shares – Par value \$0.0001			
Issued and outstanding:			
561,813 common shares	56	-	56
<b>Additional Paid-In Capital</b>	1,245,325	-	1,245,325
<b>Accumulated Other Comprehensive Loss</b>	3,514	(1,297)	2,217
<b>Deficit Accumulated Prior to the Development Stage</b>	(1,455,568)	558	(1,455,010)
	<u>(206,673)</u>	<u>(739)</u>	<u>(207,412)</u>
	<u>\$ 756</u>	<u>\$ (739)</u>	<u>\$ 17</u>



**Deploy Technologies Inc.**  
**(Formerly known as Nevstar Precious Metals Inc.)**  
*(A Development Stage Company)*  
**Notes to Financial Statements**  
**31 July 2009 and 2008**  
*U.S. Dollars*

**Amended and Restated**

**16. Restatement of Financial Statements – Continued**

Changes in the statements of loss and comprehensive loss for the year ended 31 July 2009 are as follows:

	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>General and Administrative Expenses</b>			
Accounting fees	\$ 1,340	\$ 80	\$ 1,420
Automobile expenses	536	32	568
Bank charges and interest	527	13	540
Consulting fees	26,419	1,221	27,640
Dues and subscriptions	345	-	345
Insurance	153	9	162
Management fees	61,284	3,637	64,921
Meals and entertainment	469	28	497
Office and miscellaneous	924	29	953
Rent	578	34	612
Transfer agent fees	4,465	-	4,465
Tools and equipment	2,738	139	2,877
Write-down of investment	626	(626)	-
<b>Loss Before the Following</b>	<b>(100,404)</b>	<b>(4,596)</b>	<b>(105,000)</b>
<b>Other Income (Expenses)</b>			
Foreign exchange, net	(5,131)	5,131	-
<b>Loss for the Year</b>	<b>\$ (105,535)</b>	<b>\$ 535</b>	<b>\$ (105,000)</b>
<b>Other Comprehensive Income (Loss)</b>			
Foreign currency translation adjustment	(1,070)	117	(953)
<b>Comprehensive Loss for the Year</b>	<b>\$ (106,605)</b>	<b>\$ 652</b>	<b>\$ (105,953)</b>
<b>Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.004)</b>	<b>\$ -</b>	<b>\$ (0.004)</b>
<b>Comprehensive Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.004)</b>	<b>\$ -</b>	<b>\$ (0.004)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>25,715,444</b>	<b>-</b>	<b>25,715,444</b>

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**16. Restatement of Financial Statements – Continued**

Changes in the statements of loss and comprehensive loss for the year ended 31 July 2008 are as follows:

	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>General and Administrative Expenses</b>			
Transfer agent fees	\$ 1,800	\$ -	\$ 1,800
Write-down of investment	260	739	999
<b>Loss From Continuing Operations</b>	<b>(2,060)</b>	<b>(739)</b>	<b>(2,799)</b>
<b>Loss From Discontinued Operations</b>	<b>\$ (82,483)</b>	<b>\$ 1,557</b>	<b>\$ (80,926)</b>
<b>Loss for the Year</b>	<b>\$ (84,543)</b>	<b>\$ 818</b>	<b>\$ (83,725)</b>
<b>Other Comprehensive Income (Loss)</b>			
Foreign currency translation adjustment	1,254	(1,557)	(303)
<b>Comprehensive Loss for the Year</b>	<b>\$ (83,289)</b>	<b>\$ (739)</b>	<b>\$ (84,028)</b>
<b>Loss per Share - Basic and Fully Diluted</b>			
Continuing Operations	\$ (0.004)	\$ (0.001)	\$ (0.005)
Discontinued Operations	\$ (0.147)	\$ 0.003	\$ (0.144)
<b>Comprehensive Loss per Share - Basic and Fully Diluted</b>	<b>\$ (0.148)</b>	<b>\$ (0.002)</b>	<b>\$ (0.150)</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>561,411</b>	<b>402</b>	<b>561,813</b>

**Notes to Financial Statements**

**31 July 2009 and 2008**

*U.S. Dollars*

**16. Restatement of Financial Statements – Continued**

Changes in the statements of cash flows for the year ended 31 July 2009 are as follows:

<b>Cash Resources Provided By (Used In)</b>	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>Operating Activities</b>			
Loss for the year	\$ (105,535)	\$ 535	\$ (105,000)
Items not affecting cash			
Accrued interest	78	(5)	73
Common shares issued for service	26	(26)	-
Write-down of investment	626	(626)	-
Prepaid expenses	(239)	-	(239)
Accounts payable and accrued liabilities	94,446	1	94,447
	<u>(10,598)</u>	<u>(121)</u>	<u>(10,719)</u>
<b>Financing Activities</b>			
Proceeds from issuance of common shares	2,500	-	2,500
Proceeds from loans	14,707	2	14,709
Settlement of loans	(4,643)	2	(4,641)
	<u>12,564</u>	<u>4</u>	<u>12,568</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(1,070)</u>	<u>117</u>	<u>(953)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>896</b>	<b>-</b>	<b>896</b>
Cash and cash equivalents – Beginning of year	16	-	16
Cash and cash equivalents – Discontinued operations	-	-	-
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 912</b>	<b>\$ -</b>	<b>\$ 912</b>

Changes in the statements of cash flows for the year ended 31 July 2008 are as follows:

<b>Cash Resources Provided By (Used In)</b>	Formerly Reported	Increase (Decrease)	Amended and Restated
<b>Operating Activities</b>			
Loss for the year	\$ (84,543)	\$ 818	\$ (83,725)
Items not affecting cash			
Write-down of investment	260	739	999
Accounts payable and accrued liabilities	82,895	-	82,895
	<u>(1,388)</u>	<u>1,557</u>	<u>169</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,254</u>	<u>(1,557)</u>	<u>(303)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(134)</b>	<b>-</b>	<b>(134)</b>
Cash and cash equivalents – Beginning of year	150	-	150
Cash and cash equivalents – Discontinued operations	-	-	-
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 16</b>	<b>\$ -</b>	<b>\$ 16</b>

## **CERTIFICATE OF THE COMPANY**

Dated: August 12, 2011

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the securities legislation of British Columbia and Ontario.

By: (signed) "David A. Eppert"  
David A. Eppert  
President and Chief Executive Officer

By: (signed) "Andre E. Thompson"  
Andre E. Thompson  
Chief Financial Officer

## **ON BEHALF OF THE BOARD OF DIRECTORS**

By: (signed) "Andre E. Thompson"  
Andre E. Thompson  
Director

By: (signed) "Harjit Grewal"  
Harjit Grewal  
Director

## **CERTIFICATE**

**Dated:** August 12, 2011

**37.1** Include the certificates required by Part 5 of the Instrument or by securities legislation.

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the securities legislation of British Columbia.

By: (signed) "David A. Eppert"  
David A. Eppert