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CANADIAN DATA PRESERVE INC.

MANAGEMENT INFORMATION CIRCULAR

As at July 13, 2012

SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Canadian Data Preserve Inc. ("CDP" or the "Corporation") for use at the annual and special meeting (the "Meeting") of shareholders of the Corporation to be held in the Spanish Banks Boardroom, 2nd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9 on August 10, 2012 at 11:00 a.m. (Vancouver time) and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting. Solicitations may be made by mail and supplemented by telephone or other personal contact by the officers, employees or agents of the Corporation without special compensation. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation materials to the beneficial owners of the common shares of the Corporation (the "Shares"). The cost of any such solicitation will be borne by the Corporation.

The Board of Directors of the Corporation has fixed the record date for the Meeting to be the close of business on **June 13, 2012 (the "Record Date")**. Shareholders of record as of the Record Date are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those Shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers his or her Shares after the Record Date and the transferee of those Shares establishes that he or she owns Shares and demands, not later than 1:00 p.m. (Vancouver time) on August 10, 2012 (being 10 days before the Meeting) that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Shares at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are directors and/or officers of the Corporation. **A shareholder has the right to appoint a person (who need not be a shareholder of the Corporation) to attend and represent him or her at the Meeting, other than those persons named in the enclosed form of proxy. A shareholder who wishes to appoint some other person to present him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy, or by completing another proper form of proxy. A form of proxy will not be valid unless it is completed, dated, signed and delivered to the office of the registrar and**

transfer agent of the Corporation, Computershare Investor Services Inc. (“**Computershare**”), Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than 48 hours (excluding Saturday, Sunday and statutory holidays) preceding the Meeting or an adjournment of the Meeting.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy.

A proxy may be revoked by depositing an instrument in writing, executed by the shareholder or his or her attorney authorized in writing, or, if the shareholder is a corporation, under its corporate seal or signed by a duly authorized officer or attorney for the corporation at the office of Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, at any time, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) preceding the Meeting or an adjournment of the Meeting at which the proxy is to be used.

In addition, a proxy may be revoked by the shareholder executing another form of proxy bearing a later date and depositing same at the offices of the registrar and transfer agent of the Corporation within the time period set out under the heading "Voting of Proxies", or by the shareholder personally attending the Meeting or any adjournment thereof and voting his or her Shares. Any revocation made or delivered at the Meeting or any adjournment thereof shall be valid only with respect to matters not yet dealt with at the time such revocation is received by the Chairman or the Scrutineer of the Meeting.

VOTING OF PROXIES

All Shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Shares represented by the proxy will be voted in accordance with such specifications. **In the absence of any such specifications, the management designees, if named as proxy, will vote IN FAVOUR of:**

- (i) **The election of directors;**
- (ii) **The appointment of auditors;**
- (iii) **The special resolution authorizing an amendment to the Articles of the Corporation to change the name of the Corporation to “49Capital Corporation”, or such other name as may be determined by the directors;**
- (iv) **The special resolution authorizing the consolidation of the Corporation’s common shares on the basis of one new Share for up to every twenty currently issued and outstanding Shares;**
- (v) **The ordinary resolution authorizing the use of the incentive stock option of the Corporation (the “Stock Option Plan”).**

The enclosed form of proxy confers discretionary authority upon the management designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the date of this Circular, the Corporation is not aware of any amendments to, or variations of, or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management of the Corporation.

Proxies, to be valid, must be deposited at the office of Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) preceding the Meeting or an adjournment of the Meeting.

NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a **“Non-Registered Holder”**) are registered either (i) in the name of an intermediary (an **“Intermediary”**) that the Non-Registered Holder deals with in respect of the common shares, such as securities dealers or brokers, banks, trust companies, and trustees, as administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with NI 54-101, the Corporation has distributed copies of the notice of meeting and this Circular (**collectively, the “Meeting Materials”**) to the clearing agencies and Intermediaries, for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (**often called a “voting instruction form”**) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The Non-Registered Holder will generally be given a page of instructions which contains a removable label containing a bar code and other information. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the computerized form, properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number, or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare, Suite 300, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

In either case, the purpose of these procedures is to permit the Non-Registered Holder to direct the voting of the common shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare at the address set out above.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of common shares, of which 15,638,667 Shares are issued and outstanding and entitled to vote at the Meeting on the basis of one vote for each Share held.

The holders of Shares of record at the close of business on the record date, set by the directors of the Corporation to be June 13, 2012 (the "**Record Date**"), are entitled to vote such Shares at the Meeting on the basis of one vote for each Share held, except to the extent that:

1. such person transfers his or her Shares after the Record Date; and
2. the transferee of those Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Shares.

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no persons beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the issued and outstanding Shares of the Corporation. Information as to the number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the individuals noted below is in each case based upon information furnished by the individual and is as at July 13, 2012.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors, the only matters to be placed before the Meeting are those matters set forth in the accompanying Notice of Meeting relating to (i) the receipt of the financial statements; (ii) the election of directors; (iii) the appointment of auditors; (iv) the change of name of the Corporation to "49Capital Corporation"; (v) the consolidation of the Corporation's share capital on the basis of one new Share for up to every twenty currently issued and outstanding Shares; and (vi) the approval of the Corporation's Stock Option Plan.

I. Presentation of the Unaudited Interim Financial Statements

The audited financial statements of the Corporation for the fiscal year ended May 31, 2011, together with the auditor's report thereon, and unaudited interim financial statements of the Corporation for the nine months ended February 29, 2012, will be presented to shareholders at the Meeting. The financial statements and the accompanying management's discussion and analysis are available on SEDAR at www.sedar.com.

II. Election of Directors

The board of directors of the Corporation (the "**Board**") presently consists of three (3) directors who are elected annually. It is proposed that the number of directors for the ensuing year be fixed at three (3). It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the articles of the Corporation, unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") or the Corporation's articles. It is the intention of the management designees, if named as proxy, to vote FOR the election of said persons to the board of directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another

nominee in their discretion unless the shareholder has specified in his or her proxy that his or her Shares are to be withheld from voting in the election of directors.

The following table sets out the names of persons proposed to be nominated by management for election as a director; all positions and offices in the Corporation held by them; their principal occupation for the last five years; the periods during which they have served as a director; and the number of Shares beneficially owned or controlled, directly or indirectly, by them or over which control or direction is exercised, as of the date hereof. Each director elected will hold office until the next annual meeting of the Corporation, unless his office is earlier vacated in accordance with the articles of the Corporation or becomes disqualified to act as a director.

Name of Proposed Nominees, Municipality of Residence and Proposed Position with the Corporation	Director Since	Principal Occupation During Last Five Years	Number of Shares Beneficially Owned or Controlled
Van Potter ⁽¹⁾ Phoenix Arizona President and CEO, Director	Proposed Director	President and Chief Executive Officer, VisualVault Corporation	Nil
Brian Cameron ⁽¹⁾ Phoenix, Arizona CFO, Director	Proposed Director	Principal of Cameron & Associates, Chief Financial Officer, VisualVault Corporation	600,000
Jack Saltich ⁽¹⁾ Scottsdale, Arizona Director	Proposed Director	Self-employed consultant, formerly President and CEO of Three-Five Systems Inc., a technology company	Nil

Notes:

(1) Member or proposed member of the Audit Committee. Mr. Saltich is the Chairman of the Audit Committee.

Management recommends voting for the resolution to elect the nominated directors.

As at the date hereof, the directors and officers of the Corporation, as a group, beneficially owned, directly or indirectly, 600,000 Shares or approximately 3.84% of the issued and outstanding Shares. No Shares have been reserved for issuance to the directors and officers of the Corporation in respect of the granting of options. See “Executive Compensation - Incentive Stock Option Plan”.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as otherwise disclosed in this Circular, to the best of the Corporation’s knowledge, none of the Corporation’s directors, officers, or shareholders holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation is, or during the ten years preceding the date of this Circular, has been a director or officer of any issuer that, while the person was acting in that capacity:

- a) was the subject of a cease trade order or similar order, or an order that denied such issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- b) became bankrupt, 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.

Penalties or Sanctions

To the best of the Corporation's knowledge, no director, officer, or shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

Except as otherwise disclosed in this Circular, to the best of the Corporation's knowledge, during the ten years preceding the date of this Circular, no director, officer, or shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

III. Appointment of Auditors

The persons named in the enclosed form of proxy intend to vote for the appointment of Buckley Dodds, Chartered Accountants, of Vancouver, British Columbia, as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors of the Corporation to fix the auditors' remuneration.

On the representations of the said auditors, neither that firm nor any of its partners has any direct financial interest nor any material indirect financial interest in the Corporation or any of its subsidiaries nor has had any connection during the past three years with the Corporation or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

Management recommends voting for the resolution to appoint HLB Cinnamon Jang Willoughby, Chartered Accountants, as the Corporation's auditors and to authorize the board of directors to fix their remuneration.

IV. Name Change

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass a special resolution (the "Name Change Resolution"), authorizing an amendment to the Articles to change the name of the Corporation from "Canadian Data Preserve Inc." to "49Capital Corporation". This name change is designed to reflect the Corporation's change of focus from a software technology company to an investment company. The adoption of the Corporation's new name, 49Capital Corporation, has been approved by the Corporation's Board of Directors, subject to shareholder approval.

The text of the special resolution to be approved by shareholders is set out below:

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The articles of the Corporation be amended to change the name of the Corporation from "Canadian Data Preserve Inc." to "49Capital Corporation", or such other name as determined by the directors of the Corporation;
2. the directors of the Corporation are hereby authorized to revoke this special resolution without further approval of the holders of the Corporation's Shares at any time prior to the endorsement by

the Director under the *Business Corporations Act* (British Columbia) of a certificate of articles of amendment in respect of this special resolution; and

3. any director or officer of the Corporation is hereby authorized and directed for an on behalf of the Corporation to execute and deliver Articles of Amendment to the Director under the *Business Corporations Act* (British Columbia), in order to give effect to this special resolution and to execute and deliver all such other documents and to do all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing, the execution of any such document or the doing of any such act or thing being conclusive evidence of such determination.”

The foregoing resolution must be approved by at least two-thirds of the votes of shareholders cast in person or by proxy at the Meeting.

V. Share Consolidation

At the Meeting, shareholders will be asked to approve a special resolution to authorize the directors to forward split the Corporation’s share capital on the basis of one (1) new Share for up to every twenty (20) issued and outstanding Shares. In order to be effective, the consolidation resolution must be approved by at least two-thirds of the shareholder votes cast at the Meeting. Management believes that the consolidation will provide greater financial flexibility and could better position the Corporation to raise the funds it requires to finance its ongoing business. Management therefore recommends a vote in favour of the share consolidation to its shareholders.

The text of the special resolution to be approved by shareholders is set out below:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The articles of the Corporation be amended to provide that:
 - (a) The authorized share capital of the company is altered by consolidating all of the currently issued and outstanding common shares of the company without par value on the basis of one (1) new common share for up to every twenty (20) issued and outstanding common shares of the company, or on the basis of such other ratio as may be determined by the directors of the company; and
 - (b) Any fractional common share arising on the consolidation of the common shares of the Corporation be deemed to have been tendered by its registered owner to the Corporation for cancellation and will be returned to the authorized but unissued capital of the Corporation;
2. any director or officer of the Corporation be, and such director or officer of the Corporation hereby is, authorized, instructed and empowered, acting for, in the name and on behalf of the Corporation, to do or cause to be done all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable in order to fulfill the intent of this special resolution; and
3. notwithstanding the foregoing, the directors of the Corporation are hereby authorized, without further approval of the shareholders of the Corporation, to revoke this special resolution at any time prior to the endorsement by the Director appointed under *Business Corporations Act* (British Columbia) of a certificate of amendment.”

The foregoing resolution must be approved by at least two-thirds of the votes of shareholders cast in person or by proxy at the Meeting.

VI. Stock Option Plan

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution approving the adoption by the Corporation of a new stock option plan (the “Stock Option Plan”). The purpose of the Stock Option Plan is to allow the Corporation to grant options to directors, officers, consultants, employees and management company employees as additional compensation and as an opportunity to participate in the profitability of the Corporation. The granting of such option is intended to align the interests of such persons with that of the Corporation.

The pertinent terms and conditions of the Stock Option Plan are as follows:

- (a) The Stock Option Plan will be administered by the board of directors of the Corporation or a committee established by the board for that purpose;
- (b) The maximum number of shares that may be reserved for issuance under the Stock Option Plan will be a rolling number not to exceed 10% of the issued and outstanding common shares of the Corporation at the time of the stock option grant;
- (c) The exercise price of the options granted under the Stock Option Plan will be set by the board of directors on the basis of the market price of the shares on the trading day prior to the date of the grant;
- (d) The full purchase price of common shares purchased under the Stock Option Plan shall be paid in cash upon the exercise thereof;
- (e) Options may be granted under the Stock Option Plan exercisable over a period not exceeding five years;
- (f) Options covering not more than 5% of the issued shares of the Corporation may be granted to any one individual in any 12 month period;
- (g) No more than 2% of the issued and outstanding shares may be granted to any one consultant in any 12 month period and no more than an aggregate of 2% of the issued and outstanding shares may be granted to an employee conducting investor relations activities in any 12 month period;
- (h) Options may be exercised while the optionee is a director, officer, employee or consultant to the Corporation, or within a period of 90 days after ceasing to be so;
- (i) Notwithstanding paragraph (h), an optionee’s heirs or administrators shall have one year from the death of the optionee in which to exercise any portion of options outstanding at the time of death of the optionee;
- (j) Notwithstanding paragraph (h), options granted to an optionee who is engaged in investor relations activities expire 30 days after the optionee ceases to be employed to provide investor relations activities;
- (k) The options shall not be assignable or transferable by an optionee;

- (l) The obligation of the Corporation to issue and deliver common shares under the Stock Option Plan will be subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation; and
- (m) The board of directors or the committee may, from time to time, subject to required regulatory approval, amend or terminate the Stock Option Plan.

The board of directors has unanimously approved the Stock Option Plan and recommends that shareholders vote FOR the following resolution to approve the Stock Option Plan:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The incentive stock option plan, as described in the Corporation’s management information circular dated July 13, 2012, and as available for review at the Corporation’s annual and special meeting to be held on August 10, 2012, be and the same is hereby authorized and approved;
2. The number of common shares of the Corporation reserved for issuance under the incentive stock option plan shall be no more than 10% of the Corporation’s issued and outstanding common shares from time to time; and
3. The board of directors of the Corporation be and is authorized to make any changes to the incentive stock option plan if required by any such stock exchange or market upon which the common shares of the Corporation may be listed from time to time.”

The foregoing resolution must be approved by a simple majority of the votes of shareholders cast in person or by proxy at the Meeting.

VII. Other Matters

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the notice of meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

For purposes of this Statement of Executive Compensation, “named executive officer” of the Corporation means an individual who, at any time during the year, was

- (a) The Corporation’s chief executive officer (“**CEO**”);
- (b) The Corporation’s chief financial officer (“**CFO**”);
- (c) Each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and

- (d) Each individuals who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year;

each a “Named Executive Officer” (“**NEO**”).

Based on the foregoing definition, during the last completed fiscal year of the Corporation, there were four Named Executive Officers, namely, Charles Bowen, former Chief Executive Officer of the Corporation (from May 30, 2011 to April 2012); Van Potter, current President and Chief Executive Officer of the Corporation since April 2012, Jim Walker, former Chief Operating Officer of the Corporation (from May 30, 2011 to April 2012), and Brian Cameron, current Chief Financial Officer of the Corporation since May 30, 2011.

All matters relating specifically to senior executive compensation are reviewed and approved by the board of directors. The board of directors has elected to not appoint a compensation committee. The board of directors of the Corporation is responsible for determining compensation including for the individual directors and officers of the Corporation, including the Chief Executive Officer. Given the stage of development of the Corporation, it is not currently envisioned that any of the directors will be paid director’s fees with the exception of the Audit Committee Chair. Rather, directors will be granted incentive stock options to help ensure their continued interest in the ongoing business and affairs of the Corporation. The board of directors determines compensation for the officers of the Corporation, and any consulting or other agreements, to which the Corporation is a party, are reviewed on an annual basis.

The Corporation’s overall policy regarding compensation of the Corporation’s executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Corporation, attract and retain and qualified executive management and establish a compensation framework which is industry competitive. The Corporation’s policy is to recognize and reward individual performance as well as to place executive compensation within the range of the compensation levels in the industry.

The Corporation does not have a compensation program other than paying base salaries, incentive bonuses, and incentive stock options to the NEOs. The Corporation recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive’s level of responsibility.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm’s length service providers.

Base Salary

The objectives of the base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The base salary paid to the NEOs shall be reviewed annually by the board of directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive’s base salary and the amount of any such increase shall be in the sole discretion of the board of directors.

Incentive Bonuses

The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No

incentive bonuses were paid to NEOs, other executive officers and employees during the most recently completed fiscal year.

Option Based Awards

The directors of the Corporation have adopted a Stock Option Plan, subject to shareholder approval. Under the Stock Option Plan, the maximum number of shares that may be reserved for issuance under the Stock Option Plan will be a rolling number, not to exceed 10% of the issued and outstanding common shares of the Corporation at the time of the stock option grant. The Stock Option Plan will be a “rolling” stock option plan.

Compensation Source	Description of Compensation	Compensation Objectives
Annual Base Salary (all NEOs)	Salary is market-competitive, fixed level of compensation	Retain qualified leaders, motivate strong business performance
Incentive Stock Option (all NEOs)	Equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance	Retain qualified leaders, motivate strong business performance

Summary Compensation Table

The following table summarizes the proposed compensation to be paid to each NEO of the Corporation for the Corporation’s financial year end to May 31, 2011:

Name and Principal Position	Fiscal Year	Salary (\$)	Share based awards ⁽²⁾ (\$)	Option-based awards (\$) ⁽³⁾	Non equity incentive plan compensation ⁽¹⁾ (\$)		Pension value (\$)	All other compensation (\$) ⁽²⁾	Total compensation
					Annual incentive plans	Long term incentive plans			
Van Potter, President and Chief Executive Officer	2011	\$4,000.00 per month effective April 2012	Nil	Nil	Nil	Nil	Nil	Nil	\$4,000.00
Charles Bowen, former CEO	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Cameron, Chief Financial Officer	2011	\$4,000.00 per month effective April 2012	Nil	Nil	Nil	Nil	Nil	Nil	\$4,000.00
Jim Walker, former CTO	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) "Non-equity Incentive Plan Compensation" includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.
- (2) "Share-based Awards" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.
- (3) "Option-based Awards" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

Employment Contracts

The Corporation has not entered into employment contracts with any of its employees which include, among other things, noncompetition, confidentiality, intellectual property and non-solicitation clauses.

Annual Base Salary

Base salary for the NEOs is determined by the board of directors primarily by comparison of the remuneration paid by other companies with the same size and industry and with publicly available information on remuneration.

The annual base salary paid to the NEOs shall, for the purpose of establishing appropriate increases, be reviewed annually by the board of directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the board of directors.

Long Term Incentive Plan (LTIP)

The Corporation does not have a formal or written LTIP in place, pursuant to which cash or non-cash compensation intended to serve as an incentive for performance (whereby performance is measured by reference to financial performance or the price of the Corporation's securities), was proposed to be paid or distributed to the Named Executive Officer during its financial year end of May 31, 2011.

Option Based Award

An option based award is in the form of an incentive stock option plan. The objective of the incentive stock option is to reward NEOs, employees, consultants and directors for their individual performance at the discretion of the board of directors.

Subject to shareholder approval, the Corporation will maintain a formal stock option plan, under which stock options will be granted and may be granted to purchase a number equal to 10% of the Corporation's issued capital from time to time.

The stock option plan will be administered by the board of directors and the process to grant option-based awards to executive officers will be within the discretion of the directors.

All previous grants of option-based awards will be taken into account when considering new grants.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

During the most recently completed fiscal year, no options were granted to the Named Executive Officers.

The following table sets forth the options proposed to be granted to the Named Executive Officers to purchase or acquire securities of the Corporation at its financial year end of May 31, 2011.

Name	Option-based awards				Share-based awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Van Potter, President and Chief Executive Officer	Nil	Nil	Nil	N/A	N/A	N/A
Charles Bowen, former CEO	Nil	Nil	Nil	N/A	N/A	N/A
Brian Cameron, Chief Financial Officer	Nil	Nil	Nil	N/A	N/A	N/A
Jim Walker, former CTO	Nil	Nil	Nil	N/A	N/A	N/A

				(\$)			
Van Potter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Charles Bowen	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Cameron	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jim Walker	Nil	Nil	Nil	Nil	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Aggregate Indebtedness

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 Information Circular (“**Form 52-102F5**”), no directors, executive officers and employees and no former directors, executive officers and employees of the Corporation is, or was, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities and all other indebtedness as at July 13, 2012.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Corporation, proposed nominees for election as a director of the Corporation and associates of such director, executive officers or proposed nominees is or was indebted to the Corporation or any of its subsidiaries as at July 13, 2012.

Directors' and Officers' Liability Insurance

The Corporation does not currently have directors' and officers' liability insurance for the benefit of the directors and officers of the Corporation. Management is currently reviewing and comparing liability insurance packages offered by various insurance carriers with the intention of purchasing directors' and officers' liability insurance as soon as practicable.

AUDIT COMMITTEE

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the board of directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

The Audit Committee will adopt a charter delineating its responsibilities substantially in the following terms:

- (i) review with the independent accountants the scope of the audit and the results of the annual audit examination by the independent accountants and any reports of the independent accountants with respect to reviews of interim financial statements or other audit, review or attest services. The Audit

Committee will be responsible for resolving any disagreements between management and the external auditor regarding financial reporting;

- (ii) review information, including written statements from the independent accountants, concerning any relationships between the auditors and the Corporation or any other relationships that may adversely affect the independence of the auditors and assess the independence of the outside auditor;
- (iii) review and discuss with management and the independent auditors the Corporation's annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Corporation's accounting principles;
- (iv) review the Corporation's MD&A and annual and interim earnings press releases prior to their public disclosure;
- (v) review the services to be provided by the independent auditors to assure that the independent auditors do not undertake any engagement for services for the Corporation that would constitute prohibited services under applicable securities laws under the rules of any stock exchange or trading market on which the Corporation's shares are listed for trading, or could be viewed as compromising the auditor's independence. The Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries;
- (vi) review with management and the independent auditors the results of any significant matters identified as a result of the independent auditors' interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;
- (vii) review the annual program for the Corporation's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;
- (viii) periodically review the adequacy of the Corporation's internal controls;
- (ix) review changes in the accounting policies of the Corporation and accounting and financial reporting proposals that are provided by the independent accountants that may have a significant impact on the Corporation's financial reports, and make comments on the foregoing to the board of directors;
- (x) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer;
- (xi) oversee and review annually the Corporation's Code of Business Conduct and Ethics and program for compliance with the Code;
- (xii) periodically review the adequacy of the Audit Committee Charter;
- (xiii) make reports and recommendations to the board of directors within the scope of its functions;
- (xiv) approve material contracts where the board of directors determines that it has a conflict;
- (xv) establish procedures for receipt, retention and treatment of complaints received by the Corporation regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

- (xvi) where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and/or other advisors at the Corporation's expense upon the terms and conditions, including compensation, determined by the Audit Committee;
- (xvii) satisfy itself that management put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements. The Audit Committee will assess the adequacy of these procedures annually;
- (xviii) review all loans to officers;
- (xix) review and monitor all related party transactions which may be entered into by the Corporation as required by rules of the stock exchange or trading market upon which the Corporation's shares are listed for trading; and
- (xx) ensure all public disclosure regarding the audit committee is made in compliance with applicable stock exchange rules and securities legislation.

Composition of the Audit Committee

The Audit Committee will consist of Jack Saltich, Van Potter and Brian Cameron. All members of the Audit Committee are independent within the meaning of that term as defined in section 1.4 of National Instrument 52-110 *Audit Committee* ("NI 52-110"). All members of the Audit Committee are financially literate as required by Part 1.6 of NI 52-110.

Relevant Education and Experience

The education of each of the members of the Audit Committee is set out in this Circular. More specifically, some of the members of the Audit Committee have also taken accounting courses directly relating to financial statement preparation and analysis. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Corporation to prepare its financing statements and will seek clarification from the Corporation's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience preparing, auditing analyzing or evaluating financial statements similar to those of the Corporation.

Audit Committee Oversight

At any time from the commencement of the year ended May 31, 2011, no recommendations of the Audit Committee to nominate or compensate an external auditor were not adopted by the board of directors.

Reliance on Certain Exemptions

The Corporation has not relied on any exemptions under section 2.4 *De Minimis Non-audit Services* of NI 52-110 or from Form 52-110F2 *Disclosure by Venture Issuer*, in whole or in part, granted under Part 8 of NI 52-110, during the financial year ended May 31, 2011.

Pre-Approval Policies and Procedures

As of the date hereof, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Services Fees (By Category)

The following table sets out the “audit fees”, “audit-related fees”, “tax fees” and “other fees” billed in the financial year end of May 31, 2011.

	Audit Fees and Audit Related Fees	Tax Fees	Other Fees
For the year ended May 31, 2011	\$7,000.00	\$Nil	\$Nil

Exemption

The Corporation is relying upon the exemption set out in section 6.1 of NI 52-110 that provides that the Corporation, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

CORPORATE GOVERNANCE

General

National Policy 58-201 - *Corporate Governance Guidelines* and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

Board of Directors

Composition of the Board

NI 58-101, when taken with Section 1.4 of National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) provides that a member is “independent” if the member has no direct or indirect material relationship with the issuer, a “material relationship” being one which could, in the view of the Corporation’s board of directors, reasonably interfere with the exercise of a member’s independent judgment. To facilitate independence, the Corporation is committed to the following practices:

- 1) To expand the Board’s composition through the recruitment of strong, independent directors;
- 2) To maintain a majority of independent directors on the Board;
- 3) To ensure that all committees of the Board are constituted of a majority of independent directors, and solely independent directors, if possible.

The Corporation has determined that the following individuals are independent within the meaning of NI 58-101 and NI 52-110:

Jack Saltich - Independent Director

The Corporation has determined that the following individuals are not independent based on the guidelines set forth in NI 58-101 and NI 52-110:

Van Potter – Not independent as a result of his position as the President and Chief Executive Officer of the Corporation.

Brian Cameron – Not independent as a result of his position as the Chief Financial Officer of the Corporation.

Directorships

The following table sets forth a list of directors, officers and promoters who are, or have been within the past three years, a director, officer or promoter of any other reporting issuer, which table includes the number of other issuers of which the individual is currently a director, officer or promoter and the names of the reporting issuers with which the individual was involved in the past five years, including the names, markets upon which they trade, and the approximate start and end dates for each:

Director	Name of Reporting Issuer	Name of Exchange or Market	Position	Duration	Committee Appointments
Van Potter	Visual Vault Corporation	CNSX	President and CEO	May 30, 2011 – present	Not applicable
Brian Cameron	Visual Vault Corporation	CNSX	CFO	May 30, 2011 – present	Not applicable

Orientation and Continuing Education of Board Members

If any new directors are appointed to the board of directors, then the existing directors will provide a brief orientation consisting of a telephone conference and a review of material transactions effected to-date by the Corporation, as well as the general nature and proceedings of the Board. The existing Board will also require the Corporation's legal counsel to provide a summary of the new director's duties and responsibilities as a member of the board of directors. Given the direct securities industry experience of the existing board of directors, the Corporation does not contemplate providing continuing education for directors at this time.

Measures to Encourage Ethical Business Conduct

Pursuant to the Code of Business Conduct and Ethics adopted by the Corporation in October, 2011, each of the directors of the Corporation is required to disclose any conflict of interest that any one of them may have in regard to any dealings with the Corporation. Each of the existing members of the board of directors has worked together in the past, either by being a director or officer of other reporting issuers. In the past, the board of directors has had discussions and meetings about the importance of full disclosure in regard to the business and affairs of a reporting issuer. Given the experience of the board of directors, and their prior

dealings, the Corporation, at this point in time, is not taking any additional steps to encourage and promote a culture of ethical business conduct.

Nomination of Board Members

The Corporation does not have in place a formal process to identify new candidates for board nomination or a person responsible for identifying new candidates or that is in the process of identifying new candidates. Given the direct securities experience of the existing board of directors, each director will utilize his own judgment in determining whether or not to put forth a person as a candidate for the board of directors of the Corporation and the appropriate forum for carrying out this task.

Compensation

The board of directors of the Corporation is responsible for determining compensation, including compensation for the individual directors and officers of the Corporation, such as the Chief Executive Officer. Given the stage of development of the Corporation, it is not currently envisioned that any of the directors will be paid director's fees. Rather, directors will be granted stock options to help ensure their continued interest in the ongoing business and affairs of the Corporation. The board of directors determines compensation for the officers of the Corporation, and any consulting or other agreements, to which the Corporation is a party, are reviewed on an annual basis.

Board Committees

At this time, the board of directors does not have any standing committees other than the Audit Committee. The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management, and the board of directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

Assessments

Given the current stage of development of the Corporation, the Corporation does not yet have any formal policies or procedures in place to help ensure that the board, its committees, if any, and its individual directors are performing effectively. In the event that the business of the Corporation increases in size and scale, then the board of directors will determine whether it is appropriate to engage an outside consulting firm to make recommendations regarding the foregoing. Certain of the members of the board of directors have a direct financial interest in the Corporation, by virtue of being shareholders of the Corporation.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth in this Circular, the management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer at any time since the beginning of the Corporation's last financial year or any proposed nominee for election as a director, or any associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors. All of the directors and officers may receive options pursuant to the Stock Option Plan of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Circular, neither the Corporation, nor any director or officer of the Corporation, nor any insider of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has or has had, at any time since the beginning of the Corporation's last completed financial year, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Corporation, except for any interest arising from the ownership of Shares where the shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all shareholders.

OTHER MATTERS TO BE ACTED UPON

There are no other matters to be considered at the Meeting which are known to the directors or senior officers of the Corporation at this time. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the same in accordance with their best judgment of such matters exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting, and other matters which may properly come before the Meeting or any adjournment thereof.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators at www.sedar.com. Financial information regarding the Corporation is provided in the Corporation's comparative financial statements and management's discussion and analysis for its most recently completed financial year. Shareholders of the Corporation may contact the Corporation at 1140-1185 Georgia Street, Vancouver, BC, V6E 4E6, to request copies of the Corporation's financial statements and management's discussion and analysis.

GENERAL

All matters referred to herein for approval by the shareholders require a majority of the shareholders voting, in person or by proxy, at the Meeting.

The contents and sending of this Circular have been approved by the Board of Directors of the Corporation. Unless otherwise stated, the information contained herein is given as of the 13th day of July, 2012.