MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED MAY 31, 2013

FORM 51-102F1

Date and Subject of Report

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of VisualVault Corporation (formerly Manuweb Software Systems Inc., the "Company") for the year ended May 31, 2013. The MD&A should be read in conjunction with the audited annual financial statements as at May 31, 2012. The MD&A has been prepared effective September 30, 2012.

SCOPE OF ANALYSIS

The following is a discussion and analysis of the Company, which was incorporated on June 11, 2010, under the laws of the Province of British Columbia. The Company's head office is located at 1140-1185 West Georgia Street, Vancouver, B.C. V6E 4E6. The Company reports its financial results in Canadian dollars and under Canadian generally accepted accounting principles.

Overview:

The fiscal year ended May 31, 2013 and the subsequent period up to and including the date of this MD&A comprised a number of significant and material events which are summarized in this overview and discussed in more detail elsewhere in the MD&A.

<u>Summary of Material Events:</u>

1. During the fiscal year ending May 31, 2013,the Company entered into several amended agreements with Auersoft LLC regarding the purchase of the Auersoft LLC assets, which culminated in a decision made by the Board of Directors of the Company to cancel its intention to purchase those assets, in favor of a broader and more expanded business plan focused specifically on building a Business Process Management company targeting the Revenue Lifecycle Recovery segment of the US Healthcare Industry, using both licensed and proprietary technology platforms. This expanded plan will be described in later sections of this MD&A.

   The Company has introduced a highly credentialed senior executive team, each having years of experience in Business Process Management and the US Healthcare Industry, it was concluded that the Company needed to broaden the scope and the depth of its product offerings ,target a unique niche market place with easy adoption metrics, and build upon the existing access points developed during the investigative stage with Auersoft LLC. The Company's strategic plan is to develop an organic and acquisitive growth strategy that leverages the technical capabilities of the expanded management team, thereby facilitating near term revenue recognition.

To implement the Company's strategic plan post year end, management has begun the process by re-branding the Company, completing a detailed analysis of the opportunistic sectors within revenue lifecycle recovery and securing both the human and financial capital to execute on revenue recognition within the denied claims sector for selected US hospitals and hospital systems. The Company has also identified potential acquisition targets that initially represent strategic partnerships for revenue generation but laterally become acquisition targets by virtue of the incremental value ascribed to them, post-acquisition, through technology platform enablement.

2. On April 17, 2013, the Company unanimously agreed to appoint John Shackleton to its Board of Directors. Mr. Shackleton then agreed to serve as Executive Chairman. Mr. Shackleton currently serves as President and Co-CEO of SilkRoad. Silkroad is a leading provider of cloud-based, end to end HR solutions. Mr. Shackleton has been an innovative visionary in the software industry for more than 30 years. Prior to joining SilkRoad, in 2012, Mr. Shackleton served as the CEO of Open Text Corporation (NASDAQ:OTEX)(TSX:OTC) for 8 years, leading it to a $1.0 billion (USD) software company that became the world's leading independent provider of enterprise content management (ECM) software. Mr. Shackleton's extensive background in software and services management includes consulting, product development, sales management, and strategic planning roles in the Information Technology Industry. He joined OpenText from PLATINUM Technology, Inc., where he was President of the PLATINUM Solutions Division, providing consulting services to Global 2000 customers. Previously, he served as Vice President of Professional Services at Sybase®, Incorporated for the Central U.S. and South America. In addition, Mr. Shackleton served as Vice President of Worldwide Consulting at ViewStar® Corporation, a document management imaging company based in the San Francisco Bay Area.

3. On June 17, 2013, the Company announced the 1st closing of a $9.6mm private placement of Units in the Company's capital stock. The Company received subscription agreements on the first tranche for gross proceeds of $1,400,000. A total of 4,666,667 units were subscribed for on this 1st Closing. Of that, 2,666,667 pre-consolidated shares have been issued at the date of the MD&A. The remaining shares will be issued on a post-consolidated basis subsequent to the consolidation being effected. Each unit consisted of one common share and one common share purchase warrant, offered and sold at a price of $.30 per Unit, on a pre-consolidated basis. Each warrant is exercisable at $0.35 for a period of two years from the closing date. As noted below, the Company intends to complete the balance of the offering with post-consolidated shares. The consolidation ratio is one post-consolidated share for two pre-consolidated shares. The Company has undertaken to ensure that those subscribers to the 1st closing will have Units issued on an identical basis to the final closing of Units. Accordingly additional shares may be issued to effect this commitment, subject to regulatory approval.

The net proceeds of the private placement have and are being used for business development purposes, specifically for developing use cases in denied claims recovery, identifying initial customers in that sector, targeting sales and marketing initiatives related to the organic business, identifying acquisition targets, engaging with two critical strategic partners (see below) developing the technology and business go to market strategies and for general working capital.

4. Effective June 15, 2013, the Company retained Byron Capital Markets Ltd. ("Byron") to provide market-making services in accordance with Canadian National Stock Exchange ("CNSX") Rules. Under the terms of the agreement (the "Agreement"), Byron received cash compensation of $5,000 per month.

   Effective September 24, 2013, the agreement with Byron was terminated in favor of a new agreement with Integral Wealth Management Inc. a firm in which the trader responsible for Byron's relationship with the Company, is now affiliated.

5. The Company has engaged with two firms that are critical to executing its stated business plan.

   Third Core Venture Expansion Partners of Toronto Ontario: Third Core provides the Company with an experienced, outsourced capability in all of its sales and marketing programs where execution in a timely manner, meeting financial goals, are the focused objectives.. Ian Gilbert, founding partner of Third Core also serves as the Company's Chief Revenue Officer.

   AppCrest Inc. of San Jose California: AppCrest has been engaged to develop both the product plan for the Company and to bring to market a new platform solution to merge and manage disparate apps in information rich environments within the healthcare market. This platform will become a key differentiator for the Company as it seeks long-term mutually beneficial relationships with U.S. hospital systems. Kamran Kheirolomoom, founder of AppCrest, has also agreed to serve as a director of the Company, effective upon closing the revised terms of the private placement referred to above. Mr. Kheirolomoom previously led the business process management division of OpenText and is a longtime associate of the Company's Executive Chairman, John Shackleton, the former CEO of OpenText.

6. Business Development Matters: The Company is currently developing products using its licensed technology from Auersoft LLC, for use cases identified in both Denial Management and Public Safety. The Company has secured a strategic partner based in Phoenix, Arizona, who is actively engaged in Emergency Medical Response Planning at both the State and County level. In addition, and with the same partner, the Company is developing a product to control the distribution of vaccines that will serve as a tracking system and enable cost management through the ability to quantify the use and return of vaccines. This project is a State/County endeavor supported directly by the Center for Disease Control. The Company is also actively pursuing business in both the Denial Management and Zero Balance sectors of the Revenue Cycle Management market for US hospitals. The Company has validated its plan for a revenue share model with two hospitals in the process of seeking recovery of denied claims. Denied Claims account for an average of 5% of gross revenues for most hospitals in the United States, with some as high as 17%. The recovery process has traditionally been burdened with time consuming and expensive labor intensive business

processes and technical solutions that do not easily adapt and integrate to other currently installed tools within patient accounting systems. The Company's workflow automation processes and products will significantly impact efficiency and accuracy of the process and will result in improved revenue recovery with no direct or up-front cost to a hospital or hospital system. Decision makers representing 120 hospitals in the U.S. have now been engaged by the Company's sales and marketing team, Third Core, in addition to 220 care facilities all of which represent the pool of targeted opportunities for the Company's products and services. In addition, three US strategic partnerships are being finalized representing access to the denied management ecosystem as both customers and potential acquisition targets.

7. The Company is presently completing the regulatory process to consolidate its capital on a 2:1 basis and will concurrently change its name to **Certive Solutions Inc.** This signifies the Company's intention to focus initially on certain attractive segments of the U.S. Healthcare Industry, specifically the Hospital Revenue Lifecycle Management segment and further to be platform agnostic and have ownership of use case specific platforms developed on state of the art, cloud based architecture.

   Thus the result financing presently being conducted will be completed on a post-consolidated basis.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether written or oral that may be made by or on the Company's behalf.

General History

The Company was incorporated on June 11, 2010. The Company was a British Columbia company and a wholly owned subsidiary of Tulox Resources Inc. ("TUX"), a reporting issuer listed for trading on the CNSX, until August 6, 2010. The Company commenced commercial operations by acquiring a license from AIM to market and distribute AIM's software and services in Canada. On May 5, 2011, the Company expanding its operations from that of a licensee of the AIM software to a partial owner of AIM and completed an acquisition of 10% of the issued and outstanding shares of AIM for and in consideration of 8,958,000 common shares of the Company. The Company also raised a total of $147,000 by way of the issuance of common shares at a price of $.05 per share, issuing a total of 1,940,000 common shares. In addition, the Company raised a further $50,000 by way of the exercise of stock options by issuing a total of 1,000,000 common shares at a price of $.05 per share.

After listing on the CNSX, the Company consolidated its capital on a 7:1 basis subsequent to a shareholder meeting held on December 7, 2011. The Company issued 9,735,143 post-consolidated common shares to acquire the remaining 90% of AIM. The Company's initial objective was to acquire undervalued IT service companies and to build an information technology solutions and services company targeted at selected vertical markets. AIM was formed to make strategic acquisitions in the IT services market based upon the diminished valuation of companies in this sector that as a result of a recessionary economy were struggling financially, yet whose technologies, products or services represented exceptional opportunities when offered as an integral part of a "service wrap" offering. AIM's flagship tool, R2 Software, was acquired from R2 Software A/S in 2010 and was built to provide the ability to continuously back up mission critical data across multiple legacy operating systems. The target market was manufacturing environments comprised of long-lived assets where legacy operating systems are commonly used and downtime is unacceptable. R2 has been proven for use at a Tier 1 global manufacturer with over 3000 client installations.

The opportunity to further commercialize the R2 Software and acquire undervalued IT assets has been tabled in favor of the new focus for the Company, being the building of a Business Process Management (BPM) company targeting the Revenue Lifecycle Recovery segment of the US Healthcare Industry.

In late 2011, the Company purchased 100% of the issued and outstanding shares of VisualVault Technologies Inc. (VVT) for 13,275,000 post-consolidated (7:1) common shares of the Company and the assumption of VVT's obligations to purchase the assets of Auersoft LLC. The Company and VVT were obligated to pay a total of $5,586,250 in cash and shares for the asset purchase and it was contemplated that the acquisition would close prior to December 31, 2012. The purchase did not close by that date and as a direct result of amendments to the capital gains taxation policies in the United States, that became effective January 1, 2013, the purchase price was increased by in excess of $1,000,000. Several closing extensions were negotiated between the Company, VVT, and Auersoft LLC up to and including an extension negotiated, effective May 31, 2013, extending the closing to July 2, 2013.

With the appointment of John Shackleton to the Board of Directors on April 17, 2013, management was tasked to assess the merits of the Auersoft asset acquisition, particularly in light of the increased acquisition cost and the coincident determination that the Auersoft platform, while comparable with other BPM platforms, was not unique or special and that it if the Company could continue to utilize the Auersoft platform under use case specific license, the application of its cash resources could be more appropriately redirected.

The Company therefore elected to terminate its intention to complete the Auersoft asset purchase and change its name to Certive Solutions Inc., in favor of utilizing the Auersoft Platform under use case specific license and vigorously pursue sales and marketing opportunities as a BPM provider focused on revenue lifecycle management in the US Healthcare industry. To this end, management and the Board of Directors have worked diligently to expand the management team and draw upon the highly credentialed and well-known industry experts in BPM and Healthcare. The Company's Chairman, Mr. Shackleton, has been instrumental in bringing mission critical expertise to the Company including Kamran Kheirolomoom, and the entire AppCrest development team.

Critical successes emerging from these associations, post year-end have had the following results;

- The Company has embarked upon a technology development process, in direct association with AppCrest Inc. that will cause the Company to own intellectual property associated with "SmartService" applications of the AppCrest platform in Healthcare. This will be a key differentiator in all of the Company's go to market strategies (see below).
- The Company has identified additional key "C" level management team members including both a highly credentialed CTO and Product Manager.
- The Company has identified several key acquisition targets, primarily consultancies and service providers in the revenue lifecycle management sector of the US Hospital market.
- The Company successfully completed the 1st closing of its private placement and secured $1,400,000 which has been utilized to complete the pre-sales and technology development undertakings noted above and referred to in greater detail in subsequent sections of this MD&A.

Share Consolidation and Name Change

Background

Shareholder approved a special resolution to consolidate the Company's capital on the basis of one new share for every two shares held. The resolution was approved at a shareholders meeting held on December 7, 2012. Management originally intended to complete the consolidation concurrently with an $8mm financing lead and structured by its counsel at the time, Wildeboer Dellelce, of Toronto, Ontario. As an integral part of the financing effort there were several imposing conditions placed upon certain of the shares issued and outstanding prior to the consolidation. In April 2013, management assessed the likelihood of success in closing this financing and concluded that the probability was low. The relationship with Wildeboer Dellelce was terminated and the consolidation was placed in abeyance. During April 2013 and after the appointment of John Shackleton to the Board of Directors, the broader vision for the Company was constructed and along with this intention, was the continuing need to complete the consolidation, which in light of current market conditions, mandates a consolidation to facilitate completion of the required financing.

Concurrently and expressly due to the broadened scope of the business plan, management also concluded that the Company should change its name so as not to wholly associated with the VisualVault platform, owned by Auersoft. The Company and Auersoft LLC were in full agreement on the necessity to distinguish the two entities. The Company, by virtue of its articles of incorporation, does not require shareholder approval to change its name.

Accordingly both the name change and the previously approved consolidation are now being effected to facilitate closing the currently active private placement financing. The consolidation and name change should become effective prior to October 7, 2013.

Principal Effects of the Consolidation

As of May 31, 2013, there were 28,317,354 shares issued and outstanding. The Company issued a further 2,666,667 shares in respect of a 1st closing of its currently active private placement in June 2013. The total number of shares presently issued and outstanding is therefore 30,984,021. Following completion of the proposed Consolidation, the number of Shares of the Corporation issued and outstanding will be 15,492,011.

As the Corporation currently has an unlimited number of Shares authorized for issuance, the Consolidation will not have any effect on the number of Shares that remain available for future issuances.

The Consolidation may result in some shareholders owning “odd lots” of less than 500 Shares of the Corporation on a post-Consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in “board lots” of even multiples of 500 shares. Brokerage commissions and other costs of transactions in odd lots are often higher than the costs of transactions in “roundlots” of even multiples of 500 shares.

The Consolidation will not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a shareholder who holds such Shares as capital property. The adjusted cost base to the shareholder of the new Shares immediately after the Consolidation will be equal to the aggregate adjusted cost base to the shareholder of the old Shares immediately before the Consolidation.

Procedure for Consolidation

Promptly after the completion of the Consolidation, the Corporation will give written notice thereof to all registered shareholders of the Corporation and will provide them with a form of a letter of transmittal to be used for the purpose of surrendering their certificates representing the currently outstanding Shares to the Corporation’s registrar and transfer agent in exchange for new share certificates representing whole post-Consolidation Shares of the Corporation. After the Consolidation, current issued share certificates representing pre-Consolidation Shares of the Corporation will: (i) not constitute good delivery for the purposes of trades of post-Consolidation Shares; and (ii) be deemed for all purposes to represent the number of post-Consolidation Shares to which the shareholder is entitled as a result of the Consolidation. No delivery of a new certificate to a shareholder will be made until the shareholder has surrendered his, her or its current issued certificates.

Financing

On June 13, 2013, the Company announced its intention to conduct a $9.6mm private placement of Units in its capital stock. Each Unit comprised one share and one share purchase warrant and was priced at $.30 per share on a pre-consolidated basis. The effect of the consolidation noted above is that the Units would have an effective price of $.60 per Unit on a post-consolidated basis. The warrants had an exercise price of $.35 per share on a pre-consolidated basis ($.70 post-consolidated). On June 17, 2013, the Company announced a 1st closing of the private placement in the aggregate amount of $1,400,000.

As a result of the revised direction of the Company and in particular to intention to not close on the Auersoft asset purchase, negotiations are ongoing to revise the offering terms which will incorporate the 1st closing accounts for $1.4mm. The Company intends to finalize this placement prior as soon as possible. It may be necessary to re-price the financing in light of the consolidation. Accordingly the Company has represented to the initial 1st closing subscribers that their participation will be amended to reflect the final offering terms of the private placement.

The Company's Business:

The Company is a Vancouver British Columbia based public company and its shares trade on the Canadian National Stock Exchange (CNSX: VVT). The Company has two wholly owned subsidiaries; Advantive Information Management and VisualVault Technologies, Inc.(name to be changed to Certive Technologies Inc.), each operating as independent subsidiaries.

Manuweb obtained approval at a shareholders meeting held on December 7, 2011 to change its name to VisualVault Corporation, consolidate its capital on a 7:1 basis, acquire VVT and acquire the remaining 90% of AIM.

The Company has approval and is currently completing a further consolidation of its capital on a 2:1 basis concurrent with a change of name to Certive Solutions Inc. and the related branding associated with the name change.

Description of the Business

The Company will immediately, subsequent to the date of this MD&A, change its name to Certive Solutions Inc. to reflect a vastly expanded business model supported by an ecosystem of seasoned and internationally recognized leaders in Business Process Management (BPM) space with targeted emphasis within the US Healthcare System. The Company has chosen to focus on several subset market opportunities within the US Healthcare System that collectively are referred to as Revenue Lifecycle Management. Included in this category are Denied Claims to Hospitals and Hospital Systems, Zero Balance Claims and Self pay Claim Recovery.

Broadly stated, the Company is to be leading provider of Software as a Service (SaaS) BPM software solutions to the US Healthcare market. The Company currently has 14 contracted employees of which 5 support the sales and marketing functions and 6 support the Company's technology development initiatives. The Company is headquartered in Scottsdale, Arizona, with offices in Toronto, Ontario.

The Company's strategy is to utilize its technology platforms, leveraging the cloud, to streamline healthcare service base processes. In addition, the Company intends to deliver modern process-based "SmartService" hubs and apps to the healthcare marketplace. As noted above, initially the Company is targeting the Revenue Cycle Management market and delivering use-case based solutions to hospitals and hospital systems in the US.

The Company's greatest asset and strength is its expanded human capital.

John Shackleton , Executive Chairman of the Board, has been instrumental in shaping the Company's focus on one specific niche within the US Healthcare market and utilizing that foothold to expand both within healthcare and beyond, deploying strategies that include strategic partnerships and accretive acquisitions. Mr. Shackleton is the former CEO of OpenText and led that company from revenues of $50mm to revenues of over $1.3 Billion prior to his retirement in December 2012.

Kamran Kheirolomoom, founder of the Company's strategic technology partner, AppCrest Inc. Mr. Kheirolomoom will serve as a director of the Company upon closing the 2nd tranche of the Company's private placement referred to above. Mr. Kheirolomoom previously led the business process management division of OpenText and is a longtime associate of the Company's Executive Chairman, John Shackleton. AppCrest supports a vast global network of seasoned professionals in BPM, all of whom provide and have provided technology enablement support to the Company. **Dave Ruiz**, of AppCrest is a solutions based product manager and has been instrumental in developing the product strategy for the Company.

Ian Gilbert, the Company's Chief Revenue Officer, is also the founding partner of Third Core Venture Expansion Partners of Toronto, Ontario, who collectively provide the Company with an experienced, outsourced capability in all of its sales and marketing programs where execution on closing accounts for organic growth in a timely manner and meeting financial goals, are the focused objectives.

Van Potter, the Company's CEO is a co-founder and director of the Company and has over 30 years' experience as a tech executive including former CEO of InPlay Technologies (NASDAQ: NPLA), and VP BD Pixtronix; VP BD of International DisplayWorks (NASDAQ), Three Five Systems SVP (NYSE).

Brian Cameron, the Company's CFO is also a co-founder and director of the Company with over 30 years' experience as CFO of companies engaged in manufacturing, product development and technology commercialization. Mr. Cameron is a recognized leader in innovative trading platforms for early stage companies.

Target Market and Differentiation

Based upon the re-direction of both human and financial resources, the Company has chosen the US Healthcare Market as its initial target market and specifically the revenue cycle management for hospitals segment as the entrance point. Within this broad category are several subset opportunities all with varying degrees of size. These categories include, Denial Management, Zero Balance Claims Recovery and Self Pay Claims Recovery. Of this subset, the Company will initially focus on Denied Claims which are more particularly defined as hospital claims made to insurance providers for patient services performed in the hospital but for which some portion or all of the claim has otherwise been denied. There are multiple reasons for denial and with the growing complications associated with coding resulting from the US healthcare reforms, denied claims are expected to increase by over 400% in the coming years. Provisioning workflow solutions that improve the chances of recovery is therefore a target market of significant opportunity.

The Company has validated a revenue share model with hospitals that offers nominal up- front costs to deploy its workflow automation solutions. For hospitals and larger hospital systems this represents incremental net income that would otherwise be written off.

In addition, the Company is developing its proprietary Certive "SmartService" Hubs that will enable the delivery of direct and syndicated "Smart Process Apps" to health care service providers and related value chain participants. Smart Process Apps will address the largest issue in US healthcare today – bringing together the billing cycle process AND the broader care delivery ecosystem. The product is being built on the next generation Appification Framework developed by AppCrest Inc., the Company's strategic technology partner.

<u>The US Healthcare Market and Trends</u>

Fundamental changes occurring within the US Healthcare market are causing a shift from a business-to-business model to much more of a business-to-consumer marketplace. With that there is widespread reform throughout the payer/provider ecosystem. This reform is affecting how hospitals and insurance companies interact on a daily basis. Furthermore, these massive shifts are affecting core processes that drive legacy patient care delivery systems. This trend is creating new opportunities to automate processes in key areas including the management of insurance, eligibility verification, streamlined enrollment processes and transfers to other healthcare plans. With the implementation of Affordable Care Act (ACA), government involvement in the insurance and patient services components of US Healthcare is steadily increasing. Consumers, thus patients, are being encouraged to be more responsible for their personal health and the care they receive. Increasing costs are mandating a more accountable environment ranging from the patient to all forms and types of providers. The industry is poised to accept new and previously resisted technologies that will transform business models and service delivery methods. Consolidations of industry groups are also emerging as the industry attempts to contain costs in a highly unstable environment.

The following illustrates the value of BPM to the Healthcare Industry generally;

General Benefits

- Reduce administrative task burden to enable more focus on patient care
- Increases staff productivity by allowing them to focus on high value workload
- Improves organizational efficiency by identifying wasteful activities

- Increase accuracy by reducing the risk of human error
- Mitigate financial, operational and clinical risks
- Improve process visibility, control and optimization
- Improve response to business & regulatory change

Payer Benefits

- Increase market share
- Optimize the payment lifecycle
- Improve operational efficiency
- Ensure regulatory compliance
- Enable transition to coordinated care

Provider Benefits

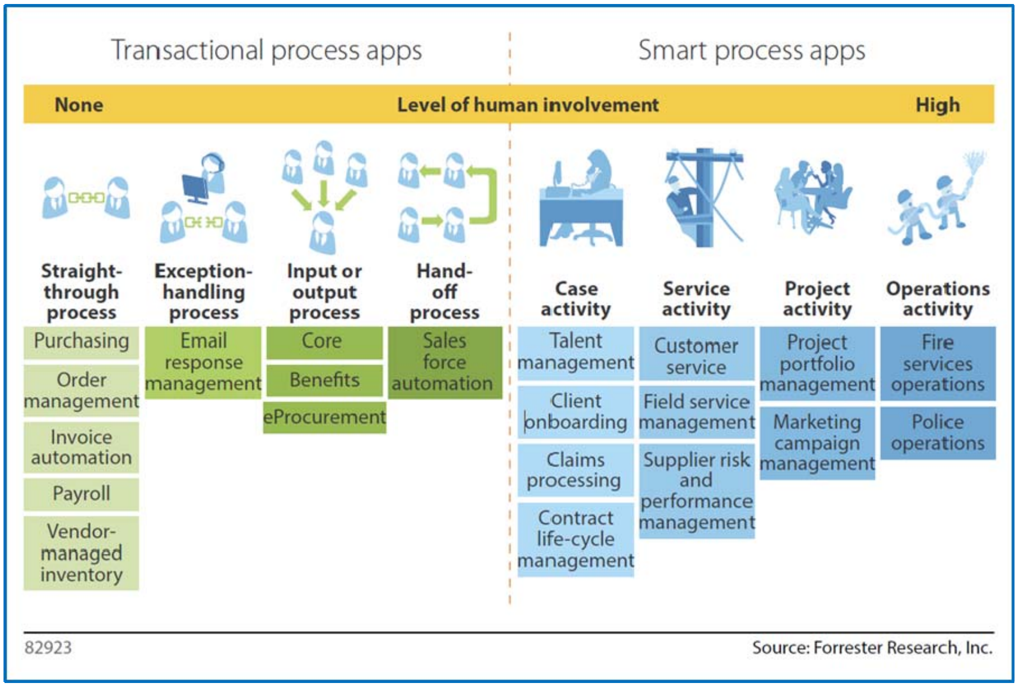
- Improve patient outcomes
- Reduce the cost of care
- Eliminate waste
- Ensure regulatory compliance
- Enable patient-centered collaboration

Healthcare requires the full range of BPM capabilities as the following diagram illustrates;

Document Workflow
Automates the capture, conversion, indexing and routing of documents to transform paper-bound processes.

Process Management
Automates highly structured, predictable processes to optimize work handling, throughput and workforce utilization.

Case Management
Automates collaborative, people-driven and information-intensive processes with variable handling requirements.



<u>Healthcare Smart Process Market Projections: “</u>Healthcare has become a heightened regulatory environment which serve as a driver of demand information capture and smart process technologies.”

	2010	2011	2012	2013(F)	2014(F)	2015(F)	CAGR
Industrial & Energy Products	$ 709.47	$ 843.79	$ 1,004.12	$ 1,200.32	$ 1,418.87	$ 1,649.75	18.39%
Transportation & Logistics	$ 446.94	$ 535.20	$ 619.90	$ 751.85	$ 880.59	$1,113.54	20.03%
Utilities	$ 358.33	$ 415.46	$ 527.89	$ 655.51	$ 777.30	$ 945.24	21.41%
Financial Services	$ 1,368.89	$1,553.71	$ 1,899.15	$2,399.67	$2,872.44	$ 3,257.30	18.93%
Insurance	$ 651.78	$ 723.77	$ 833.13	$1,050.88	$ 1,291.56	$ 1,531.18	18.63%
Healthcare	$ 422.24	$ 506.51	$ 602.47	$ 764.56	$ 954.65	$ 1,157.63	22.35%
Government	$ 1,204.21	$ 1,433.53	$ 1,680.42	$ 2,021.13	$ 2,458.97	$ 2,952.51	19.65%

Source: Forrester Consulting on behalf of Kofax, January 2013.

Process Applications in Healthcare cover a broad range of participants including suppliers, payer regulators, providers, physicians, and patients, including:

Supplier

- [ ] Clinical Trial Team Collaboration
- [ ] Clinical Trial Operations
- [ ] Contracts Management
- [ ] Litigation Support
- [ ] Regulatory Compliance

Payer/Regulator

- [ ] Authorizations Management
- [ ] Charge Tracking
- [ ] Claims Auditing
- [ ] Claims Processing
- [ ] Eligibility Verification
- [ ] Payment Management
- [ ] Policy Enrollment & Management
- [ ] Provider Contracts Processing
- [ ] Records Update Processing
- [ ] Regulatory Compliance

Provider

- [ ] Administrative Approvals
- [ ] Clinical Care Management
- [ ] Contracts Management
- [ ] Denial Management (OUR FOCUS)
- [ ] Donor Registration
- [ ] Incident Reporting
- [ ] Invoice Processing
- [ ] Medicaid Case Management
- [ ] Medical Billing
- [ ] New Hire Onboarding
- [ ] Order Referral Management
- [ ] Patient Admissions & Discharge
- [ ] Payroll Processing
- [ ] Physician Surveys
- [ ] Revenue Cycle Management (OUR FOCUS)
- [ ] Service Delivery Tracking

Physician

- [ ] Diagnostic Assistance
- [ ] Outpatient Order Submission
- [ ] Physician Services
- [ ] Patient Records Review

Patient

- [ ] Patient Enrollments
- [ ] Complaints & Grievances
- [ ] Correspondence Management
- [ ] Patient Support (Portal)

Targeted Use Case Market Opportunities

The Company has targeted five principal market opportunities all within the general healthcare market.

Revenue Cycle Management: This category includes Denied Claims Management, Zero Balance Claims Recovery, and Self Pay Claims Recovery. Denied Claims Management is the primary target for the Company in the following two years of planning. US hospitals write off between 3% and 17% of their annual revenues to denied claims due to coding errors, lack of pre-approvals, lapsed coverage, or wrong category allocation. More than 50% of these denied claims are simply written off by the hospital. The Company has validated its revenue share model in which it will share proportionately in recovered revenue resulting from denied claims. Deployment of the "Certive Solution" will serve to automate each hospital's distinct processes and workflows, with a resulting efficient and effective recovery of previously denied claims

Behavioral Health: This category involves case management for behavioral health patients, including gambling, alcohol and drug abuse. Additionally, this use case has significant additional application in managing chronic illnesses such as diabetes, congestive heart failure and asthma. These illnesses are very significant burdens on the healthcare system as they are managed over long periods of time. Over 2 million discharges annually from US hospitals are directly attributable to mental health or substance abuse issues. Over 5mm emergency room visits annually are attributable to behavioral health issues. Behavioral health care is accessed in a fragmented fashion, mainly via non-dedicated healthcare facilities. Better coordination and integration of behavioral care will reduce costs and improve outcomes – a core target for the Affordable Care Act (ACA). Re-injuries can be reduced by up to 50%, and Emergency visits can be reduced by up to 42%, leading to significant cost savings. The Company's targets include over 4,000 hospitals, 166 Accountable Care Organizations, 8,000 health care delivery sites and State run programs.

Emergency Response Compliance: This category addresses a unique niche opportunity to develop compliance protocols implemented with the Company's workflow tools to address the need for executable action plans in the case of major emergencies or disasters.

Care Decision Making and Credentialing: This category addresses a multi-billion dollar market associated with ensuring that caregivers are appropriately and timely licensed to provide their services both as independent practitioners and as employees of large healthcare systems.

Vaccine Inventory Management: This category addresses a federally-funded process optimization and automation program related to the distribution and inventory management for federal vaccine programs.

Market Comparisons and Valuations

The Company recognizes that SaaS companies in large, niche markets can command attractive valuation premiums. The key drivers in these valuations include growth forecasts, executive track records, and market definition and size, as well as public relations programs focused on messaging to the appropriate audience. Management has conducted an extensive comparative analysis of market valuations for companies operating as SaaS enterprises in similar or complementary industries. A summary of this comparative analysis is shown below;

Market Valuation Comparative Analysis

As of September 24, 2103						Value, $M		Revenue, $M					
Company	Business	SaaS?	Ticker	Price	% of 12 Mo High	MKT	EV	TTM	YOY Growth	GM	EBITDA Margin	EV /Rev	EV /EBITDA
athenahealth	Practice Mgt, EHR, Services	Y	ATHN	108.08	91.8%	3,980	4,400	494	41%	52%	9%	8.9	102.3
Bazaarvoice	Social Commerce	Y	BV	9.60	60.0%	710	643	169	25%	62%	-27%	3.8	9.6
Concur Technologies	T&E Expense Mgt	Y	CNQR	112.82	100.9%	6,320	5,960	507	23%	62%	9%	11.8	129.6
Constant Contact	CRM	Y	CTCT	21.55	103.4%	661	577	269	13%	67%	7%	2.1	29.4
Cornerstone OnDemand	HR Talent Mgt	Y	CSOD	53.34	104.0%	2,740	2,710	149	66%	56%	-19%	18.2	N/A
DealerTrack Holdings	Automotive Retail	Y	TRAK	41.70	97.7%	1,820	1,850	432	26%	39%	14%	4.3	30.3
Demandware	E-commerce	Y	DWRE	46.13	93.9%	1,410	1,350	89	26%	62%	-13%	15.2	N/A
Exact Target - acquired	Cloud Marketing	Y	ET	33.75		3,004		292		63%		10.3	
inContact	Contact Ctr Software	Y	SAAS	8.30	85.0%	454	442	121	19%	50%	1%	3.7	260.0
IntraLinks Holdings	BPM Platform	Y	IL	8.42	83.8%	463	460	225	7%	68%	1%	2.0	169.1
LivePerson	OnLine Engagement	Y	LPSN	9.80	52.7%	529	455	168	12%	73%	8%	2.7	35.0
LogMeIn	Remote access services	Y	LOGM	31.25	97.7%	752	562	151	20%	82%	3%	3.7	134.8
NetSuite	Cloud ERP	Y	N	107.20	99.3%	7,950	7,800	357	35%	60%	-8%	21.8	N/A
OpenTable	Restaruant Reservation	Y	OPEN	70.09	89.4%	1,610	1,570	174	15%	60%	31%	9.0	29.1
OpenText	Enterprise Info Mgt	N	OTEX	73.79	98.9%	4,330	4,350	1360	14%	64%	30%	3.2	10.6
Pega Systems	CRM and BPM	N	PEGA	39.04	96.3%	1,480	1,320	479	12%	63%	14%	2.8	19.6
RealPage	Rental Housing	Y	RP	23.38	95.3%	1,800	1,770	352	20%	55%	15%	5.0	32.8
Salesforce.com	CRM Platform	Y	CRM	52.14	96.1%	31,080	33,260	3,470	31%	68%	2%	9.6	459.2
SciQuest	BPM Spend Management	Y	SQI	23.34	89.8%	534	485	79	40%	58%	2%	6.1	280.3
Splunk	Operational Intelligence	Y	SPLK	60.37	95.3%	6,390	6,210	241	50%	73%	-15%	25.8	N/A
Ultimate Software Group	HR Management	Y	ULTI	144.56	95.7%	4,020	4,000	370	23%	51%	14%	10.8	75.5
Veeva	SaaS Pharma CRM	Y	Private				2,000	200				10	
Vocus	Marketing Solutions	Y	VOCS	9.60	46.5%	193	159	185	7%	74%	0%	0.9	180.7
Workday	Human Capital Mgt	Y	WDAY	80.58	95.5%	14,020	13,270	353	72%	44%	-31%	37.6	N/A

Business Development, Sales, and Marketing

Business development is planned in two phases:

Phase 1

- Drive revenue in Denied Claims Management utilizing licensed platform technologies on a revenue share model with hospitals and the technology partner
- Target adjacent ponds in markets where similar technologies have been successfully deployed.
- Identify one acquisition target represented by a service provider consultancy that will initially serve as a strategic partner and latterly become a target for acquisition.

Phase 2

- Identify up to 5 acquisition targets, each of whom are currently service providers in the Company's targeted segments of Healthcare. The typical profile will be a $4mm enterprise seeking to grow that will generate a minimum 3 times valuation lift with the addition of a technology platform.

- Introduce the Certive SmartService solution to targeted sectors in healthcare.

RESULTS OF OPERATIONS – Twelve Months Ended May 31, 2013: VisualVault Corporation (formerly Manuweb Software Systems, Inc.)

Results of operations are reported on a comparative basis comparative with the year ended May 31, 2012.

The Company did not earn any income during the twelve months ended May 31, 2013.

For twelve months ended May 31, 2013, the Company recorded an operating loss of $10,349,605 comprised of consulting services of $292,018, professional fees of $144,195, sales and marketing costs of $156,597, travel and promotion costs of $118,138, investor relations costs of $117,677, other expenses totaling $152,540 and a one-time aggregate write-down of goodwill in the amount of 9,368,440. The write down of goodwill resulted from the fact that the Company had not generated any revenue from the assets acquired in the preceding two fiscal periods. It is management's belief that the write down represents a highly conservative reflection of the prospect for generating revenues in subsequent reporting periods. In the event that the Company does in fact generate revenues in following fiscal periods the assets written down will be revalued on the financial statements. Given the broaden business plan set out above and the intention to grow aggressively through both organic and acquisitive activity, management is of the opinion that the asset value will be reflected more appropriately in subsequent periods.

The fully diluted loss per share outstanding as at May 31, 2013 was $.37 per share calculated on 28,317,354 consolidated weighted average common shares outstanding.

FINANCIAL POSITION:

The financial position as at May 31, 2013 is reported on a comparative basis with the year ended May 31, 2012.

As at May 31, 2013, the Company had a working capital deficiency of $1,110,873, represented by cash on hand of $3,623 and amounts due from related parties and the government of Canada totaling $46,719 less accounts payable of $405,440, convertible debt totaling 306,847 and short term loans totaling $448,928 for a working capital deficiency of $1,110,873.

SELECTED ANNUAL INFORMATION

The following financial data, which has been prepared in accordance with Canadian generally accepted accounting principles, is derived from the Company's financial statements. These sums are being reported in Canadian dollars and did not change as a result of the adoption of policies concerning Financial Instruments.

	Year ended		
	May 31, 2013	May 31, 2012	May 31, 2011
Total Revenue	$ --	$ --	$ --
Interest income	$ --	$ --	$ --
Expenses	$9,368,440	$711,392	$135,851
Net loss	($9,368,440)	($711,392)	($135,851)
Total assets	$50,343	$9,330,211	$508,542
Total long-term liabilities	$ --	--	$ --
Net loss per share (basic and diluted)	($.37)	($.26)	($.01)

SELECTED QUARTERLY INFORMATION

The following table summarized the results of operations for the four most recent quarters

	Three months ended			
	May 31, 2013	February 28, 2013	November 30, 2012	August 31, 2012
Total Revenue	$ --	$ --	$ --	$ --
Interest income	$ --	$ --	$ --	$ --
Expenses	$8,447,844	$222,013	$263,680	$434,903
Net loss	($8,447,844)	($222,013)	($263,680)	($434,903)
Net loss per share and diluted loss per share	($.02)	($.02)	($.02)	($.02)

LIQUIDITY:

(a) The Company intends to complete a $6,400,000 non-brokered private placement to accredited investors in order to provide for marketing working capital, secure one acquisition and general operating working capital. (Note: $1,400,000 of this has been closed and completed.)

(b) Other than as set forth herein, there are no expected fluctuations in the Company's liquidity, taking into account demands, commitments, events or uncertainties.

(c) The funds received by the Company pursuant to the proposed $6.4mm private placement, should provide it with the capital necessary for general and administrative expenses and for working capital purposes. The Company anticipates that such funds will be sufficient for its working capital requirements for the forthcoming 12 months

(d) The Company does not currently have any liquidity risks associated with financial instruments.

(e) The Company does not currently expect to have a working capital deficiency after it has completed the planned private placements of $6,400,000. However, if additional working capital is required in the future, the Company expects to meet such need through additional equity, or debt financing(s).

(f) There are no balance sheet conditions or income or cash flow items that may affect the Company's liquidity.

(g) The Company has two subsidiaries at the date of this MD&A; VisualVault Technologies Inc., a British Columbia corporation. No sales have yet occurred as the marketing process was impacted by management's decision to broaden its scope and re-direct cash resources to more accretive activities.

(h) There are currently no defaults or arrears by the Company on dividend payments, lease payments, interest or principal payment on debt, debt covenants; and redemption or retraction or sinking fund payments.

CAPITAL RESOURCES

There are no known trends or expected fluctuations in the Company's capital resources, including expected changes in the mix and relative cost of such resources.

OFF BALANCE SHEET ARRANGEMENTS

As at September 30, 2013, the Company had no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Except for the transformation of its Business Plan into a Strategic and Tactical Plan as discussed above, the Company does not have any other proposed transactions to discuss at this time.

TRANSACTIONS WITH RELATED PARTIES

a) During the year ending May 31, 2013, the Company advanced $146,808 to Canadian Data Preserve, Inc., a company with common directors. The advances are secured with a promissory note bearing interest at 8% per annum. The note is due on or before May 31, 2014.

b) After the completion of the Plan of Arrangement Agreement, the Company paid and accrued consulting fees of $15,000 plus taxes to Tulox for services provided in spinning off Tulox's interest in the Licensing Agreement to a separate entity. As of May 31, 2013, the Company still owed Tulox $1,800 with respect to this service.

c) As of May 31, 2013, the Company owed $20 to Tulox with respect to funds advanced in order to cover monthly bank charges. The loan is non-interest bearing and has no fixed term of repayment.

d) During the year ended May 31, 2013 there was $111,466 owing to two directors.

e) During the year ending May 31, 2013, the Company paid management and consulting fees to its directors and officers totalling $280,718.

OUSTANDING SHARE DATA

Authorized: unlimited common shares without par value
unlimited preferred shares without par value

Issued and Outstanding:

	Number of Shares		Amount
Common share issued on incorporation	1	$	1
Cancellation of incorporator share	(1)		(1)
Issuance of shares in pursuant of Plan of Arrangement	6,038,667		15,000
Issued in respect of the acquisition of AIM	8,958,000		179,160
Issued for cash	1,940,000		97,000
Exercise of options	1,000,000		50,000
Balance as at February 28 2012	17,936,667	$	341,160
Consolidation 7:1 as at April 27, 2012	2,562,381	$	341,160

Issued in respect of AIM acquisition	9,735,143	$	3,407,300
Issued in respect of VVT acquisition	13,275,000	$	4,646,425
Issued in respect of private placement	2,550,830	$	1,075,396
Subscription Receivable		$	(20,000)
Balance as at May 31, 2012	28,133,354	$	9,450,281
Issued as Bonus on Debentures	184,000	$	108,820
Balance as at May 31, 2013	28,317,354	$	9,559,101

Stock Options:

No stock options were granted or exercised during the period.

Warrants:

As at May 31, 2013 there were 2,556,069 warrants outstanding, exercisable until March 24, 2014 at a price of $1.00 per share.

CONTINGENCIES

Except for the commitments mentioned in Liquidity subsection (b), there are no other contingencies outstanding as of date of this discussion.

SUBSEQUENT EVENTS

Subsequent to the Company’s year-end, May 31, 2013, the following material subsequent events are reported;

a) Substantially all of the disclosures in this MD&A, occurred subsequent to the year end and accordingly should be considered as part of this section of the MD&A.
b) Subsequent to May 31, 2013 and in conjunction with the lapsing of the second amendment to the Amended Asset Purchase Agreement, the license to use the VisualVault trademark and Logos expired. The Company was granted the right to use the name “VisualVault Corporation” with the express permission of Auersoft LLC, but has elected to change its name as soon as the consolidation of capital is effected.
c) Subsequent to May 31, 2013the Company issued 2,666,667 shares for cash to an unrelated Company for proceeds of $800,000.

CONTROLS AND PROCEDURES

The Chief Financial Officer is responsible for establishing and maintaining effective disclosure controls and procedures for the Company as defined in National Instrument 52-109 *Certification of Disclosure in Annual and Interim Filings.* Management has concluded that as of October 28, 2011, discussion of disclosure controls and procedures is preemptive; however, once operations begin, such controls will be effective enough to provide reasonable assurance that material information relating to the Company would be known, particularly during the period in which reports are being prepared.

Disclosure Controls and Procedures

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Internal Control over Financial Reporting

The Chief Financial Officer is responsible for establishing and maintaining effective internal control over financial reporting as defined in National Instrument 52-109. Because of its inherent limitations, internal control over financial reporting may have material weaknesses and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has concluded that internal control over financial reporting will be effective. The design and operation of internal control over financial reporting will provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable generally accepted accounting principles.

Internal control over financial reporting will include those policies and procedures that establish the following: maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of assets; reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable generally accepted accounting principles; receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors; and reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets.

Management will design internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP.

Segregation of Duties

Currently duties have not been segregated due to the small number of individuals involved in this start-up. This lack of segregation of duties has not resulted in any material misstatement to the financial statements.

As the Company incurs future growth, management plans to expand the number of individuals involved in the accounting and finance functions. At the present time, the Chief Executive Officer and Chief Financial Officer oversee all material transactions and related accounting records. In addition, the Audit Committee of the Company review on a quarterly basis the interim financial statements and key risks and will query management about significant transactions.

Complex and Non-Routine Transactions

The Company may be required to record complex and non-routine transactions. These sometimes will be extremely technical in nature and require an in-depth understanding of Canadian GAAP. Finance staff will consult with their third party expert advisors as needed in connection with the recording and reporting of complex and non-routine transactions. In addition, an annual audit will be completed and presented to the Audit Committee for its review and approval.

These consolidated financial statements, including comparatives have been prepared inaccordance with International Accounting Standards ("IAS") 1, "Presentation of Consolidated financial statements" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value as explained in the accounting policies set out in Note 3. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The comparative figures presented in these consolidated financial statements are in accordance with IFRS.

These consolidated financial statements were authorized by the audit committee and board of directors of the Company on September 26, 2013.

Comparative periods

Prior period comparative figures have been amended to conform to the current period's presentation. Previously, the Company's due from and due to related parties were reported separately on the statement financial position. They are now reported as a net figure under due from related party.

Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) Depreciation

The Company's management exercises its judgment in estimating the useful lives of the depreciable assets. The estimated useful lives reflect the management's estimate of the periods the Company intends to derive future economic benefits from the use of these assets. The Company depreciates its license in accordance with the accounting policies stated in Note 3. The carrying amount of the license is disclosed in Note 7.

ii) Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from un-utilized tax losses require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

iii) Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Determination of functional currency

The functional currency is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency for the Company is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Intra-company balances and transactions, and any unrealized income and expenses arising from intra-company transactions, are eliminated in preparing the consolidated financial statements.

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
Advantive Information Management Inc.	Vancouver, BC	100%	Information Technology
VisualVault Technologies Inc.	Scottsdale, Arizona	100%	Information Technology

Foreign exchange

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are recognized through profit or loss.

Cash

Cash includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and subject to an insignificant risk of change value.

License

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. At the end of each reporting period, the License is reviewed to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. See Note 7 for details.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized through profit or loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized through profit or loss.

The Company has not classified any financial assets as held-to-maturity or available for sale.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Company has classified its cash as fair value through profit or loss. The Company's receivables and due from related parties are classified as loans and receivables.

<u>Financial liabilities</u>

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost. The Company's accounts payables and other liabilities, due to related parties, short term loans and convertible debt are classified as other financial liabilities.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Future accounting pronouncements

A number of new standards, amendments to standards and interpretations are not yet effective as at May 31, 2013, and have not been applied in preparing this consolidated financial statement. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

Accounting standards issued and effective for years beginning January 1, 2013

<u>Consolidated financial statements</u>

IFRS 10 *Consolidated Financial Statements* establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This standard:

i) requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements.

ii) defines the principle of control, and establishes control as the basis for consolidation

iii) sets out how to apply the principle of control to identify whether an investor controls and investee and therefore must consolidate the investee

iv) sets out the accounting requirements for the preparation of consolidated financial statements. IFRS 10 supersedes IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation-Special Purpose Entities.

<u>Joint Ventures</u>

IFRS 11 *Joint Arrangements* establishes the core principle that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement.

<u>Disclosure of involvement with other entities</u>

IFRS 12 *Disclosure of Involvement with Other Entities* requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effect of those interests on its financial position, financial performance and cash flows.

<u>Separate financial statements</u>

IAS 27 *Separate Financial Statements* has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements.

Investment in associates and joint ventures

IAS 28 *Investments in Associates and Joint Ventures* prescribes the accounting for investment in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture).

Interest-bearing loans and other borrowings

Interest-bearing loans and other borrowings are recognized initially at fair value less related transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of borrowings on an effective interest basis.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

Revenue recognition

Contract revenue is recognized when goods are shipped and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

RISK FACTORS

Strategic and operational risks

Strategic and operational risks are risks that arise if the Company fails to develop sufficiently develop either or both AIM or VVT's strategic plans. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. The Company's other receivable balance may consist of amounts outstanding on Harmonized Sales Tax Credits from Canada Revenue Agency. Therefore, the Company believes that there is minimal exposure to credit risk.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2013, the Company had a cash and cash equivalent balance of \$50,343 and \$1,161,215 current liabilities to settle. Subsequent to the year end, the Company secured \$1,400,000 in a 1st closing of its private placement having the effect of extinguishing 854,668 of its current liabilities. The Company is planning to complete a 2nd closing of its private placement for minimum gross proceeds of \$5,000,000. The Company will use the funds from this private placement to provide for marketing and general and administrative expenses and for working capital purposes. All of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Interest risk
Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Cash and accrued liabilities are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

RISKS AND UNCERTAINTIES

Risk Factors

In evaluating an investment in the Company's shares, in addition to the other information contained or incorporated by reference herein, investors should consider the following risk factors. These risk factors are not **a** definitive list of all risk factors associated with the Company and its business.

General and Industry Risks

The Company’s business objectives in the next 12 months are to establish, by the end of 2014, (i) an expanded profitable operating business that can be sustained on an ongoing basis, (ii) a strong market position that will permit the company to rapidly and profitably expand the market for its products, and (iii) significant competitive advantages that will permit the company to sustain its market shares and profit margins.

Securities and Dilution

The purpose of the concurrent financing is to raise funds to carry out the Company’s business objectives with the ultimate objective of establishing a human resources company providing unique Web-based solutions to the small and medium-sized business enterprises. The only source of future funds presently available to the Company is through the sale of equity capital or the assumption of debt. There is no assurance that such sources of financing will be available on acceptable terms, if at all. If the Company seeks additional equity financing, the issuance of additional shares will dilute the interests of their current shareholders. Failure to obtain such additional financings could result in delay or indefinite postponement of the Company’s strategic goals.

Competition

The computer software backup/recovery industry is intensely competitive in all of its phases, and the Company will compete with many companies possessing greater financial resources and technical facilities than the Company.

Conflicts of Interest

Certain of the Company’s proposed directors and senior officers are directors or hold positions in other public companies. If any disputes arise between these organizations and the Company, or if certain of these organizations undertake transactions with the Company’s competitors, there exists the possibility for such persons to be in a position of conflict. Any decision or recommendation made by these persons involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other organizations. In addition, as applicable, such directors and officers will abstain from voting on any matter in which they have a conflict of interest.

No History of Earnings or Dividends

As a newly formed company, the Company has no history of earnings, and there is no assurance that the Company will generate earnings, operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends for the foreseeable future.

Potential Profitability Depends Upon Factors Beyond the Control of the Company

The potential profitability of the Company is dependent upon many factors beyond the Company’s control. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, regulatory compliance or other production inputs. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, events that cause worldwide economic uncertainty may make raising of funds for development difficult. These changes and events may materially affect the financial performance of the Company.

Dependency on a Small Number of Management Personnel

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company and its business operations.

Officers and Directors

Van Potter	CEO & Director
Brian Cameron	CFO & Director
John Ragan	Director
Brent Bollong	Director
Jack Saltich	Director
John Shackleton	Chairman of the Board and Director

Contact Address:

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