

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF
SOUTHTECH CAPITAL CORPORATION**

TO BE HELD ON SEPTEMBER 10, 2014

and

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF
REDFALL TECHNOLOGIES INC.**

TO BE HELD ON SEPTEMBER 10, 2014

and

JOINT MANAGEMENT INFORMATION CIRCULAR

of

SOUTHTECH CAPITAL CORPORATION

and

REDFALL TECHNOLOGIES INC.

DATED JULY 31, 2014

This joint management information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by and on behalf of the management of Southtech Capital Corporation ("**Southtech**") for use at the annual and special meeting of Southtech shareholders and by and on behalf of the management of Redfall Technologies Inc. ("**Redfall**") for use at the annual and special meeting of Redfall shareholders to be held at the times and places and for the purposes set out in the accompanying notices of meetings.

Please read this Information Circular carefully, including its appendices. Such documents contain detailed information regarding, among other things, the amalgamation of Southtech and Redfall (the "**Amalgamation**") that the shareholders of Southtech and Redfall will be voting on at their respective meetings. The Amalgamation is intended to constitute the Qualifying Transaction of Southtech under the policies of the TSX Venture Exchange.

Neither the TSX Venture Exchange nor any securities regulatory authority has in any way passed upon the merits of the proposed Qualifying Transaction described in this Information Circular.

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NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF SOUTHTECH CAPITAL CORPORATION

NOTICE IS HEREBY GIVEN THAT an annual and special meeting (the “**Southtech Meeting**”) of the holders of common shares (“**Southtech Shares**”) of Southtech Capital Corporation (“**Southtech**”) will be held at the offices of Burstall Winger Zammit LLP, 1600, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1, at 9:00 a.m. (Calgary time), on Wednesday, September 10, 2014 for the following purposes:

1. to receive the audited financial statements of Southtech for the fiscal year ended December 31, 2013;
2. in the event the Amalgamation (as defined below) is not completed, to fix the number of directors for the next ensuing year at five (5) members, subject to the provisions of the articles of Southtech relating to subsequent appointments by the board of directors;
3. in the event the Amalgamation is not completed, to elect the board of directors of Southtech to hold office until the next annual meeting of the holders of Southtech Shares or until their successors are elected or appointed;
4. in the event the Amalgamation is not completed, to appoint BDO Canada LLP, Chartered Accountants, as auditors for Southtech for the ensuing year and to authorize Southtech to fix the auditors’ remuneration;
5. in the event the Amalgamation is not completed, to consider, and if thought advisable, to pass, with or without variation, an ordinary resolution to approve Southtech’s stock option plan, as more particularly set forth in the accompanying joint management information circular of Southtech and Redfall Technologies Inc. (“**Redfall**”) dated July 31, 2014 (the “**Joint Information Circular**”);
6. to consider and, if thought appropriate, to pass, with or without variation, a special resolution (the “**Southtech Amalgamation Resolution**”), approving the amalgamation agreement dated May 7, 2014 between Southtech and Redfall, as amended on July 31, 2014, pursuant to which Southtech and Redfall will amalgamate (the “**Amalgamation**”) under the provisions of the *Business Corporations Act* (Alberta) (the “**ABCA**”) and continue as a new corporation (“**Amalco**”), all as more particularly described in the accompanying Joint Information Circular;
7. conditional upon the Southtech Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the stock option plan attached as Appendix B to the Joint Information Circular as the stock option plan of Amalco;
8. conditional upon the Southtech Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Advance Notice By-Law attached as Appendix C to the Joint Information Circular as the Advance Notice By-Law of Amalco;
9. in the event the Amalgamation is not completed, to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of disinterested shareholders, authorizing Southtech to:
 - (a) transfer to the NEX board of the TSX Venture Exchange (the “**Exchange**”); and
 - (b) to cancel such number of Seed Shares (as defined in Exchange policies) purchased by non-arm’s length parties to Southtech at a discount to Southtech’s initial public offering such that the average cost of the remaining Seed Shares is at least equal to \$0.10; and
10. to transact any such further and other business as may properly be brought before the Southtech Meeting or any postponement or adjournment thereof.

The nature of the business to be transacted at the Southtech Meeting and the specific details regarding the Amalgamation are described in further detail in the Joint Information Circular, including the appendices thereto.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Southtech Meeting or any postponement or adjournment thereof is August 13, 2014 (the “**Southtech Record Date**”). Holders of Southtech Shares (“**Southtech Shareholders**”) whose names have been entered in the register of Southtech Shareholders at the close of business on the Southtech Record Date will be entitled to receive notice of and to vote at the Southtech Meeting, provided that, to the extent a Southtech Shareholder transfers the ownership of any of his or her Southtech Shares after such date and the transferee of those shares establishes that he or she owns such shares and requests, not later than 10 days before the Southtech Meeting, to be included in the list of Southtech Shareholders eligible to vote at the Southtech Meeting, such transferee will be entitled to vote those shares at the Southtech Meeting.

A registered Southtech Shareholder may attend the Southtech Meeting in person or may be represented by proxy. Southtech Shareholders who are unable to attend the Southtech Meeting or any postponement or adjournment thereof in person are requested to date, execute and return the accompanying instrument of proxy for use at the Southtech Meeting or any postponement or adjournment thereof. **To be effective, the enclosed instrument of proxy must be mailed so as to reach or be deposited with CST Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, not later than 9:00 a.m. on Monday, September 8, 2014 or forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to any postponement or adjournment thereof.**

The persons named in the enclosed instrument of proxy are directors and/or officers of Southtech. Each Southtech Shareholder has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for him or her and on his or her behalf at the Southtech Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Southtech Shareholder’s appointee should be legibly printed in the blank space provided.

Registered Southtech Shareholders have the right to dissent with respect to the Southtech Amalgamation Resolution and, if the Southtech Amalgamation Resolution becomes effective, to be paid the fair value of their Southtech Shares in accordance with Section 191 of the ABCA. A registered Southtech Shareholder’s right to dissent is more particularly described in the Joint Information Circular and the text of Section 191 of the ABCA is set forth in Appendix D to the Joint Information Circular. A dissenting Southtech Shareholder must deliver to Southtech, c/o its counsel, Burstall Winger Zammit LLP, Suite 1600, the Dome Tower, 333 7th Avenue S.W., Calgary, Alberta T2P 2Z1, Attention: Doug Stuve, a written objection to the Southtech Amalgamation Resolution, at or prior to the Southtech Meeting or any postponement or adjournment thereof in order to be effective. Please refer to the Information Circular under the heading “*Information Concerning the Amalgamation — Right of Dissent*” and Appendix D for a description of the right to dissent in respect of the Amalgamation.

Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of the right to dissent. Persons who are beneficial owners of Southtech Shares, registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Southtech Shares are entitled to dissent. Accordingly, a beneficial owner of Southtech Shares desiring to exercise the right of dissent must make arrangements for the Southtech Shares beneficially owned by such holder to be registered in such holder’s name prior to the time the written objection to the Southtech Amalgamation Resolution is required to be received by Southtech or, alternatively, make arrangements for the registered holder of such Southtech Shares to dissent on behalf of the holder.

DATED at Calgary, Alberta, this 31st day of July, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

Per: (signed) “Wade Larson”
Wade Larson
President and Chief Executive Officer

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF
REDFALL TECHNOLOGIES INC.**

NOTICE IS HEREBY GIVEN THAT an annual and special meeting (the “**Redfall Meeting**”) of the holders of class A common shares (“**Redfall Shares**”) of Redfall Technologies Inc. (“**Redfall**”) will be held at the Eighth Avenue Place Conference Centre, located at Suite 400, 525 - 8 Avenue S.W., Calgary, Alberta T2P 1G1, at 10:00 a.m. (Calgary time), on Wednesday, September 10, 2014 for the following purposes:

1. to receive and consider the audited consolidated financial statements of Redfall for the year ended December 31, 2013;
2. in the event the Amalgamation (as defined below) is not completed, to fix the number of directors for the next ensuing year at four (4) members, subject to the provisions of the articles of Redfall relating to subsequent appointments by the board of directors;
3. in the event the Amalgamation is not completed, to elect the board of directors of Redfall to hold office until the next annual meeting of the holders of Redfall Shares or until their successors are elected or appointed;
4. in the event the Amalgamation is not completed, to approve the appointment of Collins Barrow Calgary LLP as Redfall’s auditors and to authorize the board of directors to fix the auditors’ remuneration;
5. to consider and, if thought appropriate, to pass, with or without variation, a resolution (the “**Redfall Amalgamation Resolution**”), to be approved by at least 75% of the votes cast by holders of Redfall Shares present in person or by proxy at the Redfall Meeting, as more particularly set forth in the accompanying joint management information circular of Redfall and Southtech Capital Corporation (“**Southtech**”) dated July 31, 2014 (the “**Joint Information Circular**”) approving the amalgamation agreement dated May 7, 2014, between Redfall and Southtech, as amended on July 31, 2014, pursuant to which Redfall and Southtech will amalgamate (the “**Amalgamation**”) under the provisions of the *Business Corporations Act* (Alberta) (the “**ABCA**”) and continue as a new corporation (“**Amalco**”), all as more particularly described in the Joint Information Circular;
6. to consider and, if thought appropriate, to pass, with or without variation, a resolution to be approved by at least 75% of the votes cast by the holders of Redfall Shares present in person or by proxy at the Redfall Meeting to amend the articles of Redfall to remove the private issuer restrictions as more particularly set forth in the Joint Information Circular;
7. conditional upon the Redfall Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the stock option plan attached as Appendix B to the Joint Information Circular as the stock option plan of Amalco;
8. conditional upon the Redfall Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Advance Notice By-Law attached as Appendix C to the Joint Information Circular as the Advance Notice By-Law of Amalco;
9. to transact any such further and other business as may properly be brought before the Redfall Meeting or any postponement or adjournment thereof.

The nature of the business to be transacted at the Redfall Meeting and the specific details regarding the Amalgamation are described in further detail in the Joint Information Circular, including the appendices thereto.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Redfall Meeting or any postponement or adjournment thereof is August 13, 2014 (the “**Redfall Record Date**”). Holders of Redfall Shares (“**Redfall Shareholders**”) whose names have been entered in the register of Redfall Shareholders at the close of business on the Redfall Record Date will be entitled to receive notice of and to vote at the Redfall Meeting,

provided that, to the extent an Redfall Shareholder transfers the ownership of any of his or her Redfall Shares after such date and the transferee of those shares establishes that he or she owns such shares and requests, not later than 10 days before the Redfall Meeting, to be included in the list of Redfall Shareholders eligible to vote at the Redfall Meeting, such transferee will be entitled to vote those shares at the Redfall Meeting.

A registered Redfall Shareholder may attend the Redfall Meeting in person or may be represented by proxy. Redfall Shareholders who are unable to attend the Redfall Meeting or any postponement or adjournment thereof in person are requested to date, execute and return the accompanying instrument of proxy for use at the Redfall Meeting or any postponement or adjournment thereof. **To be effective, the enclosed instrument of proxy must be mailed so as to reach or be deposited with Torys LLP at 4600, 525 - 8 Avenue S.W., Calgary, Alberta T2P 1G1, not later than 9:00 a.m. on Monday, September 8, 2014 or forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to any postponement or adjournment thereof.**

The persons named in the enclosed instrument of proxy are directors and/or officers of Redfall. **Each Redfall Shareholder has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for him or her and on his or her behalf at the Redfall Meeting.** To exercise such right, the names of the nominees of management should be crossed out and the name of the Redfall Shareholder's appointee should be legibly printed in the blank space provided.

Registered Redfall Shareholders have the right to dissent with respect to the Redfall Amalgamation Resolution and, if the Redfall Amalgamation Resolution becomes effective, to be paid the fair value of their Redfall Shares in accordance with Section 191 of the ABCA. A registered Redfall Shareholder's right to dissent is more particularly described in the Joint Information Circular and the text of Section 191 of the ABCA is set forth in Appendix D to the Joint Information Circular. A dissenting Redfall Shareholder must deliver to Redfall, c/o its counsel, Torys LLP at 4600, 525 - 8 Avenue S.W., Calgary, Alberta T2P 1G1, Attention: Janan Paskaran, a written objection to the Redfall Amalgamation Resolution, at or prior to the Redfall Meeting or any postponement or adjournment thereof in order to be effective. Please refer to the Joint Information Circular under the heading "*Information Concerning the Amalgamation — Right of Dissent*" and Appendix D for a description of the right to dissent in respect of the Amalgamation.

Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of the right to dissent. Persons who are beneficial owners of Redfall Shares, registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Redfall Shares are entitled to dissent. Accordingly, a beneficial owner of Redfall Shares desiring to exercise the right of dissent must make arrangements for the Redfall Shares beneficially owned by such holder to be registered in such holder's name prior to the time the written objection to the Redfall Amalgamation Resolution is required to be received by Redfall or, alternatively, make arrangements for the registered holder of such Redfall Shares to dissent on behalf of the holder.

DATED at Calgary, Alberta, this 31st day of July, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

Per: (signed) "Robert (Geoffrey) Gordon"
Robert (Geoffrey) Gordon
Managing Partner

JOINT MANAGEMENT INFORMATION CIRCULAR

Introduction

This Information Circular is furnished to Southtech Shareholders and Redfall Shareholders in connection with the solicitation of proxies by management of both companies for use at the Southtech Meeting and Redfall Meeting to be held on September 10, 2014, at the times and places and for the purposes set forth in the Notices of Meetings accompanying this Information Circular.

All summaries of, and references to, the Amalgamation in this Information Circular are qualified in their entirety by reference to the complete text of the Amalgamation Agreement, a copy of which is attached as Appendix A to this Information Circular. **You are urged to carefully read the full text of the Amalgamation Agreement.**

You should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with your own professional advisors as to the relevant legal, tax, financial or other matters in connection herewith.

All capitalized terms used in this Information Circular but not otherwise defined herein shall have the meanings ascribed to such terms under “*Glossary of Terms*”. The information contained in this Information Circular is given as of July 31, 2014, except where otherwise noted.

Forward-Looking Information

This Information Circular contains forward-looking statements. Often, but not always, forward-looking statements and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Southtech, Redfall or Amalco to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Information Circular. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect.

Forward-looking statements and information in this Information Circular include, but are not limited to, statements with respect to:

- the completion of and the use of proceeds of the Redfall Financing;
- general business and economic conditions;
- growth expectations of Amalco;
- the ability of Amalco to meet milestone and timelines;
- expectations regarding Amalco’s ability to raise capital; and
- realization of the anticipated benefits of acquisitions.

Various assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions are based on information currently available to Southtech and Redfall, including information obtained by Southtech and Redfall from third-party sources. In some instances, material assumptions are presented or discussed elsewhere in this Information Circular in connection with the forward-looking information. Southtech and Redfall caution you that the following list of material assumptions is not exhaustive. The assumptions include, but are not limited to:

- the ability of Southtech to satisfy the requirements of the Exchange with respect to the Amalgamation;
- Amalco's ability to manage its growth;
- competition in Amalco's industry;
- Amalco's ability to retain qualified staff in a timely and cost efficient manner;
- the regulatory framework governing taxes in Canada and any other jurisdictions in which Amalco may conduct its business in the future;
- Amalco's success in identifying other risks to its business and managing the risks outlined in this Information Circular; and
- assumptions relating to the anticipated and unanticipated costs of the Amalgamation and the business of Amalco.

Although Southtech and Redfall believe that the expectations reflected in the forward-looking statements and information are reasonable, there can be no assurance that such expectations will prove to be correct. Southtech and Redfall cannot guarantee future results, levels of activity, performance or achievements of Amalco. Consequently, there is no representation by Southtech or Redfall that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements and information. Some of the risks and other factors, some of which are beyond the control of Southtech and Redfall, which could cause results to differ materially from those expressed in the forward-looking statements and information contained in this Information Circular are disclosed above and under the heading, "*Information Concerning the Amalgamation - Risk Factors*" below.

Actual results, performance or achievement could differ materially from the forward-looking information expressed herein. These forward-looking statements should not be relied upon as representing Southtech or Redfall's views as of any date subsequent to the date of this Information Circular. Although Southtech and Redfall have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect Southtech, Redfall or Amalco.

The forward looking statements contained in this Information Circular are expressly qualified by this cautionary statement. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and, except as required by law, Southtech and Redfall undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Readers are cautioned against attributing undue certainty to, and placing undue reliance on, forward-looking statements.

Presentation of Financial Information

All currency amounts in this Information Circular are expressed in Canadian dollars unless otherwise indicated.

The reader is further cautioned that, unless otherwise indicated, the preparation of financial statements, including *pro forma* financial statements, are in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, and requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. The *Amalco Pro Forma Financial Statements* attached hereto as Appendix G have been prepared in accordance with the measurement and presentation principles of IFRS. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

Non-IFRS Measures

This Information Circular contains references to earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) and adjusted EBITDA which is EBITDA excluding stock based compensation (“**adjusted EBITDA**”), which are not a generally accepted accounting measure under IFRS and therefore may differ from definition of EBITDA and adjusted EBITDA used by other entities. EBITDA and adjusted EBITDA are non-IFRS measures used by management to assess a company’s performance and financial condition. Management of Southtech and Redfall believe that the non-IFRS measure is useful supplemental measures that may assist purchasers in assessing the financial performance and the cash anticipated to be generated by Southtech and Redfall’s business. This non-IFRS measure should not be considered as the sole measure of either Southtech or Redfall’s performance and should not be considered in isolation from, or as a substitute for, analysis of Southtech or Redfall’s financial statements.

Trademarks, Trade Names and Service Marks

All trademarks used in this Information Circular are the property of their respective owners and may not appear with the ® symbol.

GLOSSARY OF TERMS

In this Information Circular, the following capitalized words and terms have the following meanings:

“**ABCA**” means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, including the regulations promulgated thereunder, as amended from time to time;

“**adjusted EBITDA**” means earnings before income taxes, depreciation, amortization and stock based compensation;

“**affiliate**” means a company that is affiliated with another company as described below:

A company is an “affiliate” of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person.

A company is “controlled” by a person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that person, or
- (b) an affiliate of that person or an affiliate of any company controlled by that person;

“**Agents**” means collectively, Cormark Securities Inc., Salman Partners Inc., Clarus Securities Inc., Beacon Securities Ltd. and Canaccord Genuity Corp.;

“**Amalco**” or “**Resulting Issuer**” means the continuing corporation to be constituted upon completion of the Amalgamation, to be named “Vogogo Inc.”;

“**Amalco Advance Notice By-Law**” means the proposed by-law no. 2 (Advance Notice By-Law) of Amalco under which provisions with respect to director nominations are prescribed;

“**Amalco Board**” means the board of directors of Amalco, as constituted from time to time;

“**Amalco Compensation Options**” means the compensation options to be continued by Amalco with respect to the Redfall Compensation Option pursuant to the Amalgamation;

“**Amalco Convertible Securities**” means, collectively, the Amalco Finder’s Warrants, the Amalco Warrants, the Amalco Options and the Amalco Compensation Options convertible into Amalco Shares to be continued by Amalco pursuant to the Amalgamation;

“**Amalco Escrow Agreement**” means the Value Security Escrow Agreement among Amalco, certain shareholders of Amalco and CST Trust Company acting as escrow agent, to be dated the Effective Date;

“**Amalco Finder’s Warrants**” means the finder’s warrants to be continued by Amalco with respect to the Redfall Finder’s Warrants;

“**Amalco Option Plan**” means the stock option plan of Amalco under which options to purchase up to 10% of the issued and outstanding Amalco Shares may be issued in accordance with the policies of the Exchange, a copy of which is attached as Appendix B to this Information Circular;

“**Amalco Options**” means the options to be continued by Amalco with respect to the Southtech Options and the Redfall Options pursuant to the Amalgamation;

“**Amalco Securities**” means, collectively, the Amalco Shares and the Amalco Convertible Securities;

“**Amalco Shares**” means the common shares in the capital of Amalco;

“**Amalco Warrants**” means the warrants to be continued by Amalco with respect to the Redfall Warrants pursuant to the Amalgamation;

“**Amalgamation**” means the amalgamation of Southtech and Redfall pursuant to Section 181 of the ABCA as provided for in the Amalgamation Agreement;

“**Amalgamation Agreement**” means the amalgamation agreement dated May 7, 2014 between Southtech and Redfall, as amended on July 31, 2014, pursuant to which Southtech and Redfall have proposed to amalgamate to form Amalco, a copy of which is set forth as Appendix A to this Information Circular;

“**Applicable Canadian Securities Laws**”, means, with respect to any person, the securities legislation of each of the provinces and territories of Canada that apply to such person or its business, undertaking, property or securities and emanate from a person having jurisdiction over the person or its business, undertaking, property or securities;

“**Articles of Amalgamation**” means the Articles of Amalgamation with respect to the Amalgamation, substantially in the form attached as Schedule A to the Amalgamation Agreement;

“**associate**” when used to indicate a relationship with a person, means:

- (a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the person;
- (c) any trust or estate in which the person has a substantial beneficial interest or in respect of which a person serves as trustee or in a similar capacity;
- (d) in the case of a person who is an individual:
 - (i) that person’s spouse or child, or
 - (ii) any relative of the person or of his spouse who has the same residence as that person; but
- (e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that member firm, member corporation or holding company;

“**BIG**” has the meaning ascribed to it in the section titled “*Information Concerning Redfall – Narrative Description of Business - Operations*”;

“**BIG Consulting Agreement**” has the meaning ascribed to it in the section titled “*Information Concerning Redfall – Narrative Description of Business - Operations*”;

“**Business Day**” means any day other than a Saturday or Sunday or a day when banks in the City of Calgary are not generally open for business;

“**Certificate of Amalgamation**” means the Certificate of Amalgamation issued by the Registrar pursuant to Subsection 185(4) of the ABCA in respect of the Amalgamation;

“**Closing**” means the completion of the Amalgamation;

“**Closing Date**” means the date of the Closing;

“**Commission**” has the meaning ascribed to it in the section titled “*Summary - Redfall Financing*”;

“**company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“**Completion of the Qualifying Transaction**” means the date the Final Exchange Bulletin is issued by the Exchange;

“**Control Person**” means any person or company that holds or is one of a combination of persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

“**CPC**” means a corporation:

- (a) that has been incorporated or organized in a jurisdiction in Canada,
- (b) that has filed or obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with Policy 2.4; and
- (c) in regard to which the Completion of the Qualifying Transaction has not yet occurred;

“**CPC Escrow Agreements**” means the escrow agreement dated December 31, 2011 between Southtech, CIBC Mellon Trust Company and certain of the Southtech Shareholders;

“**Depository**” means CST Trust Company;

“**DevOps**” (a portmanteau of development and operations) is a software development method that stresses communication, collaboration and integration between software developers and information technology (IT) operations professionals;

“**Dissenting Shareholders**” means either the Southtech Shareholders or the Redfall Shareholders, as applicable, who exercise the right of dissent available to them in respect of the Southtech Amalgamation Resolution and the Redfall Amalgamation Resolution, respectively;

“**Effective Date**” means the effective date of the Amalgamation, which shall be the date of the Certificate of Amalgamation;

“**Escrowed Proceeds**” has the meaning ascribed to it in the section titled “*Summary - Redfall Financing*”;

“**Exchange**” means the TSX Venture Exchange;

“**Final Exchange Bulletin**” means the Exchange bulletin which is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the formal Exchange acceptance of the Qualifying Transaction;

“Governmental Authority” means any:

- (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;
- (b) subdivision, agent, commission, board or authority of any of the foregoing; or
- (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing;

“Gorilla Marketing” was originally a marketing strategy in which low-cost, unconventional means (including the use of graffiti, sticker bombing, flyer posting, etc.) were used in a (generally) localized fashion to draw attention to an idea, product, or service. Today, guerrilla marketing may also include promotion through a network of individuals, groups, or organizations working to popularize a product or idea by use of such strategies as flash mobs, viral marketing campaigns, or internet marketing;

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board;

“Information Circular” means this joint management information circular of Southtech and Redfall dated July 31, 2014 prepared in connection with the Meetings;

“Insider” if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of a company that is an insider or a subsidiary of the issuer;
- (c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities;

“IPO” has the meaning ascribed to it in the section titled *“Matters to be Approved at the Meetings — The Southtech Meeting”*;

“ISOs” has the meaning ascribed to it in the section titled *“Information Concerning Redfall — Narrative Description of the Business”*;

“Laws” means all laws, statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices, directions (including all Applicable Canadian Securities Laws), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority;

“Letter of Intent” means the agreement entered into between Southtech and Redfall dated March 31, 2014;

“Limitless” means Limitless I Corp., a corporation incorporated pursuant to the laws of the Province of Alberta;

“Limitless Debenture” has the meaning ascribed to it in the section title *“Information Concerning Redfall — Prior Sales”*;

“Material Adverse Change” or **“Material Adverse Effect”** means, with respect to Southtech or Redfall, as the case may be, any change, effect, event or occurrence that, individually or taken together with any other change, effect, event or occurrence, has or could reasonably be expected to have a material and adverse effect on: (x) the business, operations, results of operations, assets, prospects, title to assets, properties, capitalization, financial condition, licences, permits, concessions, rights, liabilities, obligations (whether absolute, accrued, conditional or

otherwise) or privileges of such party and its subsidiaries, considered as whole; or (y) the ability of any party and its subsidiaries, considered as whole, to consummate the transactions contemplated by the Amalgamation Agreement or that would materially impair their ability to perform their obligations under the Amalgamation Agreement, other than any change, effect, event or occurrence relating to or resulting from:

- (a) general economic, financial, currency exchange, securities or commodity prices in Canada, the United States or elsewhere, not having a material disproportionate effect on such party;
- (b) conditions affecting the payment processing industry as a whole, and not specifically relating to any party and/or its subsidiaries, including changes in Laws (including Tax Laws);
- (c) any change in the market price or trading volume of any publicly traded securities of the party (it being understood that the causes underlying such change in market price or volume may be taken into account in determining whether a Material Adverse Change or a Material Adverse Effect has occurred);
- (d) the execution, announcement or performance of the Amalgamation Agreement or the transactions contemplated hereby;
- (e) any matter which has been publicly disclosed or has been communicated in writing to the other party as of the date hereof;
- (f) any changes or effects arising from matters permitted or contemplated by the Amalgamation Agreement or consented to or approved in writing by the other party; or
- (g) acts or war, terrorism or armed hostilities, not having a material disproportionate effect on such party;

“**Meetings**” means, collectively, the Southtech Meeting and Redfall Meeting and “**Meeting**” means either one;

“**NEX**” has the meaning ascribed to it in the section titled “*Matters to be Approved at the Meetings — The Southtech Meeting*”;

“**NEX Resolution**” has the meaning ascribed to it in the section titled “*Matters to be Approved at the Meetings — The Southtech Meeting*”;

“**Non Arm’s Length Party**” means in relation to a company, a promoter, officer, director, other Insider or Control Person of that company and any associates or affiliates of any of such persons. In relation to an individual, means any associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person;

“**Non-Arm’s Length Qualifying Transaction**” means a proposed Qualifying Transaction where the same party or parties or their respective associates and affiliates are control persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction;

“**Notice of Redfall Meeting**” means the Notice of Redfall Meeting that accompanies this Information Circular;

“**Notice of Southtech Meeting**” means the Notice of Southtech Meeting that accompanies this Information Circular;

“**Notices of Meetings**” means, collectively, the notice of Southtech Meeting dated July 31, 2014 and the notice of Redfall Meeting dated July 31, 2014, attached hereto to this Information Circular;

“**PCI-DSS**” has the meaning ascribed to it in the section titled “*Information Concerning Redfall — Narrative Description of the Business*”;

“**person**” means a company or an individual;

“**Policy 2.4**” means Exchange Policy 2.4 — *Capital Pool Companies*;

“**Professional Persons**” means any person whose profession gives authority to a statement made by the person in such person’s professional capacity and includes a barrister and solicitor, a public accountant, appraiser, valuator, auditor or engineer;

“**PSP**” has the meaning ascribed to it in the section titled “*Information Concerning Redfall — Narrative Description of the Business*”;

“**Qualifying Transaction**” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means;

“**Redfall**” means Redfall Technologies Inc., a corporation incorporated under the ABCA;

“**Redfall Amalgamation Resolution**” means the special resolution in respect of the Amalgamation to be considered at the Redfall Meeting;

“**Redfall Board**” means the board of directors of Redfall, as constituted from time to time;

“**Redfall Brokered Financing**” means the brokered private placement by Redfall of an aggregate of 4,666,667 Redfall Receipts for gross proceeds of \$3,500,000;

“**Redfall Compensation Options**” has the meaning ascribed to it in the section titled “*Summary - Redfall Financing*”;

“**Redfall Convertible Securities**” means, collectively, the Redfall Finder’s Warrants, the Redfall Options, the Redfall Warrants and the Redfall Compensation Options, each convertible into Redfall Shares;

“**Redfall Finder’s Warrants**” means the outstanding finder’s warrants of Redfall entitling the holders thereof to purchase an aggregate of 2,275,000 Redfall Shares at a price of \$0.33 per Redfall Share expiring February 11, 2019;

“**Redfall Financing**” means collectively, the Redfall Brokered Financing and the Redfall Non-Brokered Financing;

“**Redfall Financing Agency Agreement**” means the agency agreement among Redfall, Southtech and the Agents dated effective May 8, 2014;

“**Redfall Letter of Transmittal**” means the letter of transmittal to be used by Redfall Shareholders for the purpose of surrendering certificates representing Redfall Shares and exchanging them for certificates representing Amalco Shares;

“**Redfall Meeting**” means the annual and special meeting of the Redfall Shareholders to be held on September 3, 2014 and includes any adjournment(s) or postponement(s) thereof;

“**Redfall Non-Brokered Financing**” means the non-brokered private placement by Redfall of a minimum of 2,533,333 Redfall Receipts for minimum gross proceeds of \$1,900,000 and a maximum of 6,666,666 Redfall Receipts for maximum gross proceeds of \$5,000,000;

“**Redfall Options**” means, collectively, (i) the outstanding incentive stock options of Redfall entitling the holders to purchase an aggregate of 1,450,000 Redfall Shares at a price of \$0.33 per Redfall Share, and (ii) the outstanding incentive stock options of Redfall entitling the holder to purchase an aggregate of 400,000 Redfall Shares at a price of \$0.52 per Redfall Share expiring April 30, 2017;

“**Redfall Receipts**” means the subscription receipts of Redfall issued pursuant to the Redfall Financing at a price of \$0.75 per Redfall Receipt, each such Redfall Receipt shall entitle the holder to receive one (1) Redfall Share upon satisfaction of the Release Event;

“**Redfall Record Date**” means August 13, 2014;

“**Redfall Securities**” means, collectively, the Redfall Shares, the Redfall Options, the Redfall Finder’s Warrants and the Redfall Warrants and “**Redfall Security**” means any one of them;

“**Redfall Shareholders**” means the holders of Redfall Shares;

“**Redfall Shares**” means the class A common shares in the capital of Redfall;

“**Redfall Warrants**” means the outstanding Redfall Share purchase warrants entitling the holder thereof to purchase an aggregate of 288,462 Redfall Shares at a price of \$0.52 per Redfall Share expiring April 1, 2017;

“**Registrar**” means the Registrar appointed under the ABCA;

“**Release Condition**” means the satisfaction or waiver (provided any such waiver shall be consented to by the Agents, acting reasonably) of all conditions precedent contemplated by the Amalgamation Agreement, other than completion of the Amalgamation;

“**Release Deadline**” means 5:00 p.m. (Calgary time) on September 16, 2014;

“**Release Event**” means the satisfaction of the Release Condition prior to the Release Deadline;

“**Seed Shares**” has the meaning ascribed to it in the section titled “*Matters to be Approved at the Meetings — The Southtech Meeting*”;

“**Significant Assets**” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the initial listing requirements of the Exchange;

“**Southtech**” means Southtech Capital Corporation, a corporation incorporated under the ABCA;

“**Southtech Amalgamation Resolution**” means the special resolution in respect of the Amalgamation to be considered at the Southtech Meeting;

“**Southtech Board**” means the board of directors of Southtech, as constituted from time to time;

“**Southtech Letter of Transmittal**” means the letter of transmittal to be used by Southtech Shareholders for the purpose of surrendering certificates representing Southtech Shares and exchanging them for certificates representing Amalco Shares;

“**Southtech Meeting**” means the annual and special meeting of the Southtech Shareholders to be held on September 10, 2014 and includes any adjournment(s) or postponement(s) thereof;

“**Southtech Named Executive Officer**” has the meaning ascribed to it in the section titled “*Matters to be Approved at the Meetings — The Southtech Meeting — Executive Compensation — Compensation of the Southtech Named Executive Officer*”;

“**Southtech Option Plan**” means the existing stock option plan of Southtech;

“**Southtech Options**” or the “**Southtech Convertible Securities**” means the outstanding options of Southtech entitling the holders to purchase an aggregate of 600,000 Southtech Shares at a price of \$0.10 per Southtech Share and expiring on May 3, 2022;

“**Southtech Record Date**” means August 13, 2014;

“**Southtech Securities**” means, collectively, the Southtech Shares and the Southtech Options and “**Southtech Security**” means any one of them;

“**Southtech Shareholders**” means the holders of Southtech Shares;

“**Southtech Shares**” means the common shares in the capital of Southtech;

“**SSRRs**” has the meaning ascribed to it in the section titled “*Information Concerning Amalco - Escrowed Securities*”;

“**Subscription Receipt Agent**” means CST Trust Company;

“**Subscription Receipt Agreement**” means the subscription receipt agreement dated June 30, 2014 between the Agent, the Subscription Receipt Agent and Redfall governing the Redfall Receipts.

“**Subsidiary**” or “**Subsidiaries**” has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended and the regulations thereunder;

“**Termination Time**” has the meaning ascribed to it in the section titled “*Summary - Redfall Financing*”;

“**Value Security Escrow Agreement**” means an agreement to be entered into concurrent with the completion of the Amalgamation between Amalco and certain Insiders of Amalco, which shall be in the form of Exchange Form 5D – *Escrow Agreement (Value Security Escrow)*; and

“**Vantiv Agreement**” means the bank card merchant agreement dated January 18, 2013 among Vantiv LLC, Fifth Third Bank and Vogogo USA Inc.

Words importing the singular number only include the plural and vice versa and words importing any gender include both genders.

SUMMARY

The following is a summary of the contents of this Information Circular including a summary of information relating to Southtech, Redfall and Amalco after giving effect to the completion of the Amalgamation and should be read together with the more detailed information and financial data and statements contained elsewhere in this Information Circular. This summary is provided for convenience of reference only. Southtech Shareholders and Redfall Shareholders are urged to review this Information Circular and its appendices in their entirety. Capitalized terms used herein and not otherwise defined are defined in the Glossary of Terms.

The Companies

Southtech was incorporated pursuant to the provisions of the ABCA on April 21, 2011. The head and registered offices of Southtech are located in the City of Calgary, in the Province of Alberta. Southtech is a “capital pool company” under Policy 2.4. Southtech has not conducted business of any kind since incorporation other than the business of identifying and evaluating properties or businesses with a view to completing a Qualifying Transaction in accordance with the policies of the Exchange. See “*Information Concerning Southtech*”.

Redfall was incorporated pursuant to the provisions of the ABCA on January 23, 2008. The head and registered offices of Redfall are located in the City of Calgary, in the Province of Alberta. Redfall is a private company incorporated under the ABCA and engaged in the payment processing business. See “*Information Concerning Redfall*”.

The Southtech Meeting

The Southtech Meeting will be held at 9:00 a.m. (Calgary time) on Wednesday, September 10, 2014, at the offices of Burstall Winger Zammit LLP, 1600, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1, at 9:00 a.m. At the Southtech Meeting, Southtech Shareholders will be asked, among other things:

1. to receive the audited financial statements of Southtech for the fiscal year ended December 31, 2013;
2. in the event the Amalgamation is not completed, to fix the number of directors for the next ensuing year at five (5) members, subject to the provisions of the articles of Southtech relating to subsequent appointments by the board of directors;
3. in the event the Amalgamation is not completed, to elect the board of directors of Southtech to hold office until the next annual meeting of the holders of Southtech Shares or until their successors are elected or appointed;
4. in the event the Amalgamation is not completed, to appoint BDO Canada LLP, Chartered Accountants, as auditors for Southtech for the ensuing year and to authorize Southtech to fix the auditors’ remuneration;
5. in the event the Amalgamation is not completed, to consider, and if thought advisable, to pass, with or without variation, an ordinary resolution to approve the Southtech Option Plan, the full text of which is set forth in the Information Circular;
6. to consider and, if thought appropriate, to pass, with or without variation, the Southtech Amalgamation Resolution;
7. conditional upon the Southtech Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the stock option plan attached as Appendix B to the Information Circular as the stock option plan of Amalco;
8. conditional upon the Southtech Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Advance Notice By-Law attached as Appendix C to the Information Circular as the Advance Notice By-Law of Amalco;

9. in the event the Amalgamation is not completed, to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of disinterested shareholders, authorizing Southtech to:
 - (a) transfer to the NEX board of the Exchange; and
 - (b) to cancel such number of Seed Shares purchased by non-arm's length parties to Southtech at a discount to Southtech's initial public offering such that the average cost of the remaining Seed Shares is at least equal to \$0.10; and
10. to transact any such further and other business as may properly be brought before the Southtech Meeting or any postponement or adjournment thereof.

See "*Matters to be Approved at the Meetings — The Southtech Meeting*".

The Redfall Meeting

The Redfall Meeting will be held at 10:00 a.m. (Calgary time) on Wednesday, September 10, 2014 at the Eighth Avenue Place Conference Centre, located at Suite 400, 525 - 8 Avenue S.W., Calgary, Alberta T2P 1G1. At the Redfall Meeting, Redfall Shareholders will be asked, among other things:

1. to receive and consider the audited consolidated financial statements of Redfall for the year ended December 31, 2013;
2. in the event the Amalgamation is not completed, to fix the number of directors for the next ensuing year at four (4) members, subject to the provisions of the articles of Redfall relating to subsequent appointments by the board of directors;
3. in the event the Amalgamation is not completed, to elect the board of directors of Redfall to hold office until the next annual meeting of the holders of Redfall Shares or until their successors are elected or appointed;
4. in the event the Amalgamation is not completed, to approve the appointment of Collins Barrow Calgary LLP as Redfall's auditors and to authorize the board of directors to fix the auditors' remuneration;
5. to consider and, if thought appropriate, to pass, with or without variation, the Redfall Amalgamation Resolution, the full text of which is set forth in the Information Circular;
6. to consider and, if thought appropriate, to pass, with or without variation, a resolution to be approved by at least 75% of the votes cast by the holders of Redfall Shares present in person or by proxy at the Redfall Meeting to amend the articles of Redfall to remove the private issuer restrictions as more particularly set forth in the Information Circular;
7. conditional upon the Redfall Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the stock option plan attached as Appendix B to the Information Circular as the stock option plan of Amalco;
8. conditional upon the Redfall Amalgamation Resolution being approved, to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Advance Notice By-Law attached as Appendix C to the Information Circular as the Advance Notice By-Law of Amalco; and
9. to transact any such further and other business as may properly be brought before the Redfall Meeting or any postponement or adjournment thereof.

See "*Matters to be Approved at the Meetings — The Redfall Meeting*".

The Amalgamation

On May 7, 2014, Southtech and Redfall entered into the Amalgamation Agreement, a copy of which is attached as Appendix A to this Information Circular, whereby Southtech and Redfall have agreed to amalgamate in accordance with the provisions of the ABCA. The Amalgamation Agreement was amended on July 31, 2014 to extend the outside date by which the Amalgamation may be completed to September 16, 2014. It is intended that the Amalgamation will constitute Southtech's Qualifying Transaction pursuant to Policy 2.4. Southtech and Redfall are arm's length to one another.

Pursuant to the Amalgamation, Southtech and Redfall will amalgamate to form a new corporation, Amalco, which will carry on business under the name "Vogogo Inc.". All of the issued and outstanding Southtech Securities will be exchanged for corresponding Amalco Securities on a five-for-one basis and all of the issued and outstanding Redfall Securities will be exchanged for corresponding Amalco Securities on a one-for-one basis. Specifically, on the Effective Date:

- each Redfall Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Redfall Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every one (1) Redfall Share held by such Redfall Shareholder, and the Redfall Shares thus exchanged shall be cancelled without reimbursement of the capital represented by such securities; and
- each Southtech Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Southtech Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every five (5) Southtech Shares held by such Southtech Shareholder, and the Southtech Shares shall be cancelled without reimbursement of the capital represented by such securities.

As of the date hereof, there are 6,200,000 Southtech Shares, and 600,000 Southtech Options, 27,078,232 Redfall Shares, 1,850,000 Redfall Options, 2,275,000 Redfall Finder's Warrants and 288,462 Redfall Warrants outstanding.

Prior to the Amalgamation, Limitless, a shareholder of Redfall holding 9,588,924 Redfall Shares, intends to complete a restructuring whereby the shareholders of Limitless will each receive Redfall Shares equal to such shareholder's proportionate interest in the aggregate Redfall Shares held by Limitless. As a result of such restructuring, it is anticipated that an aggregate of 53,551 Redfall Shares will be cancelled prior to Closing and shareholders of Limitless will receive an aggregate of 9,535,373 Redfall Shares.

As a result of the restructuring transaction of Limitless, an aggregate of 53,551 Redfall Shares will be cancelled prior to Closing. It is anticipated that Redfall will have an aggregate of 27,024,681 Redfall Shares issued and outstanding immediately prior to the Amalgamation. In connection with the Amalgamation, Southtech will acquire Redfall through the issuance of 27,024,681 Amalco Shares at a deemed issuance price of \$0.75 per Amalco Share for aggregate deemed consideration of approximately \$20,268,511, excluding the Redfall Shares to be issued in exchange for the Redfall Receipts pursuant to the Redfall Financing.

See "*Information Concerning the Amalgamation — Details of the Amalgamation*".

Redfall Financing

As a condition precedent to closing of the Amalgamation, Redfall is required to complete a private placement financing for gross proceeds of not less than \$5,400,000. Redfall intends to complete the Redfall Financing prior to the Effective Date for a minimum of 7,200,000 Redfall Receipts for minimum gross proceeds of \$5,400,000 and a maximum of 11,333,333 Redfall Receipts for maximum gross proceeds of \$8,500,000. Pursuant to the Redfall Financing, the Agents, in connection with the Redfall Brokered Financing, and certain arm's length finders, in connection with the Redfall Non-Brokered Financing, are entitled to receive a cash commission equal to the aggregate of up to 7% of the gross proceeds of the Redfall Financing (the "**Commission**"), with such Commission to be held in escrow by the Subscription Receipt Agent and be released to the Agents and certain arm's length finders

upon satisfaction of the Release Condition. Redfall will also reimburse the Agents, out of its general corporate funds on closing of the Redfall Financing, for certain expenses incurred in connection with the Redfall Brokered Financing. As additional compensation, the Agents and certain arm's length finders are entitled to receive, on the Closing Date, such number of options (the "**Redfall Compensation Options**") equal to the aggregate of up to 7% of the gross number of Redfall Receipts sold pursuant to the Redfall Financing, each such Redfall Compensation Option giving the holder the right to acquire a Redfall Share at an exercise price of \$0.75 for a period of twenty-four (24) months after the Closing Date.

The maximum amount of \$8,500,000 under the Redfall Financing has been completed as of the date hereof. The proceeds from the Redfall Financing are being held in escrow (the "**Escrowed Proceeds**") with the Subscription Receipt Agent until the satisfaction of the Release Condition.

Upon the occurrence of the Release Condition, the Escrowed Proceeds (less any Commission outstanding plus any interest accrued and actually earned thereon) shall be released from escrow to Redfall and immediately prior to the Amalgamation, each Redfall Receipt will automatically convert, without any further action on the part of the holder or payment of additional consideration, into one Redfall Share. The Redfall Shares issued pursuant to the conversion of the Redfall Receipts will be exchanged for Amalco Shares pursuant to the Amalgamation. See "*Information Concerning the Amalgamation – Details of the Amalgamation*".

In the event: (a) the Release Condition is not met by the Release Deadline; (b) the Amalgamation is terminated in accordance with the Amalgamation Agreement or (c) either Redfall or Southtech announce publicly they do not intend to proceed with the Amalgamation (collectively, the "**Termination Time**"), then Redfall will return the full purchase price of the Redfall Receipts plus a pro rata portion of interest earned by the Subscription Receipt Agent to each purchaser of the Redfall Financing, calculated from the closing date of the Redfall Financing until the Termination Time.

See "*Information Concerning the Amalgamation - Redfall Financing*", "*Information Concerning Southtech – Description of Share Capital*", "*Information Concerning Redfall – Description of Share Capital*" and "*Information Concerning Amalco (Amalco) – Fully Diluted Share Capital*".

Purpose and Benefits of the Amalgamation

The directors and management of each of Southtech and Redfall believe that there are a number of benefits resulting from the Amalgamation, including the following:

- Southtech is a "capital pool company" and as such, is required to complete a Qualifying Transaction within 24 months of the date the Southtech Shares were listed on the Exchange in accordance with Policy 2.4. It is intended that the Amalgamation will constitute the Qualifying Transaction of Southtech;
- Amalco will have increased access to capital markets and an enhanced ability to raise the capital required to fund Amalco's future operations;
- Amalco will have a management team capable of implementing the business strategy of Amalco;
- Amalco is expected to provide enhanced liquidity for the Southtech Shareholders and is expected to provide liquidity for the Redfall Shareholders; and
- after giving effect to the Amalgamation, Amalco will have a larger market capitalization and increased ability to pursue potential acquisitions in the future.

See "*Information Concerning the Amalgamation – Purpose and Benefits of the Amalgamation*".

Conditions to the Completion of the Amalgamation

The Amalgamation Agreement contains a number of conditions precedent to the obligations of the parties to complete the Amalgamation. Unless all of such conditions are satisfied or waived by the party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Amalgamation will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all. Such conditions include, but are not limited to: (a) Redfall shall have completed a private placement financing for gross proceeds of not less than \$5,400,000; (b) executive employment agreements for Robert Geoffrey Gordon, Karim Teja, Rodney Thompson and Kris Read, as first officers of Amalco, shall have been entered into prior to or on Closing; (c) shareholder approval by the Redfall Shareholders and Southtech Shareholders of the Amalgamation, the Amalco Option Plan in the Redfall Meeting and Southtech Meeting, respectively; and (d) the receipt of Exchange approval of the Amalgamation. For a further description of the conditions to the completion of the Amalgamation, see “*Information Concerning the Amalgamation — The Amalgamation Agreement*” and the Amalgamation Agreement attached to this Information Circular as Appendix A.

Recommendation of the Southtech Board

The directors of the Southtech Board recommend that the Southtech Shareholders vote in favour of the Southtech Amalgamation Resolution. In reaching the foregoing conclusion, the Southtech Board obtained and considered legal advice and considered a number of other factors which it believed to be relevant. See “*Information Concerning the Amalgamation — Recommendation of the Southtech Board*”.

Recommendation of the Redfall Board

The directors of the Redfall Board recommend that the Redfall Shareholders vote in favour of the Redfall Amalgamation Resolution. In reaching the foregoing conclusion, the Redfall Board obtained and considered legal advice and considered a number of other factors which it believed to be relevant. See “*Information Concerning the Amalgamation — Recommendation of the Redfall Board*”.

Procedure for the Amalgamation to Become Effective

The Amalgamation will be carried out pursuant to Sections 182 and 183 of the ABCA. The following procedural steps must be taken in order for the Amalgamation to become effective:

1. the Southtech Amalgamation Resolution must be approved by at least 66 2/3% of the votes cast by Southtech Shareholders present in person or by proxy at the Southtech Meeting;
2. the Redfall Amalgamation Resolution must be approved by at least 75% of the votes cast by Redfall Shareholders present in person or by proxy at the Redfall Meeting;
3. all other conditions precedent to the Amalgamation, as set forth in the Amalgamation Agreement, must be satisfied or waived by the appropriate party; and
4. the Articles of Amalgamation in the form prescribed by the ABCA must be filed with the Registrar.

Notwithstanding the approval of the Southtech Amalgamation Resolution and the Redfall Amalgamation Resolution, the Amalgamation may not become effective if, prior to the implementation thereof, the Southtech Board or the Redfall Board terminates the Amalgamation Agreement as permitted by the terms of the Amalgamation Agreement. See “*Information Concerning the Amalgamation — Procedure for the Amalgamation to Become Effective*”.

Effective Date of the Amalgamation

It is anticipated that the Amalgamation will become effective after the requisite shareholder, regulatory and stock exchange approvals have been obtained and all other conditions to the Amalgamation set out in the Amalgamation

Agreement have been satisfied or waived. See *“Information Concerning the Amalgamation — Effective Date of the Amalgamation”*.

Dissent Rights

Registered Southtech Shareholders and registered Redfall Shareholders have the right to dissent with respect to the Southtech Amalgamation Resolution or the Redfall Amalgamation Resolution, as applicable, and, if the Southtech Amalgamation Resolution or Redfall Amalgamation Resolution becomes effective, to be paid the fair value of their Southtech Shares or Redfall Shares, as applicable, in accordance with Section 191 of the ABCA. **Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of the right to dissent. Persons who are beneficial owners of Southtech Shares and/or Redfall Shares, registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Southtech Shares or Redfall Shares are entitled to dissent.** Accordingly, a beneficial owner of Southtech Shares or Redfall Shares desiring to exercise the right of dissent must make arrangements for the Southtech Shares or Redfall Shares, as applicable, beneficially owned by such holder to be registered in such holder’s name prior to the time the written objection to the Southtech Amalgamation Resolution or Redfall Amalgamation Resolution, as applicable, is required to be received by Southtech or Redfall, as applicable, or, alternatively, make arrangements for the registered holder of such Southtech Shares or Redfall Shares, as applicable, to dissent on behalf of the holder. See *“Information Concerning the Amalgamation — Right of Dissent”* and Section 191 of the ABCA, the full text of which is set forth in Appendix D.

It is a condition of the Amalgamation that not more than 5% of the Southtech Shareholders and not more than 5% of the Redfall Shareholders exercise rights of dissent with respect to the Southtech Amalgamation Resolution or the Redfall Amalgamation Resolution, as applicable.

Exchange of Share Certificates

Upon completion of the Amalgamation, Southtech Shareholders and Redfall Shareholders (other than Dissenting Shareholders) will be deemed to be holders of Amalco Shares as of the Effective Date and former registered Southtech Shareholders and Redfall Shareholders will be entered into the register of holders of Amalco Shares without further act or formality.

The Southtech Letter of Transmittal and the Redfall Letter of Transmittal to be used to exchange share certificates of Southtech and Redfall, respectively, for certificates representing Amalco Shares is enclosed with this Information Circular. The Southtech Letter of Transmittal and the Redfall Letter of Transmittal contain complete instructions on how Southtech Shareholders or Redfall Shareholders, as applicable, are to exchange their Southtech Share certificates or Redfall Share certificates, respectively. Registered Southtech Shareholders and Redfall Shareholders (other than Dissenting Shareholders) should read and follow these instructions. The Southtech Letter of Transmittal and the Redfall Letter of Transmittal, when properly completed, executed and returned to the Depositary or Torsys LLP together with a certificate or certificates representing Southtech Shares or Redfall Shares, as applicable, and all other required documents, will enable each registered Southtech Shareholder and each registered Redfall Shareholder (other than Dissenting Shareholders) to obtain the certificates representing the number of Amalco Shares to which it is entitled under the Amalgamation. See *“Information Concerning the Amalgamation — Exchange of Share Certificates”*.

Information Concerning Southtech

A description of the assets, business and operations of Southtech is presented in this Information Circular under the heading *“Information Concerning Southtech”*.

Information Concerning Redfall

A description of the assets, business and operations of Redfall is presented in this Information Circular under the heading *“Information Concerning Redfall”*.

Information Concerning Amalco

A description of the assets, business and operations of Amalco is presented in this Information Circular under the heading “*Information Concerning Amalco*”.

Non-Arm’s Length Qualifying Transaction

The Amalgamation is not a Non-Arm’s Length Qualifying Transaction as such term is defined in the policies of Exchange.

Interests of Insiders, Promoters or Control Persons

It is anticipated that the following persons will be the Insiders, Promoters and Control Persons of Amalco after giving effect to the Amalgamation.

<u>Name</u>	<u>Proposed Position with Amalco</u>	<u>Amalco Shares Owned or Controlled</u>	<u>Percentage of outstanding Amalco Shares (Non-Diluted / Fully Diluted) upon completion of the Amalgamation and a minimum Redfall Financing amount⁽¹⁾</u>	<u>Percentage of outstanding Amalco Share (Non-Diluted / Fully Diluted) upon completion of the Amalgamation and a maximum Redfall Financing amount⁽²⁾</u>
Robert Geoffrey Gordon	Chief Executive Officer and Director	5,166,668	14.57% / 12.70%	13.05% / 11.49%
Karim Teja	Chief Financial Officer	Nil.	Nil. / 0.55%	Nil. / 0.54%
Kris Read	Chief Technology Officer	Nil.	Nil. / 1.19%	Nil. / 1.07%
Rodney Thompson	Chief Relationship Officer and Director	5,166,666	14.57% / 12.70%	13.05% / 11.49%
Cory Cleveland	Director	244,358	0.69% / 0.73%	0.62% / 0.68%
Tony Lacavera	Director	288,462	0.81% / 1.38%	0.73% / 1.24%
Dale P. Johnson	Director	40,000	0.11% / 0.39%	0.10% / 0.41%

Notes:

- (1) The non-diluted calculation assumes the conversion of the Redfall Receipts and no Dissenting Shareholders and that no Southtech Convertible Securities or Redfall Convertible Securities are exercised prior to the Effective Date. The fully diluted calculation assumes that there will be 3,412,037 Amalco Options, 2,275,000 Amalco Finder’s Warrants, 288,462 Amalco Warrants and 400,000 Amalco Compensation Options issued and outstanding on Closing.
- (2) The non-diluted calculation assumes the conversion of the Redfall Receipts and no Dissenting Shareholders and that no Southtech Convertible Securities or Redfall Convertible Securities are exercised prior to the Effective Date. The fully diluted calculation assumes that there will be 3,750,000 Amalco Options, 2,275,000 Amalco Finder’s Warrants, 288,462 Amalco Warrants and 793,333 Amalco Compensation Options issued and outstanding on Closing.

See “*Information Concerning Southtech*”, “*Information Concerning Redfall*” and “*Information Concerning Amalco*”.

Available Funds and Principal Purposes

On Closing, Amalco will have an estimated minimum consolidated working capital position of \$6,010,000 assuming a minimum Redfall Financing amount and an estimated maximum consolidated working capital position of \$9,110,000.

See “*Information Concerning the Amalco – Estimated Available Funds and Proposed Use of Funds*” and “*Appendix G – Pro Forma Financial Statements.*”

The following table sets out the proposed principal uses of the funds over the next 18 months after giving effect to the Amalgamation:

Principal Use of Funds	Amount upon completion of the Amalgamation and a minimum Redfall Financing amount	Amount upon completion of the Amalgamation and a maximum Redfall Financing amount
Transaction Expenses ⁽¹⁾	\$763,000	\$980,000
PCI-DSS Testing and Audit ⁽²⁾	\$65,000	\$65,000
Security Deposits ⁽³⁾	\$1,000,000	\$1,500,000
BIG Consulting Agreement ⁽³⁾	\$600,000	\$600,000
Marketing Costs ⁽⁴⁾	\$1,000,000	\$1,200,000
Vogogo Development Costs ⁽⁵⁾	\$435,000	\$435,000
General and Administrative	\$1,550,000	\$1,700,000
Acquisition of a Foreign Exchange Company ⁽⁶⁾	\$Nil.	\$2,000,000
Unallocated Working Capital	\$597,000	\$630,000
Total	\$6,010,000	\$9,110,000

Notes:

- (1) Expenses include professional fees, the Commission, listing fees, printing and miscellaneous costs.
- (2) See “*Information Concerning Redfall - General Development of the Business*”, “*Information Concerning Redfall - Narrative Description of the Business - Principal Products and Services*” and “*Information Concerning Amalco - Narrative Description of the Business*”.
- (3) See “*Information Concerning Redfall - Narrative Description of the Business - BIG Consulting Agreement*” and “*Information Concerning Amalco - Investor Relations Arrangements*”.
- (4) See “*Information Concerning Redfall - Narrative Description of the Business - Marketing Plans and Strategies*”.
- (5) See “*Information Concerning Amalco - Narrative Description of the Business - Stated Business Objectives and Milestones*”.
- (6) See “*Information Concerning Redfall - General Development of the Business*” and “*Information Concerning Amalco - Narrative Description of the Business - Stated Business Objectives and Milestones*”.

The above uses of available funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of Amalco. For these reasons, management considers it to be in the best interests of Amalco and its shareholders to permit management a reasonable degree of flexibility as to how Amalco’s funds are employed among the above uses or for other purposes, as the need may arise. Amalco’s working capital available to fund ongoing operations should be sufficient to meet its administration costs for more than 18 months. See “*Information Concerning Amalco — Available Funds and Principal Purposes*”.

Selected Pro Forma Financial Information

Following the completion of the Amalgamation, Amalco will hold the assets of Southtech and Redfall and will be carrying on the business of Redfall in the payment processing business.

The following is a summary of certain selected *pro forma* financial information of Amalco after giving effect to the Amalgamation and a minimum Redfall Financing amount and should be read in conjunction with the more detailed information concerning Southtech, Redfall and Amalco contained in this Information Circular as well as the financial statements of each of Southtech and Redfall and the unaudited *pro forma* consolidated statement of financial position of Amalco, attached as Appendices E, F and G, respectively. The *pro forma* consolidated statement of financial position are not necessarily indicative of what Amalco’s financial position or results of operations would have been if the events reflected therein had been in effect on the dates indicated, nor do they purport to project Amalco’s financial position for any future periods. See “*Appendix G — Pro Forma Consolidated Statement of Financial Position of Amalco*”.

**Pro Forma as at March 31, 2014 after giving effect to the
Amalgamation and a minimum Redfall Financing amount
(unaudited)**

Total Assets	\$9,439,712
Total Liabilities	\$1,936,282
Total Current Liabilities	\$1,936,282
Share Capital	\$11,972,071
Warrants	\$1,215,236
Contributed Surplus	\$56,248
Deficit	(\$5,740,125)

Certain Canadian Federal Income Tax Considerations

Holders of Southtech Shares and Redfall Shares, except for Dissenting Shareholders and Non-Resident Shareholders (as defined in the “*Information Concerning the Amalgamation — Certain Canadian Federal Income Tax Considerations*” Section herein), will generally not realize any taxable gain or loss on completion of the Amalgamation, subject to additional comments in the “*Information Concerning the Amalgamation — Certain Canadian Federal Income Tax Considerations*” section herein.

Stock Exchange Listings

The outstanding Southtech Shares are listed and posted for trading on the Exchange under the symbol “STU.P”. The Southtech Shares were listed on the Exchange on May 3, 2012 and were halted on April 9, 2014 pending announcement of the Amalgamation. On April 8, 2014, being the last trading day prior to the trading halt by Southtech, the closing price of the Southtech Shares on the Exchange was \$0.17. On May 9, 2014, the Exchange suspended the Southtech Shares from trading until further notice as Southtech failed to complete a Qualifying Transaction within twenty-four months of its listing. Southtech applied for an extension to complete a Qualifying Transaction and the Exchange has granted the extension which gives Southtech until September 17, 2014 to complete its Qualifying Transaction. In the event Southtech does not complete a Qualifying Transaction by September 17, 2014, assuming approval by disinterested Southtech Shareholders, the Southtech Shares will be transferred to the NEX board of the Exchange (“NEX”). See “*Information Concerning Southtech — Trading Price and Volume*” and “*Matters to be Approved at the Meetings – Transfer of Southtech to the NEX Exchange and the Cancellation of a Portion of Southtech’s Seed Shares*”.

There is currently no public market for the Redfall Shares.

Conditional Approval of the Exchange

The Exchange has conditionally accepted the Amalgamation as Southtech’s Qualifying Transaction. The approval of the Exchange is subject to Southtech fulfilling all of the requirements of the Exchange, including the BIG Consulting Agreement being satisfactory to the Exchange. There is no assurance that Southtech will be able to satisfy such requirements. See “*Information Concerning the Amalgamation — Conditional Approval of the Exchange*” and “*Information Concerning Redfall – BIG Consulting Agreement*”.

Sponsorship

No sponsor has been retained in connection with the Amalgamation as Southtech has been granted an exemption from sponsorship in accordance with the policies of the Exchange.

Conflicts of Interest

Certain of the individuals proposed for appointment as directors or officers of Amalco upon completion of the Amalgamation are also directors, officers and/or promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of Amalco, notwithstanding that they will be bound by the provisions of the ABCA to act at all times in good faith in the interests of Amalco and to disclose such conflicts to Amalco if and when they arise. To the best of their respective knowledge, neither Southtech nor Redfall are aware of the existence of any conflicts of interest between Southtech or Redfall and any of the individuals proposed for appointment as directors or officers of Amalco upon completion of the Amalgamation, as of the date of this Information Circular. See “*Information Concerning Amalco — Conflicts of Interest*”.

Interests of Experts

A description of the relationships with Professional Persons is described in this Information Circular under the heading “*General Matters — Interests of Experts*”.

Risk Factors

Due to the nature of the proposed operations, the legal and economic climate in which Amalco will operate and the present stage of development of the proposed operations, Amalco may be subject to significant risks. Amalco’s future development and actual operating results may be different from those expected as at the date of this Information Circular. Accordingly, readers should carefully consider all such risks, which include but are not limited to:

- risks related to new technology;
- dependence on key personnel and consultants;
- dependence on banking relationships;
- crypto currency risks;
- foreign currency, payment processing and fiscal matters;
- competition risks;
- customer base and market acceptance;
- risks related to the PCI-DSS testing and audit;
- risks related to consumer privacy, data use and security;
- risks related to future acquisitions;
- Amalco Share price volatility;
- risks related to losses from operations;
- risks related to the Amalco’s stage of development;
- risks relating to banking and processing services;
- risks related to processing systems;

- risks related to additional capital requirements;
- legal risks;
- risks related to money laundering and terrorism;
- operating results and financial condition fluctuations on a quarterly and annual basis;
- risks related to forward-looking information;
- risks related to the global financial crisis;
- conflicts of interest;
- absence of cash dividends;
- Amalco has no patents; and
- payment processing industry may be prone to more fraud risk than many other industries.

For a more detailed description of these risks, and others, see “*Information Concerning the Amalgamation — Risk Factors*”.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Southtech for use at the Southtech Meeting for the purposes set out in the accompanying Notice of Southtech Meeting and by or on behalf of management of Redfall for use at the Redfall Meeting for the purposes set forth in the accompanying Notice of Redfall Meeting.

The solicitation of proxies by management of Southtech or Redfall, as applicable, will be primarily by mail, however, proxies may also be solicited personally or by telephone, facsimile or other means of communication by directors, officers and employees of Southtech or Redfall, as applicable, who will not be specifically remunerated therefor. Arrangements may also be made with brokerage houses and other custodians, nominees, and franchisees to forward proxy solicitation material to the beneficial owners of Southtech Shares pursuant to the requirements of National Instrument 54-101 — *Communication With Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and Southtech will reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The cost of any such solicitation will be borne by Southtech or Redfall, as applicable.

Appointment and Revocation of Proxies

The persons named in the enclosed instruments of proxy are directors and/or officers of Southtech or Redfall, as applicable. **A Southtech Shareholder or Redfall Shareholder has the right to designate a person (who need not be a shareholder of Southtech or Redfall) other than the persons designated in the instruments of proxy provided by Southtech and Redfall, as applicable, to attend and act for such Southtech Shareholder or Redfall Shareholder at the applicable Meeting.** Such right may be exercised by inserting in the blank space provided on the enclosed instruments of proxy, the name of the person to be designated and deleting therefrom the names of the management designees or by completing another instrument of proxy and, in either case, delivering the resulting instrument of proxy as provided below.

A form of proxy will not be valid and will not be acted upon or voted unless it is duly completed and delivered to CST Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 in case of Southtech Shares and to Redfall, c/o its counsel, Torys LLP at 4600, 525 – 8 Avenue S.W., Calgary, Alberta T2P

1G1, Attention: Janan Paskaran before 9:00 a.m. on September 8, 2014 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to any adjournment or postponement thereof. The instrument appointing a proxy shall be in writing and shall be executed by the Southtech Shareholder or Redfall Shareholder, as applicable, or such shareholder's attorney authorized in writing or, if such shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Late proxies may be accepted by the Chairman of the applicable Meeting at his discretion and the Chairman is under no obligation to accept or reject any particular late proxy.

In addition to any other manner permitted by law, a Southtech Shareholder or Redfall Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast by completing an instrument in writing executed by such shareholder or his attorney authorized in writing, or if such shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, and by depositing such instrument of revocation with CST Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 in case of Southtech Shares and to Redfall, c/o its counsel, Torys LLP at 4600, 525 – 8 Avenue S.W., Calgary, Alberta T2P 1G1, Attention: Janan Paskaran at any time up to and including the second last business day preceding the day of the applicable Meeting, or with the Chairman of the applicable Meeting on the date of the applicable Meeting immediately prior to the commencement thereof or postponement(s) or adjournment(s) thereof. In addition, a proxy may be revoked by a Southtech Shareholder or Redfall Shareholder personally attending at the applicable Meeting and voting his Southtech Shares or Redfall Shares, as applicable.

Voting of Proxies

The Southtech Shares and Redfall Shares represented by properly executed and effective proxies will be voted in accordance with the instructions specified therein. **In the absence of any such specifications, the management designees, if named as proxy, will vote in favour of each of the matters to be considered at the applicable Meeting. The enclosed instruments of proxy confer discretionary authority in respect of amendments or variations to the matters identified in the Notices of Meetings. At the date of this Information Circular, the management of Southtech and Redfall know of no amendments, variations or other matters to come before the respective Meetings. If other matters should properly come before the respective Meetings, it is the intention of the persons named in the enclosed instruments of proxy to vote such proxy according to their best judgment.**

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of Southtech Shareholders do not hold Southtech Shares in their own name. Shareholders who do not hold Southtech Shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by registered Southtech Shareholders or Redfall Shareholders whose names appear on the records of the registrar and transfer agent for Southtech or Redfall, as applicable, as the registered holders of Southtech Shares or Redfall Shares can be recognized and acted upon at the Southtech Meeting or Redfall Meeting, as applicable. If Southtech Shares or Redfall Shares are listed in an account statement provided to a Southtech Shareholder or Redfall Shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of Southtech or Redfall, as applicable. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of securities are registered under the name of CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms. Securities held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting securities for their clients. Southtech does not know for whose benefit the shares registered in the name of CDS & Co. are held. The majority of shares held in the United States are registered in the name of Cede & Co., the nominee for the Depository Trust Company, which is the United States equivalent of CDS Clearing and Depository Services Inc.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the applicable Meeting. Often, the form of proxy supplied to a Beneficial

Shareholder by its broker is identical to the form of proxy provided to registered shareholders; however, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or access the internet to vote the shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote shares directly at the applicable Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the shares voted.

Although you may not be recognized directly at the applicable Meeting for the purposes of voting shares registered in the name of your broker or other intermediary, you may attend at the applicable Meeting as a proxyholder for the registered holder and vote your shares in that capacity. If you wish to attend either the Southtech Meeting or the Redfall Meeting and vote your Southtech Shares or Redfall Shares, respectively, you must do so as proxyholder for the registered holder. To do this, you should enter your own name in the blank space on the applicable form of proxy provided to you and return the document to your broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the applicable Meeting.

There are two categories of Beneficial Shareholders: (i) objecting beneficial owners (“**OBOs**”) – those who object to their name being made known to the issuer of securities which they own; and (ii) non-objecting beneficial owners – those who do not object to the issuer of the securities they own knowing who they are.

OBOs

In accordance with the requirements of NI 54-101, copies of this Information Circular have been distributed to the clearing agencies and intermediaries for onward distribution to OBOs of Southtech. Intermediaries are required to forward the Information Circular to OBOs of Southtech unless the OBO has waived the right to receive them. Very often, intermediaries will use service companies to forward the Information Circular to OBOs. With the Information Circular, intermediaries or their service companies should provide OBOs with a “request for voting instruction form” which, when properly completed and signed by such OBO and returned to the intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Southtech Shares that they beneficially own. Should a OBO wish to vote at the Southtech Meeting in person, the OBO should follow the procedure in the request for voting instructions provided by or on behalf of the intermediary and request a form of legal proxy which will grant the OBO the right to attend the Southtech Meeting and vote in person. OBOs should carefully follow the instructions of their intermediary, including those regarding when and where the completed request for voting instructions is to be delivered. OBOs who wish to change their vote must, in sufficient time in advance of the Southtech Meeting, arrange with their respective intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set out above.

If you have any questions respecting the voting of Southtech Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Voting Securities and Principal Shareholders of Southtech

As of the date of this Information Circular, Southtech has 6,200,000 Southtech Shares issued and outstanding, which are its only outstanding voting securities. Each Southtech Share entitles the holder thereof to one vote per share on a ballot at the Southtech Meeting. The Southtech Amalgamation Resolution must be approved by at least 66 2/3 % of the votes cast by the Southtech Shareholders present in person or by proxy at the Southtech Meeting, the NEX Resolution (as defined below) must be approved by a majority of disinterested Southtech Shareholders present in person or by proxy at the Southtech Meeting and all other matters presented to the Southtech Shareholders at the Southtech Meeting, aside from the presentation of its annual financials, must be approved by a majority of the votes cast by the Southtech Shareholders present in person or by proxy at the Southtech Meeting. See “*Information*

Concerning the Amalgamation — Approval by Shareholders” and “Matters to Be Considered at the Meetings — The Southtech Meeting”.

CST Trust Company will prepare, as of the Southtech Record Date, a list of Southtech Shareholders entitled to receive notice of and to attend the Southtech Meeting. Each person named in the list of Southtech Shareholders will be entitled to notice of, to attend and to vote the Southtech Shares shown opposite such shareholder’s name at the Southtech Meeting; provided that, to the extent that a Southtech Shareholder transfers the ownership of such holder’s Southtech Shares after the Southtech Record Date and the transferee of those shares establishes that the transferee owns the shares and demands, not later than 10 days before the Southtech Meeting, to be included in the list of Southtech Shareholders eligible to vote at the Southtech Meeting, such transferee will be entitled to vote such Southtech Shares at the Southtech Meeting.

Pursuant to the by-laws of Southtech, the quorum for the transaction of business at the Southtech Meeting is at least one person holding or representing by proxy not less than 10% of the Southtech Shares entitled to be voted at the Southtech Meeting.

To the knowledge of the directors and executive officers of the Southtech, the only persons beneficially owning or exercising control or direction, directly or indirectly, over more than 10% of the voting rights attached to all of the outstanding Southtech Shares as of the date hereof are the following:

Name	Type of Ownership	Number of Shares	Percentage of Shares
Paul S. Readwin	Direct	1,466,650	23.7%
Wade J. Larson	Direct	1,033,334	16.7%
Michael P. Kraft	Direct	800,016	12.9%

Voting Securities and Principal Shareholders of Redfall

As of the date of this Information Circular, Redfall has 27,078,232 Redfall Shares issued and outstanding, which are its only outstanding voting securities. Each Redfall Share entitles the holder thereof to one vote per share on a ballot at the Redfall Meeting. The Redfall Amalgamation Resolution must be approved by at least 75% of the votes cast by Redfall Shareholders present in person or by proxy at the Redfall Meeting and all other matters presented to the Redfall Shareholders at the Redfall Meeting, aside from the presentation of its annual financials, must be approved by a majority of the votes cast by the Redfall Shareholders present in person or by proxy at the Redfall Meeting. See *“Information Concerning the Amalgamation — Approval by Shareholders”* and *“Matters to Be Considered at the Meetings — The Redfall Meeting”*.

Redfall will prepare, as of the Redfall Record Date, a list of Redfall Shareholders entitled to receive notice of and to attend the Redfall Meeting. Each person named in the list of Redfall Shareholders will be entitled to notice of, to attend, and to vote the Redfall Shares shown opposite such shareholder’s name at, the Redfall Meeting; provided that, to the extent that a Redfall Shareholder transfers the ownership of such holder’s Redfall Shares after the Redfall Record Date and the transferee of those shares establishes that the transferee owns the shares and demands, not later than 10 days before the Redfall Meeting, to be included in the list of Redfall Shareholders eligible to vote at the Redfall Meeting, such transferee will be entitled to vote such Redfall Shares at the Redfall Meeting.

Pursuant to the by-laws of Redfall, the quorum for the transaction of business at the Redfall Meeting is at least one person being a shareholder entitled to vote thereat or a duly appointed proxyholder and holding or representing in the aggregate not less than 5% percent of the outstanding Redfall Shares entitled to be voted at the Redfall Meeting.

To the knowledge of the directors and executive officers of Redfall, as at the date hereof, other than as set forth below, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, more than 10% of the issued and outstanding Redfall Shares.

<u>Name</u>	<u>Type of Ownership</u>	<u>Number of Shares</u>	<u>Percentage of Shares</u>
1320678 Alberta Inc. ⁽¹⁾	Direct	5,166,668 Redfall Shares	19.4%
Say Marketing & Consulting Ltd. ⁽²⁾	Direct	5,166,666 Redfall Shares	19.4%
Limitless I Corp. ⁽³⁾	Direct	9,588,924 Redfall Shares	36.1%

Notes:

- (1) Beneficially owned and controlled by Robert Geoffrey Gordon, Managing Partner and director of Redfall and proposed Chief Executive Officer and director of Amalco.
- (2) Beneficially owned and controlled by Rodney Thompson, proposed Chief Relationship Officer and director of Amalco.
- (3) Prior to the Effective Date, Limitless will complete a restructuring whereby shareholders of Limitless will each receive Redfall Shares equal to such shareholder's proportionate interest in the aggregate Redfall Shares held by Limitless. As a result of such restructuring, it is anticipated that an aggregate of 53,551 Redfall Shares will be cancelled prior to Closing and that shareholders of Limitless will receive an aggregate of 9,535,373 Redfall Shares. See "*Summary – The Amalgamation*".

INFORMATION CONCERNING THE AMALGAMATION

Background to the Amalgamation

Southtech is “capital pool company” listed on the Exchange and has been engaged in the business of identifying and evaluating properties or businesses with a view to completing a Qualifying Transaction in accordance with Policy 2.4. Redfall is a private company incorporated under the laws of Alberta and is engaged in the payment processing industry. The Redfall Board has determined that Redfall will require additional funding to expand its business. The Redfall Board has determined that having access to the public markets through a listing on a recognized stock exchange was the most effective way to obtain the funding required to achieve Redfall’s corporate objectives. In addition, a stock exchange listing would also provide liquidity to existing Redfall Shareholders.

On March 31, 2014, Southtech and Redfall entered into the Letter of Intent setting out the basic terms of the Amalgamation. Southtech and Redfall have agreed that the transaction would be most efficiently accomplished by way of an Amalgamation under Section 181 of the ABCA. On May 7, 2014, Southtech and Redfall executed the Amalgamation Agreement, which supersedes the Letter of Intent and sets out the specific terms of the Amalgamation. Southtech and Redfall are arm’s length to one another.

The Amalgamation is intended to constitute Southtech’s Qualifying Transaction. The business of Amalco after giving effect to the completion of the Amalgamation will be the business of Redfall. See “*Information Concerning Redfall.*”

Details of the Amalgamation

On May 7, 2014, Southtech and Redfall entered into the Amalgamation Agreement, a copy of which is attached as Appendix A to this Information Circular, whereby Southtech and Redfall have agreed to amalgamate in accordance with the provisions of the ABCA. The Amalgamation Agreement was amended on July 31, 2014 to extend the outside date by which the Amalgamation may be completed to September 16, 2014. Pursuant to the Amalgamation, Southtech and Redfall will amalgamate to form Amalco which will carry on business under the name “Vogogo Inc.”. All of the issued and outstanding Southtech Securities will be exchanged for corresponding Amalco Securities on a five-for-one basis and all of the issued and outstanding Redfall Securities will be exchanged for corresponding Amalco Securities on a one-for-one basis.

Specifically, on the Effective Date:

- each Redfall Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Redfall Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every one (1) Redfall Share held by such Redfall Shareholder, and the Redfall Shares thus exchanged shall be cancelled without reimbursement of the capital represented by such securities;
- each Southtech Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Southtech Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every five (5) Southtech Shares held by such Southtech Shareholder, and the Southtech Shares shall be cancelled without reimbursement of the capital represented by such securities;
- the Southtech Options, Redfall Options, Redfall Finder’s Warrant, Redfall Warrants and Redfall Compensation Options shall be continued on the Amalgamation to become Amalco Options, Amalco Finder’s Warrants, Amalco Warrants and Amalco Compensation Options, respectively, on their original terms and conditions, subject to the exchange ratios outlined above, such that any holder of Southtech Options, Redfall Options, Redfall Finder’s Warrants, Redfall Warrants or Redfall Compensation Options exercising an Amalco Convertible Security after the Effective Date will be in substantially the same position as such holder would have been in if he or she had exercised the Southtech Options, Redfall Options, Redfall Finder’s Warrants, Redfall Warrants

and Redfall Compensation Options prior to the Effective Date, subject to the exchange ratios outlined above;

- Dissenting Shareholders who exercise rights of dissent pursuant to and in the manner set forth in Section 191 of the ABCA in connection with the Amalgamation and who:
 - (i) are ultimately entitled to be paid fair value for their Southtech Shares or Redfall Shares, shall be deemed to have surrendered such shares to Southtech or Redfall, as the case may be, for cancellation immediately prior to the Effective Date; or
 - (ii) for any reason, are ultimately not entitled to be paid fair value for their Southtech Shares or Redfall Shares, shall be deemed to have participated in the Amalgamation on the same basis as any non-dissenting shareholder, as at and after the Effective Date, and are to receive Amalco Shares on the same basis as above;

but in no case is Amalco required to recognize such persons as holders of Southtech Shares or Redfall Shares, as the case may be, after the Effective Date, and Southtech or Redfall will delete the names of such persons from its register of holders of securities on the Effective Date;

- the aggregate stated capital of Amalco shall be an amount equal to the aggregate paid up capital of Redfall and Southtech immediately prior to such time, and such stated capital shall be allocated on an equal basis to each share of Amalco issued on the Amalgamation, or as otherwise determined by the directors of Amalco;
- the property of each of Redfall and Southtech shall continue to be the property of Amalco;
- Amalco shall continue to be liable for the obligations of each of Redfall and Southtech;
- any existing cause of action, claim or liability to prosecution of either Redfall or Southtech shall be unaffected;
- any civil, criminal or administrative action or proceeding pending by or against either Redfall or Southtech may be continued to be prosecuted by or against Amalco;
- a conviction against, or ruling, order or judgment in favour of or against, either Redfall or Southtech may be enforced by or against Amalco;
- the Articles of Amalgamation shall be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the certificate of incorporation for Amalco;
- the by-laws of Amalco shall be the same as By-Law No. 1 of Southtech and provided that the Amalco Advance Notice By-Law is approved by both Southtech Shareholders and Redfall Shareholders at the Southtech Meeting and Redfall Meeting, as applicable, the Amalco Advance Notice By-Law will be By-Law No. 2 of Amalco; and
- no fractional Amalco Shares shall be issued to holders of Southtech Shares; in lieu of any fractional entitlement, the number of Amalco Shares issued to each former holder of Southtech Shares shall be rounded up to the next higher whole number of Amalco Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Amalco Shares if the fractional entitlement is less than 0.5 (subject to only one (1) rounding per holder of Southtech Shares).

Upon completion of the Amalgamation, all shareholders of Southtech and Redfall shall become shareholders of Amalco in accordance with the terms contained in the Amalgamation Agreement.

As of the date hereof, there are 6,200,000 Southtech Shares, and 600,000 Southtech Options, 27,078,232 Redfall Shares, 1,850,000 Redfall Options, 2,275,000 Redfall Finder's Warrants and 288,462 Redfall Warrants outstanding.

Prior to the Amalgamation, Limitless, a shareholder of Redfall holding 9,588,924 Redfall Shares, intends to complete a restructuring whereby the shareholders of Limitless will each receive Redfall Shares equal to such shareholder's proportionate interest in the aggregate Redfall Shares held by Limitless. As a result of such restructuring, it is anticipated that an aggregate of 53,551 Redfall Shares will be cancelled prior to Closing and shareholders of Limitless will receive an aggregate of 9,535,373 Redfall Shares.

As a result of the restructuring transaction of Limitless, an aggregate of 53,551 Redfall Shares will be cancelled prior to Closing. It is anticipated that Redfall will have an aggregate of 27,024,681 Redfall Shares issued and outstanding immediately prior to the Amalgamation. In connection with the Amalgamation, Southtech will acquire Redfall through the issuance of 27,024,681 Amalco Shares at a deemed issuance price of \$0.75 per Amalco Share for aggregate deemed consideration of approximately \$20,268,511, excluding the Redfall Shares to be issued in exchange for the Redfall Receipts in connection with the Redfall Financing.

See *"Information Concerning Southtech — Description of Share Capital"*, *"Information Concerning Redfall — Description of Share Capital"* and *"Information Concerning Amalco — Fully Diluted Share Capital"*.

Upon completion of the Amalgamation, the Amalco Board shall be comprised of nominees of each of Southtech and Redfall and Amalco will be managed by the existing management team of Redfall. See *"Information Concerning Amalco — Directors, Officers and Promoters of Amalco"*.

Redfall Financing

As a condition precedent to closing of the Amalgamation, Redfall is required to complete a private placement financing for gross proceeds of not less than \$5,400,000. Redfall intends to complete the Redfall Financing prior to the Effective Date for a minimum of 7,200,000 Redfall Receipts for minimum gross proceeds of \$5,400,000 and a maximum of 11,333,333 Redfall Receipts for maximum gross proceeds of \$8,500,000. Pursuant to the Redfall Financing, the Agents and certain arm's length finders are entitled to receive the Commission, with such Commission to be held in escrow by the Subscription Receipt Agent and be released to the Agents and certain arm's length finders upon satisfaction of the Release Condition. Redfall will also reimburse the Agents, out of its general corporate funds on closing of the Redfall Financing, for certain expenses incurred in connection with the Redfall Financing. As additional compensation, the Agents and certain finders are entitled to receive, on the Closing Date, the Redfall Compensation Options, each such Redfall Compensation Option giving the holder the right to acquire a Redfall Share at an exercise price of \$0.75 for a period of twenty-four (24) months after the Closing Date.

The maximum amount of \$8,500,000 under the Redfall Financing has been completed as of the date hereof. The Escrowed Proceeds are being held in escrow with the Subscription Receipt Agent until the satisfaction of the Release Condition.

Upon the occurrence of the Release Condition, the Escrowed Proceeds (less any Commission outstanding plus any interest accrued and actually earned thereon) shall be released from escrow to Redfall and immediately prior to the Amalgamation, each Redfall Receipt will automatically convert, without any further action on the part of the holder or payment of additional consideration, into one Redfall Share. The Redfall Shares issued pursuant to the conversion of the Redfall Receipts will be exchanged for Amalco Shares pursuant to the Amalgamation. See *"Information Concerning the Amalgamation — Details of the Amalgamation"*.

In the event: (a) the Release Condition is not met by the Release Deadline; (b) the Amalgamation is terminated in accordance with the Amalgamation Agreement, or (c) either Redfall or Southtech announce publicly they do not intend to proceed with the Amalgamation, then Redfall will return the full purchase price of the Redfall Receipts plus a pro rata portion of interest earned by the Subscription Receipt Agent to each purchaser of the Redfall Financing, calculated from the closing date of the Redfall Financing until the Termination Time.

The Amalgamation Agreement

The following is a summary of the Amalgamation Agreement which is qualified in its entirety by the Amalgamation Agreement, a copy of which is attached hereto as Appendix A. Southtech Shareholders and Redfall Shareholders are urged to read the Amalgamation Agreement in its entirety.

Mutual Covenants

Pursuant to the Amalgamation Agreement, Southtech and Redfall have agreed not to take certain actions prior to the Effective Date, including the payment of dividends or distribution of property, the alteration of their constating documents or the performance of any acts which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under the Amalgamation Agreement. In addition, Southtech and Redfall have agreed not to solicit, initiate or endorse competing acquisition proposals from third parties.

Conditions of the Amalgamation

All of the following conditions are set out in the Amalgamation Agreement. There is no assurance that the conditions will be satisfied or waived on a timely basis, if at all. If the conditions are not satisfied or waived, the Amalgamation will not proceed.

Mutual Conditions Precedent

The respective obligations of the parties to consummate the transactions contemplated by the Amalgamation Agreement are subject to the satisfaction, on or before the Closing Date, of, among others, the following conditions, any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other conditions contained in the Amalgamation Agreement:

- (a) Redfall shall have completed a private placement financing for gross proceeds of not less than \$5,400,000;
- (b) executive employment agreements for Robert Geoffrey Gordon, Karim Teja, Rodney Thompson and Kris Read, as first officers of Amalco, shall have been entered into prior to or on Closing, on substantially the terms disclosed by Redfall to Southtech;
- (c) the Amalgamation shall have been approved by the required majority of the votes of the shareholders of each of Redfall and Southtech who, being entitled to do so, vote in person or by proxy at the Redfall Meeting or Southtech Meeting in accordance with the provisions of the ABCA;
- (d) the Exchange shall have conditionally approved the Amalgamation as Southtech's Qualifying Transaction and the Amalco Shares to be issued upon the completion of the Amalgamation and the Amalco Shares to be issued upon the exercise of the Amalco Convertible Securities shall have been conditionally approved for listing by the Exchange, subject to Amalco fulfilling the Exchange's listing requirements;
- (e) each of the Redfall Shareholders and the Southtech Shareholders shall have duly approved a stock option plan for Amalco;
- (f) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Amalgamation Agreement;
- (g) all consents, orders and approvals, including, without limitation, regulatory approvals, required or necessary or desirable for the completion of the transactions provided for in the Amalgamation Agreement shall have been obtained or received from the persons, authorities or bodies having

jurisdiction in the circumstances, all on terms satisfactory to each of the parties hereto, acting reasonably; and

- (h) the Amalgamation Agreement shall not have been terminated in accordance with Section 7.2 of the Amalgamation Agreement.

Conditions to Obligations of Redfall

The obligation of Redfall to consummate the transactions contemplated by the Amalgamation Agreement is subject to the satisfaction, on or before the Closing Date or such other time specified, of the following conditions:

- (a) each of the acts and undertakings of Southtech to be performed on or before the Effective Date pursuant to the terms of the Amalgamation Agreement shall have been duly performed by Southtech in all material respects;
- (b) no Material Adverse Change in Southtech shall have occurred between the date of execution of the Amalgamation Agreement and the Effective Date;
- (c) except as affected by the transactions contemplated by the Amalgamation Agreement, the representations and warranties of Southtech contained in Section 4.1 of the Amalgamation Agreement shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time and Redfall shall have received a certificate to that effect, dated the Effective Date, from an officer of each of Southtech acceptable to Redfall, to the best of his knowledge, after having made reasonable inquiry;
- (d) the covenants of Southtech contained in Sections 3.3 and 3.4 of the Amalgamation Agreement shall have been complied with, and Redfall shall have received a certificate dated the Effective Date of an officer of each of Southtech to such effect;
- (e) Southtech shall have furnished Redfall with:
 - (i) a copy of a court order waiving certain requirements of the ABCA and permitting Southtech to delay its annual shareholder meeting;
 - (ii) certified copies of the resolutions passed by the board of directors of Southtech approving the Amalgamation Agreement and the consummation of the transactions contemplated therein;
 - (iii) certified copies of the resolutions passed by the Southtech Shareholders at the Southtech Meeting approving the Amalgamation Agreement; and
 - (iv) a conditional approval letter from the Exchange approving the Amalgamation as Southtech's Qualifying Transaction; and
- (f) not more than 5% of the Southtech Shareholders shall have exercised rights of dissent in relation to the Amalgamation and Southtech shall have provided to Redfall a certificate of an officer of Southtech certifying on the Effective Date the number of Southtech Shares in respect of which, to such officer's knowledge, the holders thereof have exercised rights of dissent.

The conditions described above are for the exclusive benefit of Redfall and may be asserted by Redfall regardless of the circumstances, or may be waived by Redfall in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Redfall may have hereunder or at law.

Conditions to Obligations of Southtech

The obligations of Southtech to consummate the transactions contemplated by the Amalgamation Agreement are subject to the satisfaction, on or before the Effective Date, or such other date specified below, of the following conditions:

- (a) each of the acts and undertakings of Redfall to be performed on or before the Effective Date pursuant to the terms of the Amalgamation Agreement shall have been duly performed by Redfall in all material respects;
- (b) no Material Adverse Change in Redfall shall have occurred between the date of execution of the Amalgamation Agreement and the Effective Date;
- (c) except as affected by the transactions contemplated by the Amalgamation Agreement, the representations and warranties of Redfall contained in Section 4.2 of the Amalgamation Agreement shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time, and Southtech shall have received a certificate to such effect, dated the Effective Date, of a senior officer of Redfall acceptable to Southtech to the best of his or her knowledge, after having made reasonable inquiry;
- (d) the covenants of Redfall contained in Sections 3.1 and 3.2 of the Amalgamation Agreement shall have been complied with, and Southtech shall have received a certificate, dated the Effective Date, of an officer of Redfall to such effect;
- (e) Redfall shall have furnished Southtech with:
 - (i) certified copies of the resolutions passed by the Redfall Board approving the Amalgamation Agreement and the consummation of the transactions contemplated therein; and
 - (ii) certified copies of the resolutions passed by the Redfall Shareholders at the Redfall Meeting approving this Agreement; and
- (f) not more than 5% of the Redfall Shareholders shall have exercised rights of dissent in relation to the Amalgamation and Redfall shall have provided to Southtech a certificate of an officer of Redfall certifying on the Effective Date the number of Redfall Shares in respect of which, to such officer's knowledge, the holders thereof have exercised rights of dissent.

The conditions described above are for the exclusive benefit of Southtech and may be asserted by Southtech regardless of the circumstances, or may be waived by Southtech in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Southtech may have hereunder or at law.

Termination

If the Amalgamation Agreement is terminated in accordance with the terms thereof, the transactions contemplated therein will not be completed. On termination of the Amalgamation Agreement, the obligations of Southtech and Redfall will terminate. Southtech and Redfall are each responsible for their own fees, costs and expenses incurred in connection with the Amalgamation.

Purpose and Benefits of the Amalgamation

The directors and management of each of Southtech and Redfall believe that there are a number of benefits resulting from the Amalgamation, including the following:

- Southtech is a “capital pool company” and as such, is required to complete a Qualifying Transaction within 24 months of the date the Southtech Shares were listed on the Exchange in accordance with Policy 2.4. It is intended that the Amalgamation will constitute the Qualifying Transaction of Southtech;
- Amalco will have increased access to capital markets and an enhanced ability to raise the capital required to fund Redfall’s future operations;
- Amalco will have a management team capable of implementing the business strategy of Amalco;
- Amalco is expected to provide enhanced liquidity for the Southtech Shareholders and is expected to provide liquidity for the Redfall Shareholders; and
- after giving effect to the Amalgamation, Amalco will have a larger market capitalization and increased ability to pursue potential acquisitions in the future.

Recommendation of the Southtech Board

The Southtech Board has determined that, based on, among other things, the considerations noted below, the terms of the Amalgamation are in the best interests of Southtech and are fair to the holders of Southtech Securities and unanimously recommend that Southtech Shareholders vote in favour of the Southtech Amalgamation Resolution. In reaching its conclusion, the Southtech Board obtained and considered legal advice and considered, among other things, the following factors:

- management’s review of the business and operations of Redfall;
- the financial resources of Redfall;
- the security exchange ratios provided for in the Amalgamation Agreement;
- the proposed management team of Amalco;
- the fact that the Amalgamation must be approved by a special resolution passed by at least 66 2/3% of the votes cast by the Southtech Shareholders present in person or by proxy at the Southtech Meeting; and
- Southtech Shareholders who oppose the Amalgamation have the right to dissent with respect to the Southtech Amalgamation Resolution and, if the Southtech Amalgamation Resolution becomes effective, to be paid the fair value of their Southtech Shares in accordance with Section 191 of the ABCA.

Recommendation of the Redfall Board

The Redfall Board has determined that, based on, among other things, the considerations noted below, the terms of the Amalgamation are in the best interests of Redfall and are fair to the holders of Redfall Securities and unanimously recommend that Redfall Shareholders vote in favour of the Redfall Amalgamation Resolution. In reaching its conclusion, the Redfall Board obtained and considered legal advice and considered, among other things, the following factors:

- management’s review of the business and operations of Southtech;
- greater liquidity for Redfall Shareholders;
- the potential for enhanced access to the capital markets;

- the security exchange ratios provided for in the Amalgamation Agreement;
- the proposed management team of Amalco;
- the fact that the Amalgamation must be approved by a special resolution passed by at least 75% of the votes cast by the Redfall Shareholders present in person or by proxy at the Redfall Meeting; and
- Redfall Shareholders who oppose the Amalgamation have the right to dissent with respect to the Redfall Amalgamation Resolution and, if the Redfall Amalgamation Resolution becomes effective, to be paid the fair value of their Redfall Shares in accordance with Section 191 of the ABCA.

Procedure for the Amalgamation to Become Effective

The following is a summary of the steps and procedures that will be necessary in order to give effect to the completion of the Amalgamation:

1. the Southtech Amalgamation Resolution must be approved by at least 66 2/3% of the votes cast by Southtech Shareholders present in person or by proxy at the Southtech Meeting;
2. the Redfall Amalgamation Resolution must be approved by at least 75% of the votes cast by Redfall Shareholders present in person or by proxy at the Redfall Meeting;
3. all other conditions precedent to the Amalgamation, as set forth in the Amalgamation Agreement, must be satisfied or waived by the appropriate party; and
4. the Articles of Amalgamation in the form prescribed by the ABCA, must be filed with the Registrar.

Notwithstanding the approval of the Southtech Amalgamation Resolution and the Redfall Amalgamation Resolution, the Amalgamation may not become effective if, prior to the implementation thereof; the Southtech Board or Redfall Board terminates the Amalgamation Agreement as permitted by the Amalgamation Agreement.

Approval by Shareholders

Southtech

The Southtech Amalgamation Resolution must be approved by at least 66 2/3% of the votes cast by Southtech Shareholders present in person or by proxy at the Southtech Meeting. See “*Matters to be Approved at the Meetings — The Southtech Meeting - Approval of the Amalgamation*”.

Redfall

The Redfall Amalgamation Resolution must be approved by at least 75% of the votes cast by the holders of Redfall Shares present in person or by proxy at the Redfall Meeting. See “*Matters to be Approved at the Meetings — The Redfall Meeting — Approval of the Amalgamation*”.

Right of Dissent

The following description of the right to dissent to which Dissenting Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such Dissenting Shareholder’s Southtech Shares or Redfall Shares, as applicable, and is qualified in its entirety by the reference to the full text of Section 191 of the ABCA, which is attached to this Information Circular as Appendix D. A Dissenting Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of Section 191 of the ABCA. Failure to strictly

comply with the provisions of Section 191 of the ABCA and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Pursuant to Section 191 of the ABCA, a registered Southtech Shareholder or Redfall Shareholder is entitled, in addition to any other rights the holder may have, to dissent and to be paid the fair value of the Southtech Shares or the Redfall Shares held by the holder in respect of which the holder dissents, determined as of the close of business on the last Business Day before the day on which the resolution from which such holder dissents was adopted. **Only registered Southtech Shareholders or Redfall Shareholders may dissent. Persons who are beneficial owners of Southtech Shares or Redfall Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that they may only do so through the registered owner of such Southtech Shares or Redfall Shares. Accordingly, a beneficial owner of Southtech Shares or Redfall Shares, as the case may be, desiring to exercise dissent rights must make arrangements for Southtech Shares or Redfall Shares beneficially owned by that holder to be registered in the name of the holder prior to the time the written objection to the Southtech Amalgamation Resolution or Redfall Amalgamation Resolution, as applicable, is required to be received by Southtech or Redfall or, alternatively, make arrangements for the registered holder of such shares to dissent on behalf of the beneficial owner. In such case, the written objection, described below, should set forth the number of Southtech or Redfall Shares covered by such written objection.**

A Dissenting Southtech Shareholder must deliver to Southtech, c/o its counsel, Burstall Winger Zammit LLP, Suite 1600, the Dome Tower, 333 7th Avenue S.W., Calgary, Alberta T2P 2Z1, Attention: Doug Stuve, a written objection to the Southtech Amalgamation Resolution, at or prior to the Southtech Meeting or any postponement or adjournment thereof in order to be effective. A dissenting Redfall Shareholder must deliver to Redfall, c/o its counsel, Torys LLP at 4600, 525 – 8 Avenue S.W., Calgary, Alberta T2P 1G1, Attention: Janan Paskaran, a written objection to the Redfall Amalgamation Resolution, at or prior to the Redfall Meeting or any postponement or adjournment thereof in order to be effective.

No Southtech Shareholder or Redfall Shareholder who has voted in favour of the Southtech Amalgamation Resolution or Redfall Amalgamation Resolution, respectively, shall be entitled to dissent with respect to the Amalgamation. A holder of Southtech Shares or Redfall Shares may not exercise the right to dissent in respect of only a portion of such holder's Southtech's Shares or Redfall Shares, respectively, but may dissent only with respect to all of the Southtech Shares or the Redfall Shares, as applicable, held by the holder.

An application may be made to the Court of Queen's Bench of Alberta (the "**Court**") by Southtech or Redfall or by a Dissenting Shareholder to fix the fair value of the Dissenting Shareholder's Southtech Shares or Redfall Shares, as applicable. If such an application to the Court is made by either Southtech or Redfall or a Dissenting Shareholder, Southtech or Redfall, as applicable, must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay such person an amount considered by the Southtech Board or Redfall Board, as applicable, to be the fair value of Southtech Shares or Redfall Shares, as applicable, held by such Dissenting Shareholder. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if Southtech or Redfall is the applicant, or within 10 days after Southtech or Redfall is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with Southtech or Redfall, as applicable, for the purchase of such holder's Southtech Shares or Redfall Shares, as applicable, in the amount of Southtech's or Redfall's offer (or otherwise) at any time before the Court pronounces an order fixing the fair value of the Southtech Shares or the Redfall Shares, as applicable.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application. On the application, the Court will make an order fixing the fair value of the Southtech Shares or the Redfall Shares, as applicable, of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against Southtech or Redfall, as applicable, and in favour of each of those Dissenting Shareholders, and fixing the time within which Southtech or Redfall, as applicable, must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion

allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Southtech or Redfall Shareholder, as applicable, until the date of payment.

On the Amalgamation becoming effective, or upon the making of an agreement between Southtech or Redfall, as applicable, and the Dissenting Shareholder, as to the payment to be made by Southtech or Redfall to the Dissenting Shareholder, or the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a Southtech or Redfall Shareholder, as applicable, other than the right to be paid the fair value of such holder's Southtech Shares or Redfall Shares in the amount agreed to between Southtech or Redfall and the Southtech Shareholder or Redfall Shareholder, as applicable, or in the amount of the judgment, as the case may be. Until one of these events occurs, the Southtech Shareholder or Redfall Shareholder may withdraw his dissent or, if the Amalgamation has not yet become effective, Southtech or Redfall may rescind the Southtech Amalgamation Resolution or Redfall Amalgamation Resolution, as applicable, and in either event, the dissent proceedings in respect of that shareholder will be discontinued.

Neither Southtech or Redfall, as applicable, shall make a payment to a Dissenting Shareholder under Section 191 of the ABCA if there are reasonable grounds for believing that either Southtech or Redfall, as applicable, is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of either Southtech or Redfall, as applicable, would thereby be less than the aggregate of its liabilities. In such event, Southtech or Redfall, as applicable, shall notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholders for their shares in which case the Dissenting Shareholder may, by written notice to Southtech or Redfall, as applicable, within 30 days after receipt of such notice, withdraw his or her written objection, in which case such Southtech Shareholder or Redfall Shareholder, as applicable, shall be deemed to have participated in the Amalgamation as a Southtech or Redfall Shareholder, as applicable. If the Dissenting Shareholder does not withdraw his or her written objection he or she retains his or her status as a claimant against Southtech or Redfall, as applicable, to be paid as soon as Southtech or Redfall, as applicable, is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to creditors but prior to shareholders.

All Southtech Shares or Redfall Shares held by Southtech Shareholders or Redfall Shareholders, respectively, who exercise their dissent rights will, if the holders are ultimately entitled to be paid the fair value thereof, be deemed to be transferred to Southtech or Redfall, as applicable, in exchange for such fair value as of the Effective Date. If such shareholders ultimately are not entitled to be paid the fair value for their shares, such Southtech Shares or Redfall Shares, as applicable, will be deemed to have been exchanged for Amalco Shares pursuant to the Amalgamation.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Southtech Shares or Redfall Shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, each Dissenting Shareholder who might desire to exercise the right to dissent should carefully consider and comply with the provisions of Section 191 of the ABCA, the full text of which is set out in Appendix D, to this Information Circular, and consult their own legal advisor.**

The Amalgamation Agreement provides that, unless otherwise waived, it is a condition to the completion of the Amalgamation that there shall not, as of the Effective Date, be Southtech Shareholders or Redfall Shareholders, as applicable, that hold, in aggregate, in excess of 5% of all outstanding Southtech Shares or Redfall Shares, as applicable, that have been validly exercised and not withdrawn their dissent rights.

Resale of Amalco Shares

The Amalco Shares to be issued in exchange for Redfall Shares or Southtech Shares pursuant to the Amalgamation and the Amalco Shares issuable upon conversion or exercise of the Amalco Convertible Securities will be issued in reliance on exemptions from prospectus requirements of applicable Canadian securities laws. Amalco Shares so issued will generally be "freely tradable" under Applicable Canadian Securities Laws, but may be subject to escrow or resale conditions pursuant to the policies of the Exchange. See "*Information Concerning Amalco – Escrowed Securities*".

All prospective holders of Amalco Securities are urged to consult their legal advisor to ensure that the resale of their Amalco Shares complies with applicable securities legislation. Holders of Amalco Securities residing elsewhere than in Canada are urged to consult their legal advisor to determine the extent of all applicable resale provisions in their jurisdiction of residency.

Exchange of Share Certificates

Upon completion of the Amalgamation, Southtech Shareholders and Redfall Shareholders (other than Dissenting Shareholders) will be deemed to be holders of Amalco Shares as of the Effective Date and former registered Southtech Shareholders and Redfall Shareholders will be entered into the register of holders of Amalco Shares without further act or formality. The Southtech Letter of Transmittal and the Redfall Letter of Transmittal, as applicable, to be used to exchange share certificates of Southtech and Redfall, as applicable, for certificates representing Amalco Shares is enclosed with this Information Circular. The Southtech Letter of Transmittal and the Redfall Letter of Transmittal contain complete instructions on how Southtech Shareholders or Redfall Shareholders, as applicable, are to exchange their Southtech Share certificates or Redfall Share certificates, as applicable. Registered Southtech Shareholders and Redfall Shareholders (other than Dissenting Shareholders) should read and follow these instructions. The Southtech Letter of Transmittal and the Redfall Letter of Transmittal, when properly completed, executed and returned to the Depositary or Torys LLP together with a certificate or certificates representing Southtech Shares or Redfall Shares, as applicable, and all other required documents, will enable each registered Southtech Shareholder or Redfall Shareholder (other than Dissenting Shareholders) to obtain the certificates representing the number of Amalco Shares to which it is entitled under the Amalgamation.

Risk Factors

Upon completion of the Amalgamation, Amalco will carry on the business of Redfall. Due to the nature of that business, the legal and economic climate in which the Amalco will be operating and the present stage of development of the proposed operations, Amalco is subject to risks. Amalco's future development and actual operating results may be different from those expected as at the date of this Information Circular. There can be no certainty that Amalco will be able to implement successfully the strategy set out in this Information Circular. No representation is or can be made as to the future performance of Amalco and there can be no assurance that Amalco will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to Southtech, Redfall and Amalco (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

New Technology

Amalco's success will depend in part on its ability to develop its software and products that keep pace with the continuing changes in technology, evolving industry standards and changing client preferences and requirements. Amalco's software and products embody complex technology that may not meet those standards, changes and preferences. Amalco may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce Amalco's revenue.

Dependence on Key Personnel and Consultants

The success of Amalco will be largely dependent upon the performance of its management and key employees. Failure by Amalco to retain or to attract and retain additional key employees with necessary skills could have a materially adverse impact upon Amalco's growth and profitability. Amalco intends to have no key person insurance for their management or for other key employees. These individuals, and the contributions they will make, are important to the future operations and success of Amalco. The unexpected loss or departure of any of the key officers, employees or consultants of Amalco could be detrimental to Amalco's future operations. Amalco's success will depend in part on its ability to attract and retain qualified personnel, as they are needed. The competition for highly skilled technical, management, sales and other employees is high in Amalco's industry. There can be no assurance that Amalco will be able to engage the services of such personnel or retain Amalco's current personnel.

Dependence on Banking Relationships

Redfall has secured banking relationships in Canada and the U.S. in order to deliver its principal products and services to its clients. The loss of a banking partner of Redfall or Amalco can have a material adverse impact on Amalco's results of operations.

Crypto Currency Risks

A significant portion of the proposed business of Amalco is based upon crypto currency transactions, which are digital or virtual currency transactions that use cryptography for security. The crypto currency market is unregulated and in its infancy. Accordingly, there are certain risks related to crypto currencies, including the risk of regulation reforms which may prohibit payment processing transactions related to the business of Amalco. Additionally, financial institutions may impose restrictions on persons that engage in business that is based on crypto currency transactions. Risks related to the acceptance and use of crypto currencies will have a significant impact on the volume of crypto currency transactions. Such acceptance or lack thereof, and reforms in regulation could materially and adversely affect Amalco's assets, liabilities, business, financial condition, prospects and results of operations.

Foreign Currency, Payment Processing and Fiscal Matters

Amalco's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences can have a material adverse impact on Amalco's results of operations.

Competition

Amalco operates in a competitive industry that is constantly evolving and changing. Amalco expects this competition to increase as new competitors enter the market. Many of Amalco's competitors may have greater financial, technical, sales, and production and marketing resources. Amalco may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins or increased operating expenses.

Customer Base and Market Acceptance

While management of Amalco believes it can grow its client base, the inability of Amalco to grow such a client base could have a material adverse effect on Amalco. Although Amalco believes that its products offer advantages over competitive companies and products, no assurance can be given that Amalco's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations.

PCI-DSS Testing and Audit

In order for Amalco to offer its products in the U.S., it must undergo and pass PCI-DSS testing and audit. Amalco may not pass such certification, testing and audit procedures and such an occurrence can have a material adverse impact on Amalco's results of operations.

Consumer Privacy, Data Use and Security

Amalco is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns and scrutiny of Amalco's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect Amalco's results of operations and overall business, as well as have an impact on our reputation. Any additional, or changes to, regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase Amalco's costs to comply with such

regulations. Changes to these laws could also impact Amalco's business operations by requiring changes to Amalco's data practices and could impact aspects of Amalco's business such as fraud monitoring. Any of these changes could materially and adversely affect our overall business and results of operations.

Future Acquisitions

Amalco may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favourable terms, or that the acquired operations can be profitably operated or integrated in Amalco's operations. To the extent management of Amalco is successful in identifying suitable companies or products for acquisition, Amalco may deem it necessary or advisable to finance such acquisitions through the issuance of Amalco Shares, securities convertible into Amalco Shares, debt financing, or a combination thereof. In such cases, the issuance of Amalco Shares or convertible securities could result in dilution to the shareholders of Amalco at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of Amalco's assets, impeding Amalco's ability to obtain bank financing, decreasing Amalco's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of Amalco.

Amalco Share Price Volatility

The market price of Amalco Shares could be subject to wide fluctuations in response to Amalco's results of operations, changes in earnings estimates by analysts, changing conditions in the payment processing industry or changes in general market, economic or political conditions.

Losses from Operations

Redfall had a net loss of \$1,047,980 for the year ended December 31, 2013 and a net loss of \$2,377,515 for the three month period ended March 31, 2014. Amalco may experience operating losses or write-downs in the future.

Stage of Development

Amalco may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of Amalco's development. The ability of Amalco to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of Amalco to deal with this growth could have a material adverse impact on its business, operations and prospects.

Banking and Processing Services

Amalco's payment processing systems and other key service offerings may experience interruptions as a result of a loss of banking or processing services, including, but not limited to, commercial banking cash management service malfunctions, commercial banking cash management service disruptions, termination of commercial banking cash management services, payment card processing malfunctions, card payment service disruptions and termination of card payment processing services. Although Amalco strategically develops new banking relationships to the Vogogo technology, Amalco cannot ensure that its business would be immune to the risk of losing banking or processing services.

Transaction Processing Systems

Amalco's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although Amalco continually monitors and assesses risks, potential impacts, and develops effective response strategies, Amalco cannot ensure that its business would be immune to these risks.

Additionally, Amalco relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact Amalco's ability to do business in those markets. If one of our service providers fails to provide the communications capacity or services Amalco requires, as a result of natural disaster, operational disruptions, terrorism, hacking or any other reason, the failure could interrupt Amalco's services. Because of the intrinsic importance of Amalco's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying Amalco's brand and materially reduce Amalco's results of operations.

Additional Capital Requirements

Amalco intends to continue to make investments to support its business growth and may require additional funds to respond to business challenges, including the need to expand sales and marketing activities; develop new software, products or features; enhance its current operating infrastructure; and acquire complementary businesses and technologies. Amalco's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, Amalco may need to engage in equity or debt financings to secure additional funds. If Amalco raises additional funds through further issuances of equity or convertible debt securities, shareholders of Amalco could suffer significant dilution, and any new equity securities Amalco issues could have rights, preferences and privileges superior to those of holders of Amalco Shares. Any debt financing secured by Amalco in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for Amalco to obtain additional capital and to pursue business opportunities. Amalco can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, Amalco's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Legal Risks

Amalco is subject to legal risks related to operations, contracts, relationships and otherwise under which Amalco may be served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement costs and other costs as well as significant time and distraction of management and employees.

Money Laundering and Terrorism

Amalco is subject to regulations that affect the payments industry. In particular, many of Amalco's customers are subject to regulations applicable to banks and other financial institutions in Canada and abroad, and, consequently, Amalco is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to Amalco and its customers, has increased significantly in the last several years. Amalco is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its Internet payment gateway. Money laundering or terrorist financing involving Amalco's payment gateway could result in an enforcement action and/or damage Amalco's reputation, which could result in a material adverse impact on Amalco's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

Amalco's operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of Amalco's control. These events could, in turn, cause the market price of Amalco Shares to fluctuate. If Amalco's operating results do not meet the expectations of securities analysts or investors, who may derive their expectations by extrapolating data from recent historical operating results, the market price of Amalco Shares will likely decline.

Due to all of the foregoing factors and the other risks discussed in this "Risk Factors" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of Amalco's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective purchasers are cautioned not to place undue reliance on forward looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See “*Forward Looking Statements*”.

Global Financial Crisis

The market events and conditions that began in 2008, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, have, among other things, caused significant volatility in the payment processing and foreign exchange industries. These events and conditions caused a loss of confidence in the broader US and global credit and financial markets and resulted in the collapse of, and government intervention in numerous major banks, financial institutions and insurers, and created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, government deficits and sovereign debt default, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. These factors have negatively impacted company valuations and have impacted the performance of the global economy. Although credit markets, equity markets, commodity markets and the North American and global economies began to stabilize, and in some instances experienced substantial recoveries, during the latter half of 2009, some prominent government officials, economists and market commentators have expressed concerns regarding the durability of the recovery over the near and medium term, particularly as the fiscal stimulus that was utilized by the world’s governments to combat the global financial crises is withdrawn over time in the coming months and years.

Conflicts of Interest

Certain directors of Amalco may engage in businesses similar to Amalco and situations may arise where the directors may be in direct competition with Amalco’s business. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the Act which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with us to disclose his interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

Neither Southtech nor Redfall has paid any cash dividends to date on the common stock and there are no plans for such dividend payments in the foreseeable future.

Certain Canadian Federal Income Tax Considerations

In the opinion of Burstall Winger Zammit LLP, counsel to Southtech, and Torys LLP, counsel to Redfall (collectively, “**Counsel**”), the following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations under the Tax Act in respect of the Amalgamation generally applicable to Southtech Shareholders and Redfall Shareholders who, for the purposes of the Tax Act, and at all relevant times, hold: (i) their Southtech Shares and Redfall Shares (in this Section, collectively, the “**Shares**”), as applicable, as well as any Amalco Shares to be received under the Amalgamation, as capital property; and (ii) deal at arm’s length, and are not affiliated, with either Southtech, Redfall or Amalco. Persons who meet all of the foregoing requirements are referred to as “**Shareholders**” in this summary.

Southtech Shares, Redfall Shares and Amalco Shares will generally be considered to be capital property to a Shareholder unless they are held in the course of carrying on a business or are acquired in a transaction or transactions which may be considered to be an adventure or concern in the nature of trade. Certain Shareholders

whose Southtech Shares, Redfall Shares or Amalco Shares might not otherwise qualify as capital property may be entitled to have them, and all other “Canadian securities” (as defined in the Tax Act) owned by them, deemed to be capital property by making an irrevocable election in accordance with Subsection 39(4) of the Tax Act. **Shareholders considering making such an election should first consult their own tax advisors.**

This summary is not applicable to a Shareholder: (a) that is a “financial institution” or a “specified financial institution” (each as defined in the Tax Act); (b) an interest in which would be a “tax shelter investment” (as defined in the Tax Act); (c) who is exempt from tax under Part I of the Tax Act; (d) that acquired their Shares on the exercise of employee stock options; or (e) who makes or has made a functional currency reporting election pursuant to Section 261 of the Tax Act. **Such Shareholders should consult their own tax advisors to determine the particular Canadian federal income tax consequences to them of the Amalgamation.**

This summary is based upon the current provisions of the Tax Act and Counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (“CRA”) publicly available to the date hereof. This summary assumes that all specific publicly announced proposals to amend the Tax Act announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof will be enacted as proposed, although there is no assurance that such proposed amendments will be enacted as proposed, or at all. This summary does not take into account or anticipate any other changes in the law, whether by judicial, governmental or legislative action or decision, nor does it take into account the tax laws of any province, territory or foreign jurisdiction, any of which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is of a general nature only and is not exhaustive of all Canadian federal income tax considerations. This summary is not intended to be, and should not be construed to be, legal or tax advice to any Shareholder. Shareholders should consult their own tax advisors to determine the particular Canadian federal income tax consequences to them of the Amalgamation.

Shareholders Resident in Canada

This part of the summary is applicable to a Shareholder who is resident, or deemed to be resident, of Canada for the purpose of the Tax Act and any applicable income tax convention (a “**Resident Shareholder**”).

Amalgamation — Conversion of the Shares into Amalco Shares

On the Amalgamation, the Southtech Shares (other than Southtech Shares held by Dissenting Shareholders) will be converted into a corresponding Amalco Share on a five-for-one basis and each Redfall Share (other than Redfall Shares held by Dissenting Shareholders) will be converted into a corresponding Amalco Share on a one-for-one basis.

Resident Shareholders (other than a Dissenting Shareholder) will be deemed to have disposed of their Shares upon the Amalgamation for proceeds of disposition equal to the adjusted cost base thereof and to have acquired the Amalco Shares for the same amount. In such circumstances, the Resident Shareholder will not realize a capital gain or a capital loss as a result of the disposition of the Shares upon the Amalgamation.

Where a Resident Shareholder owns both Southtech Shares and Redfall Shares immediately prior to the Amalgamation, the detailed averaging rules contained in the Tax Act will generally apply in determining the adjusted cost base to the Resident Shareholder of the Amalco Shares received pursuant to the Amalgamation. **Such Resident Shareholders should consult their own tax advisors to determine the adjusted cost base of the Amalco Shares in their particular circumstances.**

Holding and Disposing of Amalco Shares

In general, a disposition or deemed disposition of Amalco Shares by a Resident Shareholder (except to Amalco or in a tax deferred transaction) will generally result in the Resident Shareholder realizing a capital gain (or a capital loss) in the year of disposition to the extent that the fair market value of the consideration received on the disposition

exceeds (or is exceeded by) the aggregate adjusted cost base to the Resident Shareholder of such Amalco Shares and any reasonable costs of disposition. See “*Taxation of Capital Gains and Losses*” below.

Taxation of Capital Gains and Losses

Under the Tax Act, one-half of any capital gain must be included in computing a Resident Shareholder’s income as a taxable capital gain in the taxation year in which a disposition of capital property takes place, and one-half of any capital loss must be deducted as an allowable capital loss against taxable capital gains realized by the Resident Shareholder in that taxation year in computing income in accordance with the provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and in the circumstances provided in the Tax Act.

The amount of any capital loss realized by a Resident Shareholder that is a corporation on the disposition of a share may be reduced by the amount of dividends or deemed dividends received on such share (or on a share for which the share has been substituted) to the extent and in the circumstances provided in the Tax Act. Similar rules may apply to a partnership or a trust of which a corporation, trust or partnership is a member or beneficiary. **Resident Shareholders to whom these rules may apply should consult their own tax advisors.**

A Resident Shareholder that is, throughout the relevant taxation year, a “Canadian-controlled private corporation”, as defined in the Tax Act, may be liable for a refundable tax of 6 2/3% on investment income, including taxable capital gains.

Receipt of Dividends on Amalco Shares

A Resident Shareholder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on Amalco Shares, unless in the case of some Canadian resident corporations or the application of a specific anti-avoidance rule re-characterizes such dividends as proceeds of disposition or a capital gain.

In the case of a Resident Shareholder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules for “eligible dividends”. Eligible dividends will generally include dividends paid by taxable Canadian corporations, such as Amalco, where those dividends have been designated as “eligible dividends” by the corporation at or prior to the time the dividends are paid. There are limitations on the ability of a corporation to designate dividends as eligible dividends. Dividends received by an individual may give rise to alternative minimum tax.

In the case of a Resident Shareholder that is a corporation, dividends received (or deemed to be received) on Amalco Shares by the Resident Shareholder will generally be included in the Resident Shareholder’s gross income for the taxation year in which such dividends are received and will generally be deductible in computing the Resident Shareholder’s taxable income. A Resident Shareholder that is a “private corporation” or a “subject corporation”, each as defined in the Tax Act, or a related group of individuals (other than trusts), may be liable to pay a refundable tax of 33 1/3% under Part IV of the Tax Act on dividends received (or deemed to be received) on Amalco Shares to the extent such dividends are deductible in computing taxable income for the year.

Dissenting Resident Shareholders

A Resident Shareholder that is a Dissenting Resident Shareholder may be entitled, if the Amalgamation becomes effective, to receive from Amalco the fair value of the Southtech Shares and/or Redfall Shares held by such Dissenting Resident Shareholder. Based on Counsel’s understanding of the current administrative practice of the CRA, a Dissenting Resident Shareholder who, pursuant to the exercise of Dissent Rights, disposes of the Southtech Shares and/or Redfall Shares in consideration for a cash payment from Amalco in respect of such Southtech Shares and/or Redfall Shares will be considered to have disposed of such Southtech Shares and/or Redfall Shares for

proceeds of disposition equal to the amount of the payment (exclusive of interest) received by the Dissenting Resident Shareholder. Dissenting Resident Shareholders may realize a capital gain or sustain a capital loss in respect of such disposition.

A Dissenting Resident Shareholder who receives interest on a payment received in respect of the fair value of the Dissenting Resident Shareholder's Southtech Shares and/or Redfall Shares will be required to include the full amount of such interest in income. In addition, a Dissenting Resident Shareholder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable for a refundable tax of 6 2/3% on investment income, including interest income. **Dissenting Resident Shareholders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.**

Non-Resident Shareholders

The following portion of the summary is applicable to a Shareholder who, at all relevant times, for the purpose of the Tax Act and any applicable income tax convention, is neither resident nor deemed to be resident of Canada, and who does not use or hold and is not deemed to use or hold his Southtech Shares, Redfall Shares and/or Amalco Shares in carrying on a business in Canada (a "**Non-Resident Shareholder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Shareholder that is an insurer carrying on business in Canada and elsewhere. This summary is not applicable to such Shareholders, who should consult their own tax advisors with respect to the Canadian federal income tax consequences to them of the Amalgamation.

Amalgamation — Conversion of the Shares into Amalco Shares

Non-Resident Shareholders will be deemed to have disposed of their Southtech Shares or Redfall Shares, as the case may be, upon the Amalgamation and will generally be subject to the same Canadian income tax consequences as Resident Shareholders who dispose of their Southtech Shares or Redfall Shares upon the Amalgamation (see "*Shareholders Resident in Canada — Amalgamation — Conversion of the Shares into Amalco Shares*"). In the case of a Non-Resident Shareholder whose Southtech Shares or Redfall Shares, as the case may be, constitute "taxable Canadian property" to such Non-Resident Shareholder, any Amalco Shares received by such Non-Resident Shareholder in exchange for such Southtech Shares or Redfall Shares upon the Amalgamation will also constitute "taxable Canadian property" to such Non-Resident Shareholder.

Generally, Southtech Shares will not be "taxable Canadian property" to a Non-Resident Shareholder at a particular time provided that: (i) the Southtech Shares are listed on a designated stock exchange (which includes the TSX Venture Exchange) at that time; (ii) neither the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder does not deal at arm's length, nor the Non-Resident Shareholder together with all such persons has owned 25% or more of the shares of any class or series of Southtech at any time during the 60 month period ending at that time; and (iii) the Southtech Shares were not acquired in a transaction as a result of which such share was deemed to be "taxable Canadian property" of the Non-Resident Shareholder.

Generally, Redfall Shares will constitute "taxable Canadian property" to a Non-Resident Shareholder if, at any particular time during the 60-month period that ends immediately before the Effective Date, more than 50% of the fair market value of the Redfall Shares was derived directly or indirectly from one or any combination of (i) real or immovable property situated in Canada, (ii) "Canadian resource properties", as defined in the Tax Act, (iii) "timber resource properties", as defined in the Tax Act, and (iv) options in respect of, or interests in, or for civil law rights in, any of such properties, whether or not the property exists. Redfall Shares may also be deemed to constitute taxable Canadian property in certain other circumstances under the Tax Act.

Based on counsel's understanding of the current administrative policy of the CRA, the reporting and compliance procedures under section 116 of the Tax Act will not apply if the Southtech Shares or Redfall Shares, as the case may be, are not held as "taxable Canadian property". A Non-Resident Shareholder who disposes of (or is deemed to have disposed of) Southtech Shares or Redfall Shares upon the Amalgamation that are "taxable Canadian property" to such Non-Resident Shareholder will be required to file a Canadian income tax return reporting the disposition unless: (i) the Non-Resident Shareholder is not liable to pay tax under Part I of the Tax Act in respect of the year of disposition; and (ii) the Non-Resident Shareholder is not liable to pay any amount under the Tax Act in respect of

any previous taxation year. **Non-Resident Shareholders who dispose of Southtech Shares or Redfall Shares upon the Amalgamation that are “taxable Canadian property” should consult their own tax advisors with respect to the requirement to file a Canadian income tax return in respect of the Amalgamation in their particular circumstances.**

Holding and Disposing of Amalco Shares

A Non-Resident Shareholder will generally not be liable for tax under the Tax Act on a disposition or deemed disposition of Amalco Shares unless such Amalco Shares are, or are deemed to be, “taxable Canadian property” to the Non-Resident Shareholder at the time of disposition and the Non-Resident Shareholder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Shareholder is resident. In the case of an Amalco Share owned by a Non-Resident Shareholder that constitutes “taxable Canadian property” of the Non-Resident Shareholder, any capital gain (or capital loss) realized on the disposition or deemed disposition of the Amalco Share that is not exempt from tax under the Tax Act pursuant to an applicable income tax convention, will generally be subject to the same Canadian income tax consequences applicable to a Resident Shareholder who disposes of Amalco Shares discussed above under “— *Shareholders Resident in Canada — Taxation of Capital Gains and Capital Losses*”.

Generally, an Amalco Share will not be “taxable Canadian property” to a Non-Resident Shareholder at a particular time provided that: (i) the Amalco Share is listed on a designated stock exchange (which includes the TSX Venture Exchange) at that time; (ii) neither the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder does not deal at arm’s length, nor the Non-Resident Shareholder together with all such persons has owned 25% or more of the shares of any class or series of Amalco at any time during the 60 month period ending at that time; and (iii) the Amalco Share was not acquired in a transaction as a result of which the Amalco Share was deemed to be “taxable Canadian property” of the Non-Resident Shareholder. Generally, if the Southtech Shares or Redfall Shares disposed of by a Non-Resident Shareholder upon the Amalgamation constituted “taxable Canadian property” to the Non-Resident Shareholder, the Amalco Shares received by such Non-Resident Shareholder in exchange for such Southtech Shares or Redfall Shares upon the Amalgamation will be deemed to constitute “taxable Canadian property” to such Non-Resident Shareholder.

A Non-Resident Shareholder who disposes of (or is deemed to have disposed of) Amalco Shares that are “taxable Canadian property” to such Non-Resident Shareholder will be required to file a Canadian income tax return for the year in which the disposition arises to report the disposition unless: (i) the Non-Resident Shareholder is not liable to pay tax under Part I of the Tax Act in respect of the year of disposition; and (ii) the Non-Resident Shareholder is not liable to pay any amount under the Tax Act in respect of any previous taxation year. **Non-Resident Shareholders who dispose of Amalco Shares that are “taxable Canadian property” should consult their own tax advisors with respect to the requirement to file a Canadian income tax return in respect of the disposition in their particular circumstances.**

Receipt of Dividends on Amalco Shares

Where a Non-Resident Shareholder receives or is deemed to receive a dividend on Amalco Shares, the amount of such dividend will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Shareholder’s state of residence. Where the Non-Resident Shareholder is a resident of the United States who is entitled to benefits under the Canada-United States Income Tax Convention and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15%.

Dissenting Non-Resident Shareholders

A Non-Resident Shareholder that is a Dissenting Shareholder (a “**Dissenting Non-Resident Shareholder**”) may be entitled, if the Amalgamation becomes effective, to receive from Amalco the fair market value of the Southtech Shares or Redfall Shares held by such Dissenting Non-Resident Shareholder.

Based on Counsel's understanding of the current administrative practice of the CRA, a Dissenting Non-Resident Shareholder who, pursuant to the exercise of Dissent Rights, disposes of Southtech Shares and/or Redfall Shares in consideration for a cash payment from Amalco in respect of such Southtech Shares and/or Redfall Shares will be considered to have disposed of such Southtech Shares and/or Redfall Shares for proceeds of disposition equal to the amount of the payment (exclusive of interest) received by the Dissenting Non-Resident Shareholder and will realize a capital gain (or a capital loss) equal to the amount by which such cash payment (exclusive of interest) exceeds (or is exceeded by) the adjusted cost base of such shares to the Non-Resident Dissenting Shareholder.

A Non-Resident Dissenting Shareholder will generally not be liable for tax under the Tax Act in respect of any capital gain realized on a disposition of such Southtech Shares or Redfall Shares unless such Southtech Shares or Redfall Shares, as the case may be, are or are deemed to be "taxable Canadian property" to such Non-Resident Dissenting Shareholder and the Non-Resident Dissenting Shareholder is not entitled to relief under an applicable tax convention between Canada and the Non-Resident Dissenting Shareholder's country of residence. See the discussion above under "*Non-Resident Shareholders — Amalgamation — Conversion of the Shares into Amalco Shares*" for a general discussion of Southtech Shares and Redfall Shares being "taxable Canadian property". **Dissenting Non-Resident Shareholders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.**

Eligibility for Investment

In the opinion of Burstall Winger Zammit LLP, counsel to Southtech, and Torys LLP, counsel to Redfall, on the basis of the applicable legislation in effect on the date hereof, provided the Amalco Shares are listed on the TSX Venture Exchange or other "designated stock exchange" (as defined in the Tax Act) or that Amalco continues to qualify as a "public corporation" for the purposes of the Tax Act, the Amalco Shares will, subject to the terms of any particular plan, be qualified investments for trusts governed by registered retirement savings plans ("RRSP"), registered retirement income funds ("RRIF"), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("TFSA").

Notwithstanding that the Amalco Shares may be qualified investments for an RRSP, an RRIF or a TFSA, the annuitant or holder ("**annuitant**") of the RRSP, RRIF or TFSA, as the case may be, will be subject to adverse tax consequences on the Amalco Shares held in the RRSP, RRIF or TFSA if such Amalco Shares are "prohibited investments" for the purposes of the Tax Act. The Amalco Shares will generally be "prohibited investments" if (i) the annuitant does not deal at arm's length with Amalco for the purposes of the Tax Act or (ii) has a "significant interest" (for purposes of the prohibited investment rules) in Amalco, unless such shares constitute "excluded property" (for purposes of the prohibited investment rules). Annuitants should consult their own tax advisors in this regard.

Securities Law Considerations (MI 61-101)

The Amalgamation is not a "business combination" or a "related party transaction" as such terms are defined in Multilateral Instrument 61-101 — *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**") and therefore "minority approval" (as defined in MI 61-101) of the Southtech Shareholders of the Amalgamation will not be required under MI 61-101 in order for the Amalgamation to be completed.

Effective Date of the Amalgamation

It is anticipated that the Amalgamation will become effective after the requisite shareholder, regulatory and stock exchange approvals have been obtained and all other conditions to the Amalgamation have been satisfied or waived.

Stock Exchange Listings

The outstanding Southtech Shares are listed and posted for trading on the Exchange under the symbol "STU.P". The Southtech Shares were listed on the Exchange on May 3, 2012 and were halted on April 9, 2014 pending announcement of the Amalgamation. On April 8, 2014, being the last trading day prior to the trading halt by Southtech, the closing price of the Southtech Shares on the Exchange was \$0.17. On May 9, 2014, the Exchange

suspended the Southtech Shares from trading until further notice as Southtech failed to complete a Qualifying Transaction within twenty-four months of its listing. Southtech applied for an extension to complete a Qualifying Transaction and the Exchange has granted the extension which gives Southtech until September 17, 2014 to complete its Qualifying Transaction. In the event Southtech does not complete a Qualifying Transaction by September 17, 2014, assuming approval by disinterested Southtech Shareholders, the Southtech Shares will be transferred to the NEX board of the Exchange (“NEX”). See *“Information Concerning Southtech —Trading Price and Volume”* and *“Matters to be Approved at the Meetings – Transfer of Southtech to the NEX Exchange and the Cancellation of a Portion of Southtech’s Seed Shares”*.

There is currently no public market for the Redfall Shares.

Conditional Approval of the Exchange

The Exchange has conditionally accepted the Amalgamation as Southtech’s Qualifying Transaction. The approval of the Exchange is subject to Southtech fulfilling all of the requirements of the Exchange, including the BIG Consulting Agreement being satisfactory to the Exchange. There is no assurance that Southtech will be able to satisfy such requirements. See *“Information Concerning the Amalgamation — Conditional Approval of the Exchange”* and *“Information Concerning Redfall – BIG Consulting Agreement”*.

MATTERS TO BE APPROVED AT THE MEETINGS

The Southtech Meeting

1. *Financial Statements*

The audited financial statements of Southtech for the year ended December 31, 2013, the auditors' report thereon and management's discussion and analysis will be received at the Southtech Meeting. A copy of the audited financial statements, the auditor's report thereon and management's discussion and analysis for the year ended December 31, 2013 are available at the request of Southtech Shareholders.

2. *Fixing the Number of Directors*

In the event the Amalgamation is not completed, it is proposed that five (5) directors be elected to hold office on the Southtech Board for the next ensuing year, subject to the provisions of the articles of Southtech relating to subsequent appointments by the Southtech Board. Management of Southtech therefore intends to place before the Southtech Meeting, for approval, with or without modification, a resolution fixing the number of directors to be elected until the next annual meeting of shareholders, subject to the articles of Southtech relating to subsequent appointments by the Southtech Board, at five (5) members. **In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the ordinary resolution fixing the number of directors to be elected at five (5) in the event the Amalgamation is not completed.**

3. *Election of Directors*

In the event the Amalgamation is not completed, management of Southtech proposes to elect the Southtech Board, such election to be completed annually and such directors to hold office until the next annual meeting of Southtech Shareholders or until their successors are appointed. **In the absence of contrary directions, the management designees of Southtech intend to vote in favour of the election of directors of the nominees of management of Southtech listed below in the event the Amalgamation is not completed.**

Management of Southtech does not contemplate that any of the nominees will be unable or unwilling to serve as a director but if, for any reason, any of them is unable or unwilling to serve, it is intended that the proxies given pursuant to this solicitation will be voted for a substitute nominee or nominees selected by management, unless authority to vote the proxies for the election of directors is withheld.

The Southtech Board has adopted an individual voting standard for the election of directors at the Southtech Meeting. Under the individual voting standard, in the event that a nominee for director receives a greater number of votes "withheld" than votes "for" his election as a director, the Southtech Board shall consider the circumstances of such vote, the particular attributes of the director nominee including his knowledge, experience and contribution at Southtech Board meetings and make whatever determination the Southtech Board deems appropriate, including without limitation, requesting such director to resign at an appropriate time and advise shareholders of the Southtech Board's decision in that regard. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Southtech Board may fill any vacancy created by any such resignation or determine to leave the resulting vacancy unfilled.

Southtech Shareholders should note that, as a result of the majority voting policy, a "withhold" vote is effectively the same as a vote against a director nominee in an uncontested election.

The names and municipality of residence of the persons either nominated for or presently holding office as directors, the number of Southtech Shares beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation during the last five years of each are as follows, which information is based on information received by Southtech from said nominees:

Name and Municipality of Residence	Position to be Held	Number of Southtech Shares Held	Director Since	Principal Occupation
Wade J. Larson New Westminster, British Columbia	President, Chief Executive Officer, Chief Financial Officer and Director	1,033,334	April 21, 2011	Vice-President, Business Development with MacDonald Dettwiler and Associates' - Space Missions Division ("MDA") since June 2002. Prior thereto, the Director of Business Development and Manager of Business Development with MDA.
Dale P. Johnson Invermere, British Columbia	Director	200,000	April 21, 2011	Non-executive Chairman of Optimal Payments Plc since July 2007. Prior thereto, President of Asia Pacific operations for Neovia Financial Plc (a predecessor of Optimal Payments Plc) from September 2005 to December 2006. Director of CanElson Drilling Inc. since June 2009.
Donald A. Whalen ⁽¹⁾ Calgary, Alberta	Director	200,000	April 21, 2011	Self-employed business consultant since January 2009; prior thereto Senior Vice-President of High River Gold Mines Ltd. ("High River") from September 2008 to December 2008. Executive Chairman of High River from June 1992 to September 2008.
Paul S. Readwin ⁽¹⁾ Calgary, Alberta	Director	1,466,650	April 21, 2011	Founding partner and President of Business Instincts Group Inc. since October 2009. Founder and President of Perception Audit Research Corp. since January 2005.
Michael P. Kraft ⁽¹⁾ Toronto, Ontario	Director	800,016	April 21, 2011	President, CEO and Director of Lingo Media Corporation since April 2006. President of MPK Inc. since 1989. Chairman of Buckingham Group Limited since January 1990.

Note:

(1) Member of the audit committee of Southtech.

As of the date hereof, the directors and officers of Southtech, as a group, control 3,700,000 Southtech Shares, representing approximately 59.7% of the outstanding Southtech Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To Southtech's knowledge, other than as set forth below, no proposed director is, as at the date hereof, or has been: (a) within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including Southtech, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an "order"); (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer of the company, being the subject of an order which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or (b) within 10 years of the date hereof, a director or executive officer of any company, including Southtech, that, while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with

creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, to Southtech's knowledge, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Michael P. Kraft was a nominee director to represent Lingo Media Corporation's interest in A+ Child Development (Canada) Ltd. ("**ACD**"), a 70.33% subsidiary of Lingo Media Corporation, a reporting issuer whose shares are listed for trading on the Exchange. On December 23, 2008, ACD filed a Notice of Intent to make a proposal under the *Bankruptcy and Insolvency Act* (Canada). On April 23, 2009, the proposal filed under the *Bankruptcy and Insolvency Act* (Canada) by ACD was approved by the Superior Court of Justice (Ontario). Upon final payment, Lingo Media Corporation received a Certificate of Full Performance of the Proposal.

Dale P. Johnson was a Director of NETeller Plc ("**NETeller**"), a public company listed on the AIM of the London Stock Exchange Plc, when charges were brought against NETeller by the United States Attorney's Office for the Southern District of New York. NETeller entered into a deferred prosecution agreement and, following satisfaction of certain conditions which did not involve Mr. Johnson personally, the charges were withdrawn in August 2009.

4. Appointment of Auditor

In the event the Amalgamation is not completed, management of Southtech intends to nominate BDO Canada LLP, Chartered Accountants, Calgary, Alberta, for re-appointment as the auditors of the Corporation at a remuneration to be fixed by the Southtech Board and to hold such office until the next annual meeting of Southtech. **In the absence of contrary directions, the management designees of Southtech intend to vote the Southtech Shares represented by any such proxy in favour of a resolution appointing BDO Canada LLP, Chartered Accountants, as auditor for Southtech for the next ensuing year in the event the Amalgamation is not completed.** BDO Canada LLP has served as auditor of Southtech since April 21, 2011.

5. Approval of Stock Option Plan

The rules of the Exchange require that shareholders approve "rolling" 10% stock options plans at each annual meeting of shareholders. Accordingly, at the Southtech Meeting, shareholders will be asked to consider and, if deemed advisable, approve Southtech's rolling stock option plan in the event the Amalgamation is not completed which authorizes the Southtech Board, or any committee of the Southtech Board, to whom the operation of the Southtech Option Plan may be delegated, to grant to directors, officers, employees and consultants of Southtech options to purchase Southtech Shares as detailed under "*Information Concerning Southtech - Statement of Executive Compensation – Stock Option Plan*". The aggregate number of Southtech Shares reserved for issuance on exercise of all Southtech options granted under the Southtech Option Plan at any time shall not exceed 10% of the number of Southtech Shares issued and outstanding at such time. A copy of the Southtech Option Plan is attached hereto as Appendix K.

Accordingly, at the Southtech Meeting, Southtech Shareholders will be asked to consider and, if thought appropriate, approve the following ordinary resolution to approve the Southtech Option Plan in the event the Amalgamation is not completed:

"BE IT RESOLVED, as an ordinary resolution:

1. in the event the amalgamation of Southtech Capital Corporation ("**Southtech**") and Redfall Technologies Inc. ("**Redfall**") is not completed pursuant to the amalgamation agreement dated May 7, 2014, as amended on July 31, 2014, the stock option plan of Southtech, substantially in the form attached as Appendix K to

the joint information circular of Southtech and Redfall dated July 31, 2014, which provides for the rolling grant of options to acquire up to 10% of the number of issued and outstanding common shares of Southtech, be and the same is hereby ratified, confirmed and approved; and

2. the form of stock option plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of Southtech; and
3. any one director or officer of Southtech is authorized and directed, on behalf of Southtech, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

See “*Information Concerning Southtech - Statement of Executive Compensation – Stock Option Plan*” for a detailed description of the terms of the Southtech Option Plan.

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast at the Southtech Meeting by Southtech Shareholders who vote in person or by proxy at the Southtech Meeting. **In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the Southtech Option Plan in the event the Amalgamation is not completed.**

6. *Approval of the Amalgamation*

At the Southtech Meeting, the Southtech Shareholders will be asked to consider and if thought appropriate, pass, with or without variation, the Southtech Amalgamation Resolution approving the Amalgamation Agreement and the Amalgamation. See “*Information Concerning the Amalgamation*” and Appendix A - the Amalgamation Agreement. In order to be effective, the Southtech Amalgamation Resolution must be passed by at least 66 2/3% of the votes cast by Southtech Shareholders present in person or by proxy at the Southtech Meeting.

Accordingly, at the Southtech Meeting, Southtech Shareholders will be asked to consider and, if thought appropriate, approve the following special resolution to approve the Amalgamation:

“**BE IT RESOLVED** as a special resolution that:

1. the amalgamation (the “**Amalgamation**”) of Southtech Capital Corporation (“**Southtech**”) and Redfall Technologies Inc. (“**Redfall**”) as provided for in and subject to the terms and conditions set forth in the amalgamation agreement (the “**Amalgamation Agreement**”) dated as of May 7, 2014, between Southtech and Redfall, as amended on July 31, 2014, is hereby approved and authorized, with such restrictions or conditions as may be imposed by the TSX Venture Exchange (the “**Exchange**”) and with discretion to modify the terms of the transaction provided that such terms are not material at any time prior to the completion thereof, subject to the approval of the Exchange, all as more particularly described in the joint management information circular of Southtech and Redfall dated July 31, 2014 (the “**Information Circular**”);
2. the Amalgamation Agreement, substantially in the form attached to the Information Circular as Appendix A, be and is hereby approved, ratified and confirmed;
3. notwithstanding that this resolution has been passed (and the Amalgamation Agreement and the Amalgamation adopted) by the shareholders of Southtech, the directors of Southtech are hereby authorized and empowered without further notice to or approval of the shareholders of Southtech: (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement; and (ii) subject to the terms and conditions of the Amalgamation Agreement, not to proceed with the Amalgamation; and
4. any director or officer of Southtech be, and such director or officer of Southtech is hereby, authorized, instructed and empowered, acting for, in the name of and on behalf of Southtech, to do or to cause to be

done all such other acts and things in the opinion of such director or officer of Southtech as may be necessary or desirable in order to fulfill the intent of this resolution and the matters authorized hereby.”

In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the Southtech Amalgamation Resolution.

Management and the Southtech Board are of the view that the Amalgamation is in the best interests of Southtech Shareholders. Accordingly, the Southtech Board unanimously recommends that all Southtech Shareholders vote in favour of the Southtech Amalgamation Resolution.

Registered Southtech Shareholders have the right to dissent with respect to the Southtech Amalgamation Resolution and, if the Southtech Amalgamation Resolution becomes effective, to be paid the fair value of their Southtech Shares in accordance with Section 191 of the ABCA. **Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of the any right to dissent. Persons who are beneficial owners of Southtech Shares, registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Southtech Shares are entitled to dissent. Accordingly, a beneficial owner of Southtech Shares desiring to exercise the right of dissent must make arrangements for the Southtech Shares beneficially owned by such holder to be registered in such holder's name prior to the time the written objection to the Southtech Amalgamation Resolution is required to be received by Southtech or, alternatively, make arrangements for the registered holder of such Southtech Shares to dissent on behalf of the holder. See “Information Concerning the Amalgamation — Right of Dissent” and Section 191 of the ABCA, the full text of which is set forth in Appendix D.**

7. *Approval of the Amalco Option Plan*

Conditional upon the Southtech Shareholders approving the Amalgamation at the Southtech Meeting, Southtech Shareholders will be asked to consider and if thought appropriate, pass, with or without variation, an ordinary resolution approving the Amalco Option Plan, the full text of which is set forth in Appendix B.

The provisions of the Amalco Option Plan are similar to the provisions of the Southtech Option Plan. The Amalco Option Plan provides that the Amalco Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to Amalco, non-transferable options to purchase Amalco Shares, provided that the number of Amalco Shares reserved for issuance will not exceed 10% of the issued and outstanding Amalco Shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of Amalco Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Amalco Shares and the number of Amalco Shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding Amalco Shares.

The Amalco Option Plan provides that upon the participant's disability or death such participant's options may be exercised to purchase the total number of Amalco Shares not previously purchased by the participant provided such exercise occurs prior to the earlier of the expiry date of the options and one hundred and eighty (180) days after the participant ceases to be a participant due to such permanent physical or mental disability or death. If a participant ceases to be an eligible participant, other than by way of disability or death, or termination with cause, each vested option held by such participant will cease to be exercisable on the earlier of the original expiry date of the option and ninety (90) days after the participant ceases to be an eligible participant. If a participant is terminated with cause, each vested and unvested option held by such participant will automatically terminate and become void on the termination date.

Accordingly, at the Southtech Meeting, Southtech Shareholders will be asked to consider and, if thought appropriate, approve the following ordinary resolution to approve the Amalco Option Plan:

“BE IT RESOLVED as an ordinary resolution that:

1. the stock option plan (the “**Option Plan**”) substantially in the form attached as Appendix B to the joint management information circular of Southtech Capital Corporation (“**Southtech**”) and Redfall Technologies Inc. (“**Redfall**”) dated July 31, 2014, be and is hereby approved and adopted as the stock option plan of the corporation to be formed by the amalgamation of Southtech and Redfall;
2. the form of Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of Southtech; and
3. any one director or officer of Southtech is authorized and directed, on behalf of Southtech, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the ordinary resolution approving the Amalco Option Plan.

Management and the Southtech Board are of the view that the Amalco Option Plan is in the best interests of Southtech Shareholders. Accordingly, the Southtech Board unanimously recommends that all Southtech Shareholders vote in favour of the ordinary resolution to approve the Amalco Option Plan.

8. *Approval of the Amalco Advance Notice By-Law*

Conditional upon the Southtech Shareholders approving the Amalgamation at the Southtech Meeting, Southtech Shareholders will be asked to consider and if thought appropriate, pass, with or without variation, an ordinary resolution approving the Amalco Advance Notice By-Law, the full text of which is set forth in Appendix C.

The Amalco Advance Notice By-Law incorporates advance notice provisions with respect to director nominations. The Amalco Advance Notice By-Law sets forth a procedure requiring advance notice to Amalco by any Amalco shareholder who intends to nominate any person for election as a director of Amalco other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the ABCA; or (ii) an Amalco shareholder proposal made pursuant to the provisions of the ABCA. Among other things, the Amalco Advance Notice By-Law sets a deadline by which such Amalco shareholders must notify Amalco in writing of an intention to nominate directors prior to any meeting of Amalco shareholders at which directors are to be elected and set forth the information that the Amalco shareholder must include in the notice for it to be valid.

The Amalco Board believes that the advance notice provisions will provide a clear and transparent process for all Amalco shareholders to follow if they intend to nominate directors. In that regard, the advance notice provisions provide a reasonable time frame for Amalco shareholders to notify Amalco of their intention to nominate directors and require Amalco shareholders to disclose information concerning the proposed nominees that is mandated by applicable securities laws. The Amalco Board will be able to evaluate the proposed nominees’ qualifications and suitability as directors and respond as appropriate in the best interests of Amalco. The Amalco Advance Notice By-Law is also intended to facilitate an orderly and efficient meeting process.

In the case of an annual meeting of Amalco shareholders, notice to Amalco must be made not less than 30 and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the tenth day following such announcement. In the case of a special meeting (which is not also an annual meeting) of Amalco shareholders called for the purpose of electing directors (whether or not called for other purposes), notice to Amalco must be made not later than the close of business on the fifteenth day following the date on which the first announcement of the date of the special meeting of Shareholders was made.

Accordingly, at the Southtech Meeting, Southtech Shareholders will be asked to consider and, if thought appropriate, approve the following ordinary resolution to approve the Amalco Advance Notice By-Law:

“BE IT RESOLVED as an ordinary resolution that:

1. the Advance Notice By-Law (the **“Advance Notice By-Law”**) substantially in the form attached as Appendix C to the joint management information circular of Southtech Capital Corporation (**“Southtech”**) and Redfall Technologies Inc. (**“Redfall”**) dated July 31, 2014, be and is hereby approved and adopted as the Advance Notice By-Law of the corporation to be formed by the amalgamation of Southtech and Redfall;
2. the form of the Advance Notice By-Law may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of Southtech; and
3. any one director or officer of Southtech is authorized and directed, on behalf of Southtech, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast at the Southtech Meeting by Southtech Shareholders who vote in person or by proxy at the Southtech Meeting. **In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the Advance Notice By-Law.**

9. *Transfer of Southtech to the NEX Exchange and the Cancellation of a Portion of Southtech’s Seed Shares*

Southtech has been put on notice by the Exchange that if it does not satisfy certain conditions by September 17, 2014, it may be delisted from trading on the Exchange. The conditions require Southtech to either complete its Qualifying Transaction or receive the approval of its shareholders for transfer of the listing of the Southtech Shares to NEX. In order to transfer to NEX, Southtech has to obtain majority shareholder approval exclusive of the votes of Non Arm’s Length Parties to Southtech. In addition, pursuant to the policies of the Exchange, Southtech must also either: (a) cancel all shares issued at a price less than \$0.10 per share (the **“Seed Shares”**), being the price at which Southtech conducted its initial public offering (the **“IPO”**), as if Southtech had delisted from the Exchange; or (b) subject to the approval of a majority of disinterested shareholders, cancel an amount of Seed Shares purchased by parties that are non-arm’s length to Southtech (being certain directors, officers and insiders of Southtech) such that the average cost of the remaining Seed Shares is at least equal to \$0.10, the price at which Southtech conducted its IPO. Prior to completing its IPO, Southtech issued 4,000,000 Seed Shares to certain parties at a price of \$0.05 per Seed Share, all of which are held by parties that are non-arm’s length to Southtech.

NEX is a distinct trading board of the Exchange designed for listed issuers which were previously listed on the Exchange or the Toronto Stock Exchange that have been unable to meet the ongoing listing requirements of those markets. NEX provides a trading forum for publicly listed shell companies while they seek to undertake transactions which will result in their carrying on an active business. A CPC that transfers to NEX must continue to comply with all of the requirements and restrictions of the Policy 2.4.

At the Southtech Meeting, Southtech Shareholders will be asked to consider, in the event the Amalgamation is not completed and, if thought fit, to pass an ordinary resolution of disinterested shareholders (being shareholders that are arm’s length to Southtech), permitting Southtech to list on the NEX and to cancel an amount of Seed Shares purchased by Non Arm’s Length Parties to Southtech such that the average cost of the remaining Seed Shares is at least equal to price at which Southtech conducted its IPO, as disclosed above. Accordingly, the disinterested Southtech Shareholders will be asked to consider and, if thought fit, to pass the following resolution (the **“NEX Resolution”**). An aggregate of 4,000,000 Southtech Shares will be excluded from the calculation of votes regarding the NEX Resolution.

“BE IT RESOLVED as an ordinary resolution of disinterested shareholders of Southtech Capital Corporation (**“Southtech”**) that:

1. in the event the amalgamation of Southtech and Redfall Technologies Inc. is not completed pursuant to the amalgamation agreement dated May 7, 2014, as amended on July 31, 2014 (the “**Amalgamation**”), Southtech is authorized to make an application to the TSX Venture Exchange (the “**Exchange**”) to transfer its listing to the NEX board of the Exchange (the “**NEX**”);
2. in the event the Amalgamation is not completed, Southtech is authorized to prepare such disclosure documents and make such submissions and filings as Southtech may be required to make with the Exchange to obtain Exchange acceptance of the transfer to the NEX;
3. in the event the Amalgamation is not completed, Southtech is authorized to cancel such number of escrowed seed shares held by non-arm’s length parties to Southtech and currently deposited into escrow in accordance with the terms of an Escrow Agreement between Southtech, CIBC Mellon Trust Company and the seed shareholders, such that the average cost of the remaining seed shares is at least equal to Southtech’s initial public offering price of \$0.10 per share;
4. the board of directors of Southtech is authorized and empowered, without further approval of the shareholders of Southtech, to abandon or terminate this resolution if the board of directors of Southtech determines it is not in the best interests of Southtech to proceed with the transfer of Southtech’s listing to the NEX; and
5. any one director or officer of Southtech is authorized and directed, on behalf of Southtech, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of Southtech or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

In order for the transfer of the listing of the Southtech Shares to the NEX to be implemented and the cancellation of certain of the Seed Shares to be approved, the NEX Resolution approving such transfer and cancellation must be passed, with or without variation, by a simple majority of shareholders, other than shareholders who are non-arm’s length to Southtech. Parties who are “non-arm’s length” to Southtech include its directors, officers, promoters and insiders, or their associates and affiliates, as such terms are defined under the policies of the Exchange. In the event such disinterested shareholder approval is not obtained, Southtech will not proceed with the NEX Resolution, and the Southtech Shares may be delisted from the Exchange.

In the event that the Southtech Shares are transferred to NEX, Southtech will be required to continue searching for and evaluating potential assets and/or businesses to acquire and, in the process of doing so, may deplete Southtech’s current assets. There is no assurance that Southtech will be able to complete a Qualifying Transaction before depleting its current assets or at all.

Based on the foregoing, the Southtech Board unanimously recommends that the Southtech Shareholders vote in favour of the NEX Resolution. **In the absence of contrary directions, the management designees of Southtech intend to vote proxies in favour of the ordinary resolution of disinterest of shareholders approving the NEX Resolution.**

Other Business

Management of Southtech is not aware of any other matters to come before the Southtech Meeting other than those set out in the Notice of Southtech Meeting. If other matters come before the Southtech Meeting, it is the intention of the Southtech management designees to vote in accordance with their best judgment on such matters.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Other than as disclosed herein, management of Southtech is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of Southtech, each proposed nominee for election as a director of Amalco or any associate or affiliate of the foregoing, other than the

interest which any such person may have as a securityholder in Southtech and, on completion of the Amalgamation, as a securityholder of Amalco.

The Redfall Meeting

1. Financial Statements

The audited financial statements of Redfall for the year ended December 31, 2013, the auditors' report thereon and management's discussion and analysis will be received at the Redfall Meeting. A copy of the audited financial statements, the auditor's report thereon and management's discussion and analysis for the year ended December 31, 2013 are available at the request of Redfall Shareholders.

2. Fixing the Number of Directors

In the event the Amalgamation is not completed, it is proposed that four (4) directors be elected to hold office on the Redfall Board for the next ensuing year, subject to the provisions of the articles of Redfall relating to subsequent appointments by the Redfall Board. Management of Redfall therefore intends to place before the Redfall Meeting, for approval, with or without modification, a resolution fixing the number of directors to be elected until the next annual meeting of shareholders, subject to the articles of Redfall relating to subsequent appointments by the Redfall Board, at four (4) members. **In the absence of contrary directions, the management designees of Redfall intend to vote proxies in favour of the ordinary resolution fixing the number of directors to be elected at four (4) in the event the Amalgamation is not completed.**

3. Election of Directors

In the event the Amalgamation is not completed, management of Redfall proposes to elect the Redfall Board, such election to be completed annually and such directors to hold office until the next annual meeting of Redfall Shareholders or until their successors are appointed. **In the absence of contrary directions, the management designees of Redfall intend to vote in favour of the election of directors of the nominees of management of Redfall listed below in the event the Amalgamation is not completed.**

Management of Redfall does not contemplate that any of the nominees will be unable or unwilling to serve as a director but if, for any reason, any of them is unable or unwilling to serve, it is intended that the proxies given pursuant to this solicitation will be voted for a substitute nominee or nominees selected by management, unless authority to vote the proxies for the election of directors is withheld.

The names and municipality of residence of the persons either nominated for or presently holding office as directors, the number of Redfall Shares beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation during the last five years of each are as follows, which information is based on information received from Redfall from said nominees:

<u>Name and Municipality of Residence</u>	<u>Position to be Held</u>	<u>Number of Redfall Shares Held</u>	<u>Director Since</u>	<u>Principal Occupation</u>
Robert Geoffrey Gordon Calgary, Alberta	Chief Executive Officer and Director	5,166,668	January 23, 2008	Managing Partner of Redfall.
Cameron Chell Calgary, Alberta	Director	Nil. ⁽¹⁾	February 11, 2014	Chief Executive Officer of Business Instincts Group Inc.
Rodney Thompson Calgary, Alberta	Director	5,166,666	Not applicable.	Owner of SAY Marketing & Consulting Ltd., a private consulting company.
Cory Cleveland Calgary, Alberta	Director	200,000 ⁽²⁾	Not applicable.	Vice President, Finance of Business Instincts Group Inc.

Notes:

(1) Business Instincts Group Inc. is the registered holder of 1,036,365 Redfall Shares and 758,334 Redfall Finder's Warrants. Mr. Chell is the Chief Executive Officer and registered holder of approximately 47% of the voting shares of Business Instincts Group Inc.

- (2) It is anticipated that Cory Cleveland will receive an additional 44,358 Redfall Shares upon completion of the Limitless restructuring transaction. See “*Summary - The Amalgamation*”.

As of the date hereof, the directors and officers of Redfall, as a group, control 10,333,334 Redfall Shares, representing approximately 38.8% of the outstanding Redfall Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To Redfall’s knowledge, no proposed director is, as at the date hereof, or has been: (a) within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including Redfall, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an “**order**”); (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer of the company, being the subject of an order which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or (b) within 10 years of the date hereof, a director or executive officer of any company, including Redfall, that, while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, to Redfall’s knowledge, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

4. *Appointment of Auditor*

In the event the Amalgamation is not completed, management of Redfall intends to nominate Collins Barrow Calgary LLP, Chartered Accountants, Calgary, Alberta, for re-appointment as the auditors of the Corporation at a remuneration to be fixed by the Redfall Board and to hold such office until the next annual meeting of Redfall. **In the absence of contrary directions, the management designees of Redfall intend to vote the Redfall Shares represented by any such proxy in favour of a resolution appointing Collins Barrow Calgary LLP, Chartered Accountants, as auditor for Redfall for the next ensuing year in the event the Amalgamation is not completed.** Collins Barrow Calgary LLP has served as auditor of Redfall since February 27, 2014.

5. *Approval of the Amalgamation*

At the Redfall Meeting, the Redfall Shareholders will be asked to consider and if thought appropriate, pass, with or without variation the Redfall Amalgamation Resolution approving the Amalgamation Agreement and the Amalgamation. In order to be effective, the Redfall Amalgamation Resolution must be passed by at least 75% of the votes cast by the Redfall Shareholders present in person or by proxy at the Redfall Meeting pursuant to the unanimous shareholder agreement of Redfall dated February 1, 2012. Upon completion of the Amalgamation, the unanimous shareholder agreement of Redfall will terminate in accordance with its terms.

Accordingly, at the Redfall Meeting, Redfall Shareholders will be asked to consider and, if thought appropriate, approve the following special resolution to approve the Amalgamation:

“BE IT RESOLVED that:

1. the amalgamation (the **“Amalgamation”**) of Redfall Technologies Inc. (**“Redfall”**) and Southtech Capital Corporation (**“Southtech”**) as provided for in and subject to the terms and conditions set forth in the amalgamation agreement (the **“Amalgamation Agreement”**) dated as of May 7, 2014, as amended on July 31, 2014, between Redfall and Southtech, is hereby approved and authorized, with such restrictions or conditions as may be imposed by the TSX Venture Exchange (the **“Exchange”**) and with discretion to modify the terms of the transaction provided that such terms are not material at any time prior to the completion thereof, subject to the approval of the Exchange, all as more particularly described in the joint management information circular of Southtech and Redfall dated July 31, 2014 (the **“Information Circular”**);
2. the Amalgamation Agreement, substantially in the form attached to the Information Circular as Appendix A, be and is hereby approved, ratified and confirmed;
3. notwithstanding that this resolution has been passed (and the Amalgamation Agreement and the Amalgamation adopted) by the shareholders of Redfall, the directors of Redfall are hereby authorized and empowered without further notice to or approval of the shareholders of Redfall: (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement; and (ii) subject to the terms and conditions of the Amalgamation Agreement, not to proceed with the Amalgamation; and
4. any director or officer of Redfall be, and such director or officer of Redfall is hereby, authorized, instructed and empowered, acting for, in the name of and on behalf of Redfall, to do or to cause to be done all such other acts and things in the opinion of such director or officer of Redfall as may be necessary or desirable in order to fulfill the intent of this resolution and the matters authorized hereby.”

In the absence of contrary directions, the management designees of Redfall intend to vote proxies in favour of the Redfall Amalgamation Resolution.

Management and the Redfall Board are of the view that the completion of the Amalgamation is in the best interests of Redfall Shareholders. Accordingly, the Redfall Board unanimously recommends that all Redfall Shareholders vote in favour of the Redfall Amalgamation Resolution.

Registered Redfall Shareholders have the right to dissent with respect to the Redfall Amalgamation Resolution and, if the Redfall Amalgamation Resolution becomes effective, to be paid the fair value of their Redfall Shares in accordance with Section 191 of the ABCA. **Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of the any right to dissent. Persons who are beneficial owners of Redfall Shares, registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Redfall Shares are entitled to dissent. Accordingly, a beneficial owner of Redfall Shares desiring to exercise the right of dissent must make arrangements for the Redfall Shares beneficially owned by such holder to be registered in such holder’s name prior to the time the written objection to the Redfall Amalgamation Resolution is required to be received by Redfall or, alternatively, make arrangements for the registered holder of such Redfall Shares to dissent on behalf of the holder. See *“Information Concerning the Amalgamation — Right of Dissent”* and Section 191 of the ABCA, the full text of which is set forth in Appendix D.**

6. *Approval to Amend Articles to Remove Private Issuer Restrictions*

The articles of Redfall contains private issuer exemptions, which, amongst other things, restricts the number of beneficial holders and the right of Redfall Shareholders to transfer the Redfall Shares. In order to facilitate certain restructuring transactions as well as the conversion of the Redfall Receipts, Redfall Shareholders will be asked to consider and, if thought appropriate, to pass, with or without variation, a resolution to be approved by at least 75% of the votes cast by the holders of Redfall Shares present in person or by proxy at the Redfall Meeting to amend the articles of Redfall to remove the private issuer restrictions, pursuant to the unanimous shareholder agreement of Redfall dated February 1, 2012.

Accordingly, at the Redfall Meeting, Redfall Shareholders will be asked to consider and, if thought appropriate, approve the following resolutions to amend the articles of Redfall to remove the private issuer restrictions of Redfall:

“BE IT RESOLVED that:

1. the articles of Redfall Technologies Inc. be amended to remove the private issuer restrictions;
2. any director or officer of Redfall be and is hereby authorized, for and on behalf of Redfall, to execute and deliver or cause to be delivered articles of amendment to the registrar under the *Business Corporations Act (Alberta)*;
3. notwithstanding that this resolution has been duly passed by the holders of the common shares of Redfall, the directors of Redfall may in their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the common shares of Redfall; and
4. any one director or officer of Redfall is authorized and directed, on behalf of Redfall, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

In the absence of contrary directions, the management designees of Redfall intend to vote proxies in favour of the resolution approving the amendment to Redfall’s articles to remove the private issuer restrictions.

Management and the Redfall Board are of the view that the removal of the private issuer restrictions of Redfall is in the best interests of Redfall Shareholders. Accordingly, the Redfall Board unanimously recommends that all Redfall Shareholders vote in favour of the resolution to remove the private issuer restrictions of Redfall.

7. *Approval of the Amalco Option Plan*

Conditional upon the Redfall Shareholders approving the Amalgamation at the Redfall Meeting, Redfall Shareholders will be asked to consider and if thought appropriate, pass, with or without variation, an ordinary resolution approving the Amalco Option Plan, the full text of which is set forth in Appendix B.

The provisions of the Amalco Option Plan are similar to the provisions of the Southtech Option Plan. The Amalco Option Plan provides that the Amalco Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to Amalco, non-transferable options to purchase Amalco Shares, provided that the number of Amalco Shares reserved for issuance will not exceed 10% of the issued and outstanding Amalco Shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of Amalco Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Amalco Shares and the number of Amalco Shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding Amalco Shares.

The Amalco Option Plan provides that upon the participant’s disability or death such participant’s options may be exercised to purchase the total number of Amalco Shares not previously purchased by the participant provided such exercise occurs prior to the earlier of the expiry date of the options and one hundred and eighty (180) days after the participant ceases to be a participant due to such permanent physical or mental disability or death. If a participant ceases to be an eligible participant, other than by way of disability or death, or termination with cause, each vested option held by such participant will cease to be exercisable on the earlier of the original expiry date of the option and ninety (90) days after the participant ceases to be an eligible participant. If a participant is terminated with cause, each vested and unvested option held by such participant will automatically terminate and become void on the termination date.

Accordingly, at the Redfall Meeting, Redfall Shareholders will be asked to consider and, if thought appropriate, approve the following ordinary resolution to approve the Amalco Option Plan:

“BE IT RESOLVED as an ordinary resolution that:

1. the stock option plan (the **“Option Plan”**) substantially in the form attached as Appendix B to the joint management information circular of Southtech Capital Corporation (**“Southtech”**) and Redfall Technologies Inc. (**“Redfall”**) dated July 31, 2014, be and is hereby approved and adopted as the stock option plan of the corporation to be formed by the amalgamation of Southtech and Redfall;
2. the form of Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of Southtech; and
3. any one director or officer of Redfall is authorized and directed, on behalf of Redfall, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

In the absence of contrary directions, the management designees of Redfall intend to vote proxies in favour of the ordinary resolution approving the Amalco Option Plan.

Management and the Redfall Board are of the view that the Amalco Option Plan is in the best interests of Redfall Shareholders. Accordingly, the Redfall Board unanimously recommends that all Redfall Shareholders vote in favour of the ordinary resolution to approve the Amalco Option Plan.

8. *Approval of the Amalco Advance Notice By-Law*

Conditional upon the Redfall Shareholders approving the Amalgamation at the Redfall Meeting, Redfall Shareholders will be asked to consider and if thought appropriate, pass, with or without variation, an ordinary resolution approving the Amalco Advance Notice By-Law, the full text of which is set forth in Appendix C.

The Amalco Advance Notice By-Law incorporates advance notice provisions with respect to director nominations. The Amalco Advance Notice By-Law sets forth a procedure requiring advance notice to Amalco by any Amalco shareholder who intends to nominate any person for election as a director of Amalco other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the ABCA; or (ii) a Amalco shareholder proposal made pursuant to the provisions of ABCA. Among other things, the Amalco Advance Notice By-Law sets a deadline by which such Amalco shareholders must notify Amalco in writing of an intention to nominate directors prior to any meeting of Amalco shareholders at which directors are to be elected and set forth the information that the Amalco shareholder must include in the notice for it to be valid.

The Amalco Board believes that the advance notice provisions provide a clear and transparent process for all Amalco shareholders to follow if they intend to nominate directors. In that regard, the advance notice provisions provide a reasonable time frame for Amalco shareholders to notify Amalco of their intention to nominate directors and require Amalco shareholders to disclose information concerning the proposed nominees that is mandated by applicable securities laws. The Amalco Board will be able to evaluate the proposed nominees' qualifications and suitability as directors and respond as appropriate in the best interests of Amalco. The Amalco Advance Notice By-Law is also intended to facilitate an orderly and efficient meeting process.

In the case of an annual meeting of Amalco shareholders, notice to Amalco must be made not less than 30 and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the tenth day following such announcement. In the case of a special meeting (which is not also an annual meeting) of Amalco shareholders called for the purpose of electing directors (whether or not called for other purposes), notice to Amalco must be

made not later than the close of business on the fifteenth day following the date on which the first announcement of the date of the special meeting of Shareholders was made.

Accordingly, at the Redfall Meeting, Redfall Shareholders will be asked to consider and, if thought appropriate, approve the following ordinary resolution to approve the Amalco Advance Notice By-Law:

“BE IT RESOLVED as an ordinary resolution that:

1. the Advance Notice By-Law (the **“Advance Notice By-Law”**) substantially in the form attached as Appendix C to the joint management information circular of Southtech Capital Corporation (**“Southtech”**) and Redfall Technologies Inc. (**“Redfall”**) dated July 31, 2014, be and is hereby approved and adopted as the Advance Notice By-Law of the corporation to be formed by the amalgamation of Southtech and Redfall;
2. the form of the Advance Notice By-Law may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of Redfall; and
3. any one director or officer of Redfall is authorized and directed, on behalf of Redfall, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal or otherwise) that may be necessary or desirable to give effect to this resolution.”

In the absence of contrary directions, the management designees of Redfall intend to vote proxies in favour of the ordinary resolution approving the Amalco Advance Notice By-Law.

Management and the Redfall Board are of the view that the Amalco Advance Notice By-Law is in the best interests of Redfall Shareholders. Accordingly, the Redfall Board unanimously recommends that all Redfall Shareholders vote in favour of the ordinary resolution to approve the Amalco Advance Notice By-Law.

Other Business

Management of Redfall is not aware of any other matters to come before the Redfall Meeting other than those set out in the Notice of Redfall Meeting. If other matters come before the Redfall Meeting, it is the intention of the Redfall management designees to vote in accordance with their best judgment on such matters.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Other than as disclosed herein, management of Redfall is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of Redfall each proposed nominee for election as a director of Amalco or any associate or affiliate of the foregoing, other than the interest which any such person may have as a securityholder in Redfall and, on completion of the Amalgamation, as a securityholder of Amalco.

INFORMATION CONCERNING SOUTHTECH

Name and Incorporation

Southtech was incorporated pursuant to the provisions of the ABCA on April 21, 2011. On December 12, 2011, Southtech amended its articles to remove the restriction against the transfer of securities.

The head office of Southtech is located at Suite 200, 5970 Centre Street S.E., Calgary, Alberta T2H 0N7 and the registered office of Southtech is located at Suite 1600, Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1.

Southtech has no Subsidiaries.

General Development of the Business

Southtech is a “capital pool company” under Policy 2.4. On May 3, 2012, Southtech completed its initial public offering of 2,000,000 Southtech Shares at a price of \$0.10 per Southtech Share for aggregate gross proceeds of \$200,000 by way of a final prospectus dated February 7, 2012 filed in the Provinces of British Columbia, Alberta and Ontario. Southtech is currently a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario.

The outstanding Southtech Shares are listed and posted for trading on the Exchange under the symbol “STU.P”. The Southtech Shares were listed on the Exchange on May 3, 2012 and were halted on April 9, 2014 pending announcement of the Amalgamation. On May 9, 2014, the Exchange suspended the Southtech Shares from trading until further notice as Southtech failed to complete a Qualifying Transaction within twenty-four months of its listing. Southtech applied for an extension to complete a Qualifying Transaction and the Exchange has granted the extension which gives Southtech until September 17, 2014 to complete its Qualifying Transaction. In the event Southtech does not complete a Qualifying Transaction by September 17, 2014, assuming approval by disinterested Southtech Shareholders, the Southtech Shares will be transferred to the NEX board of the Exchange (“NEX”). See “*Information Concerning Southtech —Trading Price and Volume*” and “*Matters to be Approved at the Meetings – Transfer of Southtech to the NEX Exchange and the Cancellation of a Portion of Southtech’s Seed Shares*”.

On March 31, 2014, Southtech and Redfall entered into the Letter of Intent setting out the basic terms of the Amalgamation. On May 7, 2014, Southtech and Redfall executed the Amalgamation Agreement, which supersedes the Letter of Intent and sets out the specific terms of the Amalgamation. The Amalgamation is intended to constitute Southtech’s Qualifying Transaction.

Selected Financial Information

The following table sets out certain selected financial information of Southtech for the initial 254 day period ended December 31, 2011, the year ended December 31, 2012, the year ended December 31, 2013 and the interim period ended March 31, 2014. The following has been derived from and should be read in conjunction with Southtech’s audited financial statements as at December 31, 2013 and 2012 and unaudited interim financial statements as at March 31, 2014, copies of which are attached hereto as Appendix E as well as Southtech’s audited financial statements available on www.sedar.com. The financial results are not necessarily indicative of the results that may be expected for any other period. Southtech’s audited financial statements are presented in Canadian dollars and are prepared in accordance with IFRS.

Item	As at December 31, 2011 (\$)	As at December 31, 2012 (\$)	As at December 31, 2013 (\$)	As at March 31, 2014 (\$)
Total expenses	Nil	77,503	44,235	3,100
Amounts deferred in connection with the Amalgamation / Accrued liabilities	21,438	15,525	21,491	1,059

Management's Discussion and Analysis

Southtech's Management's Discussion and Analysis for the year ended December 31, 2013 and 2012, the interim period ended March 31, 2014 and the associated financial statements for the same periods are included as Appendix H to this Information Circular.

Description of Share Capital

Southtech Shares

Southtech is authorized to issue an unlimited number of Southtech Shares without nominal or par value of which, as at the date hereof, 6,200,000 are issued and outstanding as fully paid and non-assessable, 600,000 Southtech Shares are reserved for issuance pursuant to the Southtech Options.

The holders of Southtech Shares are entitled to dividends, if, as and when declared by the Southtech Board, to one vote per share at meetings of the shareholders of Southtech and, upon dissolution, to share equally in such assets of Southtech as are distributable to the holders of Southtech.

Southtech Preferred Shares

Southtech is authorized to issue an unlimited number of preferred shares, issuable in series, none of which are issued and outstanding as of the date hereof. Subject to the provisions of the ABCA, the Southtech Board may fix the number of shares in each series and may, prior to the issuance of any preferred shares of a particular series, fix the designation, rights, privileges, restrictions and conditions attaching to the preferred shares of that series and, without limiting the generality of the foregoing, the directors may attach to any series of preferred shares rights and privileges which are equal or superior to those attached to the Southtech Shares.

Southtech Stock Option Plan

Southtech has adopted the Southtech Option Plan, which provides that the Southtech Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to Southtech, non-transferable options to purchase Southtech Shares, provided that the number of Southtech Shares reserved for issuance must not exceed 600,000 while Southtech is a CPC, being 10% of the number of Southtech Shares outstanding at the closing of the IPO of Southtech. Under the terms of the Southtech Option Plan, any options granted thereunder will be exercisable for a period of up to ten (10) years from the date of grant. In connection with the foregoing, the number of Southtech Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Southtech Shares and the number of Southtech Shares reserved for issuance to all consultants will not exceed 2% of the issued and outstanding Southtech Shares. If the holder ceases to be a director, officer, employee or consultant of Southtech, such holder's options must be exercised within the later of: (i) twelve (12) months after the Completion of the Qualifying Transaction; and (ii) ninety (90) days from the date of termination of employment or cessation of position with Southtech, other than by reason of death. The Southtech Board determines the price per Southtech Share and the number of Southtech Shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the options, subject to policies of the Exchange. Any Southtech Shares acquired pursuant to the exercise of options prior to Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. The Southtech Option Plan otherwise complies with Exchange policy as it relates to pricing, shareholder approvals and other required terms as provided in Exchange Policy 4.4 *Incentive Stock Options*.

Upon completion of the Amalgamation, it is proposed that Amalco will adopt the Amalco Option Plan. See "*Matters to be approved at the Meetings - the Southtech Meeting - Approval of the Amalco Option Plan*".

Prior Sales

The following table sets forth the particulars of those Southtech Securities that have been issued since the date of incorporation.

<u>Date</u>	<u>Number and Class of Southtech Securities</u>	<u>Issue Price Per Security</u>	<u>Gross Aggregate Issue Price</u>
April 21, 2011	4,000,000 Southtech Shares	\$0.05	\$200,000
May 3, 2012	2,000,000 Southtech Shares	\$0.10	\$200,000
May 3, 2012	600,000 Southtech Options	\$0.10 ⁽¹⁾	Not applicable.
May 3, 2012	200,000 Southtech agent's options	\$0.10 ⁽²⁾	Not applicable.
May 2, 2014	200,000 Southtech Shares	\$0.10	\$20,000

Notes:

(1) Represents the exercise price of the Southtech Options.

(2) Represents the exercise price of the agent's options which were issued in connection with the IPO and subsequently exercised on May 2, 2014.

Trading Price and Volume

The following table sets forth the monthly high and low closing prices and the volume of trading of the Southtech Shares on the Exchange for each month of the current quarter and the immediately preceding seven quarters. The Southtech Shares have been halted since April 9, 2014, pending completion of the Amalgamation.

<u>Date</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
May 3 - June 30, 2012	0.20	0.20	155,000
July 1 - September 30, 2012	0.12	0.12	15,000
October 1 - December 31, 2012	0.12	0.12	Nil.
January 1 - March 31, 2013	0.12	0.12	52,000
April 1 - June 30, 2013	0.12	0.05	38,000
July 1 - September 30, 2013	0.10	0.10	20,000
October 1 - December 31, 2013	0.10	0.10	34,500
2014			
January	0.09	0.09	22,500
February	0.22	0.11	15,000
March	0.20	0.11	45,000
April 1-9	0.25	0.17	25,000

Executive Compensation

Compensation Discussion and Analysis

Southtech is a CPC, as defined in the policies of the Exchange, and as such, it has not commenced commercial operations and has no assets other than cash. Except as specifically contemplated in the policies of the Exchange, until the Completion of the Qualifying Transaction, Southtech will not carry on business, other than the identification and evaluation of companies, business or assets with a view to completing a proposed Qualifying Transaction. Pursuant to the policies of the Exchange, prior to the completion of a Qualifying Transaction, no payment of any kind has been made, or will be made, directly or indirectly, by Southtech to a Non Arm's Length Party of Southtech or a Non Arm's Length Party to the Qualifying Transaction, or to any person engaged in investor

relations activities in respect of the securities of Southtech or the Resulting Issuer by any means, including remuneration such as salaries, consulting fees and directors fees. The directors and officers of Southtech may be granted options pursuant to the Southtech Option Plan.

Southtech chooses to issue Southtech Options to maintain a competitive position in the CPC marketplace and because it is the only permissible form of compensation that may be awarded to its directors and officers while it is a CPC.

The objective and purpose of any Southtech Option reward is to encourage Southtech's officers and directors to find a Qualifying Transaction that is in the best interest of the Southtech Shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Southtech Shares during the term of the Southtech Option, the directors and officers will receive no benefit, or very little benefit, from any Southtech Options.

With respect to the grant of Southtech Options, management of Southtech recommends to the Southtech Board the individual equity incentive awards for each executive officer and director. The Southtech Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers. The Southtech Board does not use formulas or benchmarks for each grant, but is restricted by the policies of the Exchange and the Southtech Option Plan in how many Southtech Options it may grant. Southtech Options under the Southtech Option Plan are awarded to executive officers by the Southtech Board based upon the level of responsibility and contribution of the individuals towards Southtech's goals and objectives. Previous grants of Southtech Options to a particular individual will be taken into account when considering future grants of Southtech Options to that particular individual.

Following the completion of the Qualifying Transaction by Southtech, if any, it is anticipated that Southtech will pay compensation to its directors and officers in accordance with industry standards.

Risks of Compensation Policies and Practices

Southtech's compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Southtech Board noted the following facts that discourage Southtech's executives from taking unnecessary or excessive risk:

- Southtech's business strategy and related compensation philosophy; and
- the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Southtech Board believes that Southtech's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

Financial Instruments

Southtech has not implemented any policies which restrict its executive officers and directors from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Share-Based and Non-Equity Incentive Plan Compensation

Southtech has not at any time granted any share-based awards nor has it provided any awards pursuant to a non-equity incentive plan.

Compensation Governance

For a discussion on policies and practices by the Board to determine the compensation of Southtech’s directors and executive officers, see “*Information Concerning Southtech – Executive Compensation – Compensation Discussion and Analysis*”. Southtech has not established a compensation committee and does not intend to do so before the completion of the Qualifying Transaction.

Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

Southtech currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for the Southtech Named Executive Officer (as defined below) or directors of Southtech.

Compensation of the Southtech Named Executive Officer

Named Executive Officer Summary Compensation and Outstanding Option Based Awards

For the purposes of this section, “Named Executive Officers”, means each of the following individuals: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) each of Southtech’s three most highly compensated executive officers or the three (3) most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, whose total compensation was, individually, more than \$150,000 for the year ended December 31, 2013; and (iv) each individual who would be a Named Executive Officer under (iii) above, but for the fact that the individual was neither an executive officer of Southtech, nor acting in a similar capacity, at the end of the respective periods. As Southtech’s President, Chief Executive Officer and Chief Financial Officer, Wade J. Larson is the sole Named Executive Officer of Southtech (the “**Southtech Named Executive Officer**”).

The following table sets forth the total compensation paid to or earned by Southtech’s Named Executive Officer for the years ended December 31, 2013, December 31, 2012 and for the period from incorporation on April 21, 2011 to December 31, 2011.

Name and Principal Position	Year Ended December 31	Salary (\$)	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans	Long-Term Incentive Plans			
Wade J. Larson President, Chief Executive Officer and Chief Financial Officer	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	Nil.	9,000 ⁽¹⁾	Nil.	Nil.	Nil.	Nil.	Nil.
	2011	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.

Notes:

- (1) On May 3, 2012, Mr. Larson was granted options to purchase 100,000 Southtech Shares with an exercise price of \$0.10 per Southtech Option with an expiration date of May 3, 2022.
- (2) The value of options granted is calculated by Southtech using the Black-Scholes model. Southtech chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes weighted average assumptions used by Southtech were: (i) an expected useful life of 10 years; (ii) a forfeiture rate of 0%; (iii) a volatility of 110%; and (iv) a risk free interest rate of 2%.

Outstanding Share-Based Awards and Southtech Option Based Awards

The following table sets forth information in respect of Southtech Option-based awards outstanding as at the end of the financial year ended December 31, 2013 held by the Southtech Named Executive Officer. The Southtech Named Executive Officer did not receive share-based awards.

Name	No. of securities underlying unexercised Options (#)	Southtech Option Exercise Price (\$)	Southtech Option Expiration Date	Value of Unexercised In-The-Money Southtech Options⁽¹⁾ (\$)
Wade J. Larson President, Chief Executive Officer and Chief Financial Officer	100,000	0.10	May 3, 2022	Nil.

Note:

(1) Value is calculated based on the difference between the exercise price of the Southtech Options and the closing price of the Southtech Shares on the Exchange on October 31, 2013 of \$0.10 per Southtech Share, being the last day the Southtech Shares traded during the year ended December 31, 2013.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during Southtech’s financial year ended December 31, 2013 in respect of Southtech Option-based awards and non-equity incentive plan compensation for the Southtech Named Executive Officer. The Southtech Named Executive Officer did not receive share-based awards.

Name	Southtech Option-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Wade J. Larson President, Chief Executive Officer and Chief Financial Officer	Nil.	Nil.

Termination and Change of Control Benefits

Other than as provided for at common law, there is no contract, agreement, plan or arrangement that provides for payments to the Southtech Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of Southtech or a change in the Southtech Named Executive Officer’s responsibilities.

Compensation of Directors

Director Compensation

Due to Southtech’s status as a CPC, no compensation other than option based awards has been paid to Southtech’s directors. Southtech closed the IPO on May 3, 2012.

The following table sets forth the value of all compensation provided to directors, not including the director who is also the Southtech Named Executive Officer, for Southtech for the years ended December 31, 2013, December 31, 2012 and for the period from incorporation on April 21, 2011 to December 31, 2011.

Name	Year Ended Dec. 31	Fees earned (\$)	Option-Based Awards (\$) ⁽³⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans	Long-Term Incentive Plans			
Paul S. Readwin	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	Nil.	9,000 ⁽¹⁾	Nil.	Nil.	Nil.	Nil.	Nil.
	2011	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
Michael P. Kraft	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	Nil.	9,000 ⁽¹⁾	Nil.	Nil.	Nil.	Nil.	Nil.
	2011	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
Donald A. Whalen	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	Nil.	9,000 ⁽¹⁾	Nil.	Nil.	Nil.	Nil.	Nil.
	2011	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
Dale P. Johnson	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	Nil.	9,000 ⁽¹⁾	Nil.	Nil.	Nil.	Nil.	Nil.
	2011	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.

Notes:

- (1) On May 3, 2012, Messrs. Readwin, Kraft, Whalen and Johnson were each granted options to purchase 100,000 Southtech Shares with an exercise price of \$0.10 per Southtech Option with an expiration date of May 3, 2022.
- (2) The value of options granted is calculated by Southtech using the Black-Scholes model. Southtech chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes weighted average assumptions used by Southtech were: (i) an expected useful life of 10 years; (ii) a forfeiture rate of 0%; (iii) a volatility of 110%; and (iv) a risk free interest rate of 2%.

Outstanding Share-Based Awards and Southtech Option-Based Awards

The following table sets forth information in respect of Southtech Option-based awards outstanding as at the date hereof held by the Southtech Board. The directors of the Southtech Board did not receive share-based awards.

Name ⁽¹⁾	No. of Securities Underlying Unexercised Southtech Options (#)	Southtech Option Exercise Price (\$)	Southtech Option Expiration Date	Value of Unexercised In-The-Money Southtech Options ⁽²⁾ (\$)
Paul S. Readwin	100,000	0.10	May 3, 2022	Nil.
Michael P. Kraft	100,000	0.10	May 3, 2022	Nil.
Donald A. Whalen	100,000	0.10	May 3, 2022	Nil.
Dale P. Johnson	100,000	0.10	May 3, 2022	Nil.

Notes:

- (1) Information for Wade J. Larson, President, Chief Executive Officer, Chief Financial Officer and director of Southtech is provided for under "Information Concerning Southtech - Executive Compensation - Compensation of Named Executive Officer - Outstanding Share-Based Awards and Option-Based Awards".
- (2) Value is calculated based on the difference between the exercise price of the Southtech Options and the closing price of the Southtech Shares on the Exchange on October 31, 2013 of \$0.10 per Southtech Share, being the last day the Southtech Shares traded during the year ended December 31, 2013.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during Southtech's financial year ended December 31, 2013 in respect of Southtech Option-based awards and non-equity incentive plan compensation for the Southtech Board. The Southtech Board did not receive share-based awards.

Name	Southtech Option-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Paul S. Readwin	Nil.	Nil.
Michael P. Kraft	Nil.	Nil.
Donald A. Whalen	Nil.	Nil.
Dale P. Johnson	Nil.	Nil.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth Southtech’s compensation plans under which equity securities are authorized for issuance as at the date hereof.

Plan Category	Number of securities to be issued upon exercise of outstanding Southtech Options	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans ^{(1),(2)}
Equity compensation plans approved by security holders	600,000	\$0.10	Nil.
Equity compensation plans not approved by security holders	Nil.	Nil.	Nil.
Total	600,000	\$0.10	Nil.

Notes:

- (1) The aggregate number of Southtech Shares issuable upon the exercise of all Southtech Options granted under the Southtech Option Plan shall not exceed 10% of the issued and outstanding Southtech Shares from time to time.
- (2) Annual Southtech Shareholder approval of the Southtech Option Plan as required by the Exchange was not obtained by Southtech and as such, no further Southtech Options are available for issuance.

Corporate Governance Disclosure

General

The Southtech Board views effective corporate governance as an essential element for the effective and efficient operation of Southtech. Southtech believes that effective corporate governance improves corporate performance and benefits all of its shareholders. The following statement of corporate governance practices sets out the Southtech Board’s review of Southtech’s governance practices relative to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”) and National Policy 58-201 - *Corporate Governance Guidelines*.

Board of Directors

The Southtech Board is currently composed of five (5) directors: Paul S. Readwin, Wade J. Larson, Michael P. Kraft, Dale P. Johnson and Donald A. Whalen.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent directors”. An “independent director” is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the reporting issuer, other than interests and relationships arising from shareholding. Paul S. Readwin, Michael P. Kraft, Dale P. Johnson and Donald A. Whalen are considered by the Southtech Board to be independent within the meaning of NI 58-101. Wade J. Larson, President, Chief Executive Officer and Chief Financial Officer of Southtech, has been determined to not be independent by virtue of his positions as an executive officer of Southtech.

The independent directors exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Directorships

The following members of the Southtech Board currently hold directorships in other reporting issuers as set forth below:

Name of Director	Name of Reporting Issuer	Exchange
Michael P. Kraft	Lingo Media Corporation	TSXV
	Pioneering Technology Corp.	TSXV
Dale P. Johnson	Optimal Payments Plc	AIM of the LSE
	Canelson Drilling Inc.	TSX
Donald A. Whalen	Pancontinental Uranium Corporation	TSXV
	Roscan Minerals Corporation	TSXV
	VMS Ventures Inc.	TSXV

Orientation and Continuing Education of Southtech Board Members

Southtech has not yet appointed any new directors; however, each new director will be given an outline of the nature of the business of Southtech and its corporate strategy. New directors will also be required to meet with management of Southtech to discuss and better understand its business and will be given the opportunity to meet with counsel to Southtech to discuss their legal obligations as directors of Southtech.

In addition, management of Southtech takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities law policies which may affect the directors, officers and committee members of Southtech as a whole. Southtech continually reviews the latest securities rules and policies and is on the mailing list of the Exchange to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Southtech Board either by way of director or committee meetings or by direct communications from management to the Southtech Board.

Ethical Business Conduct

The Southtech Board has found that the fiduciary duties placed on individual directors by Southtech's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Southtech Board in which the director has an interest, have been sufficient to ensure that the Southtech Board operates independently of management and in the best interests of Southtech.

Nomination of Directors

Management is continually in contact with individuals involved in the public company sector. From these sources, Southtech has made numerous contacts and in the event that Southtech were in a position to nominate any new directors, such individuals would be brought to the attention of the Southtech Board. Southtech will conduct due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to Southtech, the ability to devote the time required and a willingness to serve.

Compensation of Directors and Officers

Other than Southtech Options granted pursuant to the Southtech Option Plan, the directors and officers of Southtech are not currently compensated for acting in such capacities. See "*Information Concerning Southtech - Executive Compensation - Compensation of Directors*".

Other Board Committees

The Southtech Board has no standing committees other than the Audit Committee.

Assessment of Directors, the Southtech Board and Board Committees

The Southtech Board monitors the adequacy of information given to directors, the communications between the Southtech Board and management and the strategic direction and processes of the Southtech Board and its Audit Committee, to satisfy itself that the Southtech Board, its Audit Committee and its individual directors are performing effectively.

Audit Committee Disclosure

Audit Committee Mandate

The Audit Committee is a committee of the Southtech Board established for the purpose of overseeing the accounting and financial reporting processes of Southtech and annual external audits of the consolidated financial statements. The Audit Committee has formally set out its responsibilities and composition requirements in fulfilling its oversight in relation to Southtech's internal accounting standards and practices, financial information, accounting systems and procedures. See Appendix J hereto for a copy of the Audit Committee Charter of Southtech.

Composition of the Audit Committee

The Audit Committee is currently comprised of three individuals, Donald A. Whalen, Paul S. Readwin and Michael P. Kraft, all of whom are considered "financially literate" under National Instrument 52-110 - *Audit Committees* ("NI 52-110") and are "independent" within the meaning of NI 52-110.

Relevant Education and Experience of Audit Committee Members

Donald A. Whalen

Mr. Whalen is a graduate of the University of Toronto (B. Comm, 1964). Since 1991, he was a director of, and since 1994, Executive Chairman, until 2008, of High River Gold Mines Ltd., a TSX-listed gold mining company. Mr. Whalen is past Co-Chair of the Canada Russia Business Council and is past Chairman of the Canada Eurasia Business Association (Toronto Chapter). In addition, Mr. Whalen serves or has served on various public company boards.

Paul S. Readwin

Mr. Readwin is a founding partner of Business Instincts Group, an Alberta based management consulting firm which focuses on the strategic growth of start-up and early stage companies.

Michael P. Kraft

Since 1996, Mr. Kraft has been the President, CEO and a Director of Lingo Media Corporation, a public company listed on the Exchange that offers online and print-based educational products and services company focused on English language learning on an international scale. Mr. Kraft is also the Chairman of Buckingham Group Limited, a private merchant banking corporation. Mr. Kraft holds director roles on various other public companies. Mr. Kraft has a Bachelor of Arts degree in Economics from York University.

Audit Committee Oversight

At no time since the commencement of Southtech's most recent completed financial year was a recommendation of Southtech's audit committee to nominate or compensate an external auditor not adopted by the Southtech Board.

Pre-Approval Policies and Procedures

Any proposed audit and permitted non audit services (as identified by the Audit Committee at the time the annual audit engagement is approved) to be provided by the external auditor to Southtech must receive prior approval from the Audit Committee.

The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the external auditor. Following receipt and initial review for eligibility by the primary contact, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted. In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to Southtech by its external auditor during the current financial year.

Financial Year Ended	Audit fees⁽¹⁾	Audit-related fees⁽²⁾	Tax fees⁽³⁾	All other fees⁽⁴⁾
December 31, 2013	\$16,050	\$12,500	\$2,500	\$1,050
December 31, 2012	\$16,050	\$12,500	\$2,500	\$1,050

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of Southtech's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Reliance on Certain Exemptions

During the most recently completed financial year, Southtech has not relied on the De Minimis Non audit Services exemption provided for in section 2.4 of NI 52-110. However, as a "venture issuer", Southtech is relying on certain exemptions provided by section 6.1 of NI 52-110.

Indebtedness of Directors and Executive Officers

No individual who is a current or former director, executive officer or employee of Southtech, or any associate thereof is, or at any time since the beginning of the most recently completed financial year has been, indebted to Southtech or was indebted to another entity, which such indebtedness is, or was at the time during the most recently completed financial year of Southtech, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Southtech.

Interest of Informed Persons in Material Transactions

Southtech is not aware of any material interest, direct or indirect, of any "informed person" of the Southtech, any associate or affiliate of any "informed person", in any transaction since the commencement of Southtech's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Southtech.

For the purposes of the above, "informed person" means: (a) a director or executive officer of the Southtech; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Southtech; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Southtech or who exercises control or direction over voting securities of the Southtech or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of Southtech other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) Southtech

after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Interest of Directors and Officers in Matters to be Acted Upon

No person who has been a director or executive officer of Southtech at any time since the beginning of Southtech's last financial year, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Southtech Meeting.

Non-Arm's Length Qualifying Transaction

The Amalgamation, if completed, is not a Non-Arm's Length Qualifying Transaction.

Legal Proceedings

Southtech is neither a party, nor is any of its property the subject matter, of any legal proceedings, nor are any such proceedings known to Southtech to be contemplated by any party.

Auditors, Transfer Agents and Registrars

The auditors of Southtech are BDO Canada LLP, Chartered Accountants, Suite 620, 903 - 8th Avenue S.W., Calgary, Alberta T2P 0P7. It is anticipated that Collins Barrow Calgary LLP will be appointed auditor of Amalco after giving effect to the Amalgamation.

CST Trust Company, Suite 600, the Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1, is the transfer agent and registrar for the Southtech Shares.

Material Contracts

Southtech has not entered into any material contracts since incorporation, other than the following:

1. the CPC Escrow Agreement;
2. the transfer agency and registrarship agreement dated October 1, 2011 between Southtech and CIBC Mellon Trust Company;
3. the Amalgamation Agreement; and
4. the Redfall Financing Agency Agreement.

Copies of these agreements will be available for inspection at the registered office of Southtech at Suite 1600, Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2H 0N7, during regular business hours until the date of the closing of the Amalgamation and for a period of 30 days thereafter and are also available on the System for Electronic Document Analysis and Retrieval (SEDAR) web site at www.sedar.com.

INFORMATION CONCERNING REDFALL

Name and Incorporation

Redfall is a private company incorporated on January 23, 2008 under the ABCA under the name “Redfall Financial Inc.”. On December 30, 2009, Redfall amended its articles to change its name to “Redfall Technologies Inc.” On March 13, 2012, Redfall amended its articles pursuant to section 173(1)(f) of the Act to subdivide the Redfall Shares by changing every one (1) Redfall Share, whether issued or unissued, into 1,300 Redfall Shares.

The head office of Redfall is located at 400, 320 – 23 Avenue S.W., Calgary, Alberta T2S 0J2. The registered office of Redfall is located at 4600, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1.

Intercorporate Relationships

A list of Redfall’s subsidiaries, including the name, place of incorporation and proportion of ownership interest is set out below:

<u>Name</u>	<u>Place of Incorporation</u>	<u>Ownership Interest</u>
Vogogo Canada Inc.	Alberta, Canada	100%
Vogogo USA Inc.	Delaware, U.S.	100%

General Development of the Business

Redfall is a payment processing company with a focus on web based business in the US and Canada. Payment processing is the process and service that automates payment transactions between a purchaser and a merchant.

Redfall was formed in January 2008 in Calgary, Alberta. Throughout 2008 and early 2009, Redfall designed and built a web-based payment processing technology branded as “Vogogo”. In the summer of 2009, Vogogo was successfully integrated into the two largest online poker sites in the world, PokerStars.com and FullTiltPoker.com. The Vogogo technology then successfully processed over \$400 million for these clients and was praised by its clients for its simplicity, efficiency and ease of use. Specifically, the Vogogo platform processed the corresponding data between the poker groups and their third party banking vendors allowing those vendors to process and remit the legal tender between the poker groups and their customers. Redfall, specifically, built and operated the Vogogo platform and supplied support to the poker groups in the use of the Vogogo platform.

Throughout 2010, Redfall continued to service the poker clients while growing its expertise in software development, payments, risk management and related financial services. In the summer of 2010, Redfall lost its two key clients due to legal challenges placed upon those companies and their subsequent withdrawal from the Canadian and U.S. markets. Redfall had been executing on a larger plan to expand the Vogogo technology in order to enter additional U.S. and Canadian markets. Despite the loss of their key clients, Redfall chose to continue executing on its plan. The cost of going forward was funded by the revenues already earned and owing from the lost clients.

Redfall launched the Vogogo.com web application in April 2011 in Canada. Up until the summer of 2013, Redfall strategically maintained minimal profit margins on its fees in exchange for participation and feedback from clients. This allowed Redfall to evolve the Vogogo technology through three major revisions based on active client feedback. In addition to the evolution of Vogogo.com, Redfall also had to fully develop and integrate its own banking infrastructure and card acquiring structure. This was necessary for Redfall to be competitive in the industry and to allow Vogogo to effectively support all the popular electronic payment types in the U.S. and Canadian markets. This process involved taking incremental steps to implement, develop and operate increasingly sophisticated banking and payment structures, including comprehensive risk management processes and procedures.

In early 2014, management of Redfall believes it reached a level of sophistication and capability achieved by relatively few in the industry. The Vogogo technology offers a bundled suite of payment services combined with automated risk management in a single software application that operates entirely on a cloud-based hosting platform

(Amazon Web Services). Vogogo uses automated software to process high volumes of commercial banking payments (direct bank withdrawal, direct bank deposits, online bill payments) while also applying the risk management necessary to effectively mitigate the inherent monetary and reputational risks associated with these payment types. In addition, Vogogo uses automated software to process high volumes of card based payments (credit card, debit card, stored value cards) while also applying the risk management necessary to effectively mitigate the inherent monetary and reputational risks associated with these payment types, while also using software to support the highest level (Level 1) of PCI-DSS security standards, making the Vogogo platform capable of supporting full service PSP payment card processing capabilities. Redfall management believes this unique combination gives Redfall a competitive advantage within the industry while also providing the security, flexibility and scalability necessary to meet the demands of a market driven by technology.

Maintaining the original principles of offering payment solutions that are easy, effective and efficient, Redfall is now executing on its plan to expand its client base in Canada and to sell Vogogo to key U.S. and European markets. Redfall plans to be active in U.S. and European markets which may result in less dependence on Canadian markets. The business plan includes the acquisition of a foreign currency exchange business, the principals of which would have considerable industry experience with a proven track record of success. The expansion of Vogogo in Canada, the sale of Vogogo into the U.S. and European markets and the acquisition of a foreign exchange business are expected to give Redfall the structure necessary to be a highly competitive full-service payment services provider.

Since inception, Redfall has raised an aggregate of \$5,540,682 pursuant to equity financings and an aggregate of \$200,000 pursuant to debt financings. In the past 12 months, Redfall has raised an aggregate of \$1,416,755 pursuant to equity financings and an aggregate of \$3,164,345 pursuant to debt financings, which debt amount was ultimately converted to equity pursuant to the Limitless Debenture. On February 11, 2014, Redfall issued the Limitless Debenture in the principal amount of \$2,000,000. On March 17, 2014, Redfall amended the Limitless Debenture, increasing the principal amount to \$3,164,345. The Limitless Debenture was secured by a first charge against all of Redfall's present and after-acquired property and was scheduled to mature August 11, 2014. The Limitless Debenture was set to bear interest from May 11, 2014 to August 11, 2014 at a rate of ten percent (10%) per annum. The Limitless Debenture was also convertible, at the option of the holder, to convert the principal amount outstanding under the debenture for Redfall Shares at a price of \$0.33 per Redfall Share. The aggregate principal amount of \$3,164,345 was converted to 9,588,924 Redfall Shares on March 26, 2014. No interest was due or payable on the conversion date. In connection with the Limitless Debenture financing completed on February 11, 2014, Redfall issued an aggregate of 2,275,000 Redfall Finder's Warrants, each such Redfall Finder Warrant being exercisable at a price of \$0.33 per Redfall Finder's Warrant on or before February 11, 2019. See "*Information Concerning Redfall – Prior Sales*" and Appendix F – *Financial Statements of Redfall*.

Narrative Description of the Business

Principal Products and Services

Redfall believes that the market is looking for technology that offers multiple payment and financial services in a single web-based application that is all encompassing, easy to access, simple to setup and effective in its use. With that concept in mind, Redfall designed Vogogo as a web based service that can be accessed and used via any device with access to the Internet. The technology includes the following strategic services which are also the primary drivers of revenue.

1. Risk Management

Vogogo maintains mutually beneficial working relationships with various banking vendors that sponsor Vogogo as a commercial payment processor. As of today, Vogogo works directly with two Canadian banks and is developing two additional Canadian banking relationships. As well, in anticipation of entering the U.S. market, Vogogo works directly with one U.S. bank and is in various stages of finalizing processing with three additional U.S. banking vendors. Fostering and protecting these relationships is important as they provide the banking services necessary for Vogogo to operate. Vogogo is uniquely structured to protect its banking and processing relationships. To achieve this, Vogogo has developed and implemented automated risk management tools and processes specifically designed to avoid any situation that would adversely affect the reputation, regulatory standing, or pose unacceptable financial risk to Vogogo or any of its banking or processing vendors. Vogogo uses innovative "gamification" techniques to

seamlessly receive from clients the information necessary to apply effective risk management. Using software, this information is verified against several proprietary and third party authentications, databases and business intelligence processes. These processes confirm the identity of individuals and businesses, and allow Vogogo to accurately determine the financial risk to Vogogo or any of its banking or processing vendors.

Vogogo implemented formal risk underwriting and approval procedures for each client. These procedures are based on evaluating the inherent risks associated with payment processing. Vogogo's sophistication in identifying, monitoring and mitigating risk provides the confidence as a processor.

Vogogo's risk management processes are established in coordination with banking and processing vendors, banking and payment standards, industry regulations, applicable laws as well as ethical business practices.

2. Direct Withdrawal and Direct Deposit Payments

Direct withdrawal and deposit payments include sending and receiving funds directly to and from customers' bank accounts. These payment types are:

- (a) Good for businesses that want or need the flexibility and efficiency of an electronic payment method but cannot support the higher costs associated with card based payments. Financial services, for example.
- (b) A more efficient alternative to paper cheques (often post-dated cheques) for businesses that use a recurring billing model.

The majority of businesses in North America continue to use paper cheques as they lack the understanding necessary to set up these payment types with a bank. Direct withdrawal and deposit payments currently represent approximately 60% of Redfall's revenues.

The ability to process direct withdrawal and deposit payments requires a commercial cash management services agreement with a banking vendor that is also capable of providing the technical integration necessary to support large commercial processing volumes through the banking networks automated clearing settlement system. An automated clearing settlement system facilitates the pulling or pushing of funds from/to a customer's bank account and the corresponding settlement of those funds to/from a business bank account. Specifically, via integrations to the banks, Redfall provides payment routing information to the banking system allowing the settling of funds through the automated clearing settlement system. A fee is charged by Redfall to the business receiving or sending the payment. Separate fees are charged to Redfall by each bank Redfall works with. Fees earned by Redfall range from a flat \$0.99 to 4% of the payment amount. The costs to Redfall are part of larger commercial cash management service packages provided to Redfall by various banking vendors but are estimated at \$0.05 to \$0.25 per transaction. Other than as described above, no other direct costs are associated with direct withdrawal and direct deposit payments. These payment types are commercially available through Vogogo in Canada and pending launch in the U.S. and other markets.

Redfall actively works with its banks in both the U.S. and Canada in support of direct withdrawal and deposit payments. Due to Vogogo's unique abilities within the industry and several competitors desire to understand what banks Redfall works with (so they may also try and develop those relationships), it is critical to the business that Redfall maintains the confidentiality of its active banking partners. If these relationships were to be exposed, Redfall could lose its competitive advantage with respect to direct withdrawal and deposit payments.

Redfall plans to market direct withdrawal and deposit payments services in target industries across North America, the European Union and other global markets. Specifically, but not limited to, the oil and gas industry, the crypto currency industry, banking industry, web applications, property managers, care based service providers and labour organizations. Redfall has tested and is active in all of these markets in Canada. To date, there has been no marketing of services to the U.S.

Direct withdrawal payments are commercially available in Canada and available in beta in the U.S. market. In order to go live commercially in the U.S., Redfall must place funds as a security deposit against Redfall's processing portfolio. The deposit(s) are held by each banking partner with whom Redfall works. The funds are held in the name of Redfall as a measure of insurance against the risk associated with Redfall's payment processing portfolio. These funds are not a hard cost to Redfall. The funds held are typically reduced/released back to Vogogo as processing history with the bank is established, with no specific timeline on such reduction or release. The funds would also be released back to Redfall in the event that Redfall chooses to no longer do business with the bank. The funds are subject to forfeiture, on demand, should Redfall become insolvent and unable to settle its processing exposure to its clients. Estimated time for completion is one day and management expects this to be finalized in the third quarter of 2015 at an estimated total amount of \$1,000,000 assuming a minimum Redfall Financing and \$1,500,000 assuming a maximum Redfall Financing. Each security deposit earns interest which is either returned to Redfall with the security deposit or forfeited as described above. The security deposit described above will be satisfactory to any requirements of Redfall's banking partners.

3. Online Banking Payments

Online banking payments remain commonly used for payments to large utility and service providers. Redfall believes there is a significant opportunity for growth in this payment method as many small and mid-sized businesses do not have the understanding and resources necessary to set up this service within the banking system. Online banking payments currently represent approximately 40% of Redfall's revenues.

The ability to process online banking payments requires the registration, participation and technical integration to a corporate creditor network. Access to corporate creditor networks is done through a banking vendor. A corporate creditor network facilitates the ability for customers to push payments from their online banking to businesses. Similarly, Redfall provides a network to the various banks and processors involved in settling the funds from the customer to the business. A fee is charged by Redfall to the business receiving the payment. Separate fees are charged to Redfall by each sponsoring bank of Redfall. Fees earned by Redfall range from a flat \$0.99 to 1% of the payment amount. The costs to Redfall are part of larger commercial cash management service packages but are estimated at \$0.05 to \$0.25 per transaction.

Online banking payments is an additional service provided by Redfall's banking partners as part of the commercial cash management services agreements that provide Redfall the ability to process direct withdrawal and direct deposit payments. Online banking payments is a complimentary payment service and is marketed as a value-add to the key payment methods of card based payments and direct withdrawal and deposit payments. Online banking payments are commercially available with Vogogo in Canada and pending launch in the U.S. market.

4. Card Payments

The use of credit and debit cards continues to grow in North America. They are commonly accepted and remain the most popular method of payment for retail payments as well as online (e-commerce) based payments. Card payments currently represent 0% of Redfall revenues but due to the popularity of the payment method, represent a large opportunity for revenue generation going forward. When a card based payment is processed there is a percentage of the payment amount plus a flat fee that is earned by Redfall for the processing of that payment. That fee is paid by the business that is receiving the payment, typically referred to as a merchant. Redfall then shares a portion of that fee amount with the card programs (Visa, MasterCard, etc.) as well as Vantiv Inc. The fees earned by Redfall range from 3% plus \$0.35 per transaction down to 2%. The average is 2.7% plus \$0.35. The fees shared are dynamic and change considerably based on several factors including, but not limited to region, card type, method of making payment (online, in person, etc.) and the merchant category. On average, Redfall shares 1.8% per transaction leaving Redfall's average margins at 0.9% plus \$0.15 per transaction.

Recognizing that technology is quickly out-pacing the banks' ability to effectively provide card payment services, Visa and MasterCard created a new structure commonly referred to as a payment service provider ("PSP"). A PSP is a third party service provider with the technical and operational capabilities to take on the risk management responsibilities traditionally held by the bank. A PSP can instantly approve and setup new clients, meeting the high demands of a marketplace driven by technology.

Securing PSP status is difficult as there are significant barriers to entry. To start, a PSP must have the endorsement and sponsorship of a card acquiring bank capable of supporting a PSP structure. This initial step requires industry credibility, experience and goodwill. From there, securing PSP status requires the skill and knowledge necessary to effectively manage the associated financial and reputational risks associated with credit and debit card processing and to be able to do so in an automated fashion with software. It takes a significant amount of resources to build and prove-out the software. It must meet and exceed all regulatory requirements (PCI-DSS Level 1) as well as pass the initial and on-going scrutiny of the sponsoring bank and payment card industry. PSP platforms that meet these requirements with software are relatively rare in the payments industry.

Redfall believes that traditional card payment services do not compete well with the many efficiencies of a PSP. Subsequently, traditional card payment service providers across North America want to align with PSPs. With only a handful of active PSP platforms in the market and thousands of traditional providers looking to sell their services, there is a significant opportunity to acquire or affiliate with such traditional providers, potentially allowing for quick growth.

In early 2013, Redfall successfully secured a contract with Vantiv Inc. and Fifth Third Bank that allows Redfall to operate as a PSP. Fifth Third Bank (5/3 Bank) is a U.S. regional banking corporation, headquartered in Cincinnati, Ohio and is the principal subsidiary of holding company Fifth Third Bancorp., a company listed on the NASDAQ. The company operates under an Ohio charter. Vantiv, Inc. is a U.S.-based payment processing and technology solutions provider headquartered in the greater Cincinnati, Ohio area. Vantiv, Inc. is an NYSE listed company and as a direct member of Visa and MasterCard. Each of Vantiv, Inc. and Fifth Third Bank work together to provide the services necessary for Redfall to operate as a PSP.

The Vantiv Agreement has an initial term of three years with automatic two-year renewals thereafter, unless a party is notified by the other party no less than 180 days prior to the end of the term that they wish to terminate the agreement. In addition, Vantiv Inc. and Fifth Third Bank may terminate the Vantiv Agreement as a result of an event of default, which includes, amongst other things, a bankruptcy, insolvency or similar proceedings of Redfall, failing to pay the fees or expenses under the Vantiv Agreement; any default under the terms of the Vantiv Agreement; a material deterioration of Redfall's financial condition; or a change of control. Upon an event of default, the bank may at any time thereafter, terminate the Vantiv Agreement by giving Redfall written notice thereof. In addition, Vantiv Inc. and Fifth Third Bank may cease services under the Vantiv Agreement if in the bank's opinion, the services violate or would violate regulations or rules of the bank or any federal, state or local statute or ordinance or any regulation, order or directive of any governmental agency or court. Redfall confirms that none of the described termination provisions apply and that Redfall has no reason to believe that the Vantiv Agreement with Vantiv Inc. and Fifth Third Bank will be terminated.

Redfall has secured competitive pricing from Vantiv Inc. and Fifth Third Bank with full service PSP capabilities. In turn, Redfall does all the work and controls the customer relationships. The full service PSP based card processing business built around Vogogo requires Redfall and Vantiv Inc. and Fifth Third Bank to be reliant on each other in order to be successful. Management of Redfall believes this reduces the chance of either party choosing to terminate the relationship. Redfall has successfully implemented full service PSP functionality into the Vogogo platform and Redfall believes this relationship, assuming automatic renewals, will be in place and productive for many years. In the event that Vantiv Inc. and Fifth Third Bank choose to terminate the agreement, Redfall will have a minimum of five (5) months to either rectify the relationship with Vantiv Inc. and Fifth Third Bank or to secure full service PSP capabilities with an alternative bank in the event that a redundant banking relationship is not already in place.

Redfall's PSP structure is fully functional and Redfall intends to continue to market its PSP structure to traditional card payment service providers across North America. As well, Redfall also plans to market card payment services to underserved verticals with a focus on web-based applications, property managers, care based service providers and labour organizations in both Canada and the U.S. Redfall has tested and is active in all of these markets in Canada. To date, there has been no marketing of services to the U.S. See "*Information Concerning Redfall – Narrative Description of the Business – Marketing Plans and Strategies*".

Card payments are pending launch in Canada and the U.S. market. There are no milestones that need to be achieved in order to launch in Canada. The following milestones must first be achieved to go live in the U.S.:

- (a) Payment Card Industry Data Security Standard (“**PCI-DSS**”) Testing and Audit - As a payment processor, Amalco will be subject to a yearly audit and testing by the PCI-DSS. Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank) the most recent PCI-DSS testing and audit must be finalized. Redfall has previous experience with PCI-DSS compliance. The process of testing and audit for PCI-DSS essentially tests to confirm that Redfall properly handles sensitive payment card related data. An independent third party applies the testing and checks to insure that all PCI-DSS standards and guidelines are met before providing certification. Redfall believes that it has sufficient capability to finalize the audit and complete the testing. The PCI-DSS testing and audit process is not a pass or fail process. Redfall can be certified with deficiencies as long as those deficiencies are known and there is a plan of action in place to rectify them. PCI-DSS is an ongoing process. PCI-DSS updates and adjustments are consistent and a part of doing business as a PSP. This milestone is subject to availability of a third party auditor. It is expected that it will take no longer than sixty days to engage a third-party auditor. PCI-DSS testing and audit is expected to be complete within 6-12 weeks of engagement with a third party auditor and to cost approximately \$50,000. PCI-DSS is administered by the PCI Security Standards Council, which was founded by American Express, Discover Financial Services, JCB International, Mastercard Worldwide and VISA Inc. PCI-DSS auditing is done on an annual basis by a third party auditor. Redfall has completed such audit in the past, however, it has not completed such audit for the current year in order to conserve funds as it pursued the Amalgamation.
- (b) Vantiv Inc. Testing and Certification - Upon completion of the PCI-DSS certification, Amalco then qualifies to test and certify its technology integration to Vantiv Inc. Redfall, to date, has no direct operational experience with Vantiv Inc. so it is possible that Vantiv Inc. may have technical limitations. The analysis based on the integration specs is that Vantiv Inc. is very capable and will pose no technical limitations on Redfall. In the event that there are technical limitations, they will be rectified by either Amalco building further technology to address any limitations, or Vantiv Inc. building further technology to address any limitations, or both parties working together to address any limitations. Banking integration updates and adjustments are consistent and a part of doing business as a payment service provider. Redfall has successfully implemented similar integrations with several other banks and processors in Canada and the U.S. This task is believed to be within Amalco’s core expertise. This milestone is subject to PCI-DSS completion and availability of Vantiv Inc.’s certification and testing team. It is expected that it will take no longer than sixty days to schedule testing and certification procedures. Vantiv Inc. testing and certification is expected to be complete in 2-4 weeks from engagement with Vantiv Inc.’s certification and testing team and cost approximately \$15,000.
- (c) Security Deposit with Vantiv Inc. and Fifth Third Bank - Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank), Redfall must place funds with Fifth Third Bank as a security deposit against Amalco’s processing portfolio. Estimated time for completion is one day and management expects this to be finalized in the third quarter of 2015 at an estimated total cost of \$1,000,000 assuming a minimum Redfall Financing to \$1,500,000 assuming a maximum Redfall Financing. Note that this is not a hard cost but rather a security deposit that will earn interest. Details in respect of the terms of such deposits are described above under “*Narrative Description of the Business – Principal Products and Services*”. Note that this is the same security deposit as described under “*Narrative Description of the Business – Principal Products and Services – Direct Withdrawal and Direct Deposit Payments*”. There are no other costs required to be certified.

Operations

Redfall is a developer of technology and all services are delivered online with web-based technology. The payment processing and financial services can be accessed and used via any device with Internet capabilities. The execution of services is handled by software or software based systems that manipulate the banking system via direct data integrations with Redfall’s partnering banks and principal member payment processors. The legal tender is processed entirely within the banking systems. There is no cash component to Redfall’s business.

Redfall's technology is completely proprietary having been developed and operated 100% in-house by Redfall. Redfall's technology is not patentable as it is an addition to the public banking system. Redfall's staff was as high as 32 in mid-2010 and in 2013 averaged 13, all working out of the Calgary, Alberta office. Redfall is currently at 18 employees. Redfall's technology is hosted on Amazon Web Services, specifically in the Amazon Web Services North Virginia and Oregon data centers. Redfall's office, located at 400, 320 – 23 Ave SW, Calgary (approximately 3,400 sq. ft. space under a five year commercial head lease ending July 2017), houses the executive, operations, sales and technology group. The lease is with an arm's length party and has an annual rent of approximately \$80,000 which will be included in the general and administrative expenses of Amalco. See "*Information Concerning Amalco - Proposed Use of Funds*".

In order to be successful in the payment processing and financial services industry, Redfall had to recruit, mentor, develop and foster several key skill sets within its team. Successfully designing, developing, delivering and operating commercial services via web-based software requires a combination of experience and talent with software development, delivery and commercial support. Redfall has spent over five years developing and maturing this aspect of the business. Today, Redfall is supported by an experienced and attentive operations and technology team consisting of several expert resources.

Software is only part of the equation: another key expertise is understanding commercial banking and cash management services. These are the commercial grade banking and payment services provided by the banks. By nature they are complex, rigid and often built on antiquated technology. Redfall's team has developed an expert understanding of these systems, their limitations and how to effectively integrate technology with them.

In addition, Redfall's team has developed expertise in global card payment networks and processors. These are the data networks that support all card based payment systems across the globe. There are several different networks and each with its own set of regulations, compliance requirements, limitations and technical specifications. Redfall's team has developed an expert understanding of these systems, their limitations and how to effectively integrate technology with them.

BIG Consulting Agreement

Redfall entered into a consulting agreement with Business Instincts Group Inc. ("**BIG**") dated February 1, 2014 with respect to certain consulting services as outlined below (the "**BIG Consulting Agreement**"). BIG is a Calgary, Alberta based management consulting firm which focuses on the strategic growth of startup and early stage companies. BIG is controlled by Cameron Chell (current director of Redfall) and Erika Racicot. Mr. Chell has an approximately 47.6% interest in BIG and Ms. Racicot has an approximately 18.8% interest in BIG. Upon completion of the Amalgamation, no principal of BIG will be a director or officer of Amalco, and the sole relationship between BIG (including any principal of BIG) and Amalco will be through the BIG Consulting Agreement. It is proposed that Mr. Cory Cleveland, an employee of BIG will be a director of Amalco.

The term of the BIG Consulting Agreement is from February 1, 2014 to January 31, 2015. Redfall may terminate the BIG Consulting Agreement on thirty days' notice subject to any fees and expenses earned to the effective date of the termination and a termination payment of \$50,000. BIG may terminate the BIG Consulting Agreement on thirty days' notice subject to any fees and expenses earned to the effective date of the termination. Pursuant to the BIG Consulting Agreement, Redfall shall pay BIG a fee of \$50,000 per month and reasonable out of pocket expenses of BIG, which fee is only payable upon the completion of a liquidity event of Redfall or a financing resulting in gross proceeds to Redfall of at least \$3,000,000. Upon completion of the Amalgamation, fees unpaid from February 1, 2014 shall become due and payable. As at the date hereof, Redfall has incurred fees totaling \$300,000 which remain unpaid.

The services to be provided pursuant to the BIG Consulting Agreement are:

- *Strategic Planning Services* – assist and provide guidance on corporate strategy, competitive positioning, ongoing management of team leaders for project management and development, corporate strategy, facilitate RIPKIT sessions, support public relations and marketing, identify merger and/or acquisition targets. Provide operational strategic planning assistance, support and guidance. Provide review and support of statements of work, contracts and other operational needs

as they arise. Executive facilitation, manage and build relationships with shareholders; general coaching to management employees and management teams (excluding senior management);

- *Public Relations Services* – liaise with media contacts, develop and orchestrate storyline in the media, facilitate meetings and discussions related to public relations, coordinate media inquiry, manage database of press and media contacts;
- *Web Development and Creative Services* – execute on web, application and development timelines, coordinate development and creative teams, develop web roadmaps in consultation with management, maintain brand identity in collateral and website material, maintain website;
- *Business Development Services* – identify, develop and source new business opportunities in Canada and the United States, develop sales proposals, statements of work, memorandum of understanding and joint venture agreements as required, provide strategic relationship management, sales process development and execution, market validation and insight. Identify and generate prospects through strategic focusing on customers in target markets, including Canada and the United States, support business development in sales calls, proposal development, statements of work as required and assistance in achieving revenue targets;
- *Project Management Services* – Provide project management support so deadlines are being adhered to, monitor RIPKIT progress, ongoing tracking of project status, issues and risk, provide administrative support for the team and general support when necessary;
- *RIPKIT Management* – conduct weekly RIPKIT meetings, conduct quarterly offsites, manage RIPKIT access and software version updates, maintain technical RIPKIT infrastructure. RIPKIT is a project management software application that helps Redfall plan, manage and execute on its business plan; and
- *Shareholder Communication Services* – Circulation of shareholder related material, coordination with transfer and escrow agents, management of salesforce application, weekly reporting of lead generation, coordinate with MailChimp tool for email distribution. MailChimp is a web-based email marketing service that helps design email announcements, share them on social networks and track results.

Management of Redfall and Amalco intends to continue the BIG Consulting Agreement upon completion of the Amalgamation. The directors and officers of Amalco will be responsible for ensuring that the services provided by BIG pursuant to the BIG Consulting Agreement are in compliance with the policies of the Exchange and applicable laws.

As a condition of listing Amalco on the Exchange, the BIG Consulting Agreement and the director and officer oversight provisions must be satisfactory to the Exchange. Failure to satisfy this condition may result in Amalco not being listed on the Exchange. The services and terms outlined above may be subject to change.

Upon completion of the Amalgamation, it is expected that BIG will be the beneficial owner and exercise control or direction over 1,782,332 Amalco Shares, constituting approximately 5% of the issued and outstanding shares of Amalco assuming a minimum Redfall Financing and 758,334 Amalco Finder's Warrants to acquire Amalco Shares at an exercise price of \$0.33 per Amalco Share on or before February 11, 2019. See "*Information Concerning Amalco – Investor Relations Arrangements*".

Market

There are millions of businesses and organizations across the globe that need effective payment and foreign exchange services. Management of Redfall believes that the market environment is now favourable for Redfall for the following reasons:

1. Traditional sellers and providers of payment services do not compete well with the efficiencies and structure of Redfall's technology. With compliant payment and foreign exchange services with integrated risk management in one easy-to-use platform, Redfall believes it has a competitive advantage.
2. Cryptocurrencies are gaining traction quickly and they have the potential to significantly change global payment and financial networks. These technologies need payment and risk management platforms that can effectively integrate them with existing banking and payments networks.
3. Businesses put an emphasis on being more efficient and technology continues to drive business towards e-commerce and software based solutions. Management of Redfall believes that, currently, significant segments of the multi-trillion dollar North American market continue to use inefficient paper cheques.
4. The market is demanding new e-commerce based applications that management of Redfall believes traditional payment and foreign exchange services do not effectively support.
5. With globalization, more businesses look beyond their borders. Management of Redfall believes that businesses that have exposure to foreign currencies, despite the enormity of the market, have relatively few choices for effective and cost efficient foreign exchange services.
6. The payment processing business is not tied to any particular market or segment. Any industry where utilization of banks for payment processing may not be feasible (whether for economic or regulatory reasons) is a potential target for the business of Redfall.
7. The payment processing industry has gained market acceptance which is evidenced alone by the billions of dollars in transactions that are processed. As noted above, Redfall itself has in the past processed over \$400 million dollars in transactions for PokerStars.com and FullTiltPoker.com.
8. The largest risk factor to the success of the business is the potential for regulatory change and legislation which could have a negative impact on the business of Redfall. Redfall is continuously monitoring any such regulatory proposals and ensuring compliance with all applicable laws. See "Risk Factors".

Maintaining the original principles of offering payment and financial solutions that are easy, effective and efficient, Redfall is now executing on a plan to sell Vogogo to targeted markets.

Focus

A key market focus for Vogogo is web applications offering cryptocurrency related services. Cryptocurrencies are based on a relatively new and innovative technology that has the potential to significantly change the current global payment and financial networks. These technologies are gaining traction very quickly but the operators do not have the capabilities or where-with-all to effectively integrate their applications to the existing payment and banking networks. The developers and operators of these applications typically have little to no understanding of the requirements necessary. They simply want to be able to integrate payments that support multiple currencies in an effective and efficient manner. Currently, the builders of these applications have a difficult time meeting the challenges of payment and foreign exchange. Those that do manage to make it work, use work-arounds and risk running their applications in non-compliance with industry regulations. This puts the owners at significant risk of being permanently shut-down.

Redfall's technology provides the structure necessary for cryptocurrency service providers to properly manage payment related risk and to be fully compliant with industry regulations. Redfall is actively selling Vogogo to cryptocurrency service providers in Canada. Redfall is not yet actively selling Vogogo to U.S. based operators of web applications.

Another key market focus for Redfall is traditional payment companies. Traditionally, a bank works with independent sales organizations ("ISOs") to sell payment services such as credit card processing. The ISOs market

and sell the payment services; the bank qualifies, approves and sets up the client for use of services. They then share the fees generated from the processing of the client transactions. This traditional model remains prominent today.

This model has a few inherent problems, the first being that the banks service offerings are mired with technical problems and limitations. It is common practice for ISOs to sell “work-arounds” and multiple solutions from different providers to satisfy their customers’ needs. The second is that banks are slow to approve and setup businesses for use of services. See the section titled “*Information Concerning Redfall - Narrative Description of the Business - Principal Products and Services - Card Payments*” above.

Traditional card payment services are at a competitive disadvantage compared to the many efficiencies of a PSP. Subsequently, ISOs across North America want to align with PSPs. With only a handful of active PSP platforms in the market and thousands of traditional ISOs looking to sell their services, there is a significant opportunity to acquire or affiliate with ISOs, allowing for quick growth. Redfall is actively selling Vogogo to ISO’s in Canada. Redfall is not yet actively selling Vogogo to U.S. based ISO’s. Redfall successfully secured PSP sponsorship with Vantiv Inc. and has successfully implemented full service PSP functionality into the Vogogo platform.

Another market focus is web applications. Web applications with a payment component need to be industry compliant. The developers and operators of these applications typically have little to no understanding of these requirements. They simply want to be able to integrate payments that support multiple currencies in an effective and efficient manner. Currently, the builders of these applications have a difficult time meeting the challenges of payment and foreign exchange. Those that do manage to make it work, use work-arounds and risk running their applications in non-compliance with industry regulations. This puts the owners at significant risk of being permanently shut-down.

Redfall’s technology provides the payment structure necessary for today’s web and mobile application developers to effectively manage the risks associated with payments and to be fully compliant with industry regulations. Redfall is actively selling Vogogo to operators of web applications in Canada. Redfall is not yet actively selling Vogogo to U.S. based operators of web applications.

Additional focus is on under serviced verticals. Redfall believes that the U.S. and Canada continue to lag behind other mature economies in the adoption of electronic payments. Adoption is steady but paper cheques continue to be a significant factor in the overall U.S. and Canadian payment and financial services landscape. This trend is primarily due to the banks’ inability to offer effective solutions to the market, particularly for business to business payments and receivables. Generations “X” and “Y” are a driving force behind the migration to electronic payments. They lead the trend because of their extensive use of digital channels but they also demand ease and convenience. There is considerable opportunity available for the conversion of paper to electronic payments for providers that can meet the demands of business owners.

Examples of recognized underserved verticals include the oil and gas industry, the crypto currency industry, banking industry, web applications, property managers, care based service providers, labour organizations, professional services and sports organizations. Redfall is active in these verticals with several active clients in each of these verticals using Vogogo today in Canada. Redfall is not yet actively selling Vogogo to the U.S.

Marketing Plans and Strategies

Successful marketing of Redfall’s services relies on strategic outbound marketing tactics that are designed to drive growth. Those efforts are supported by an inbound marketing effort specifically designed to attract and capture web traffic. The total strategy is designed to be flexible, results-oriented and provide maximum effectiveness for each dollar spent.

The Vogogo brand positioning and messaging is used to build brand trust and awareness while also attracting traffic to Vogogo. The marketing team consistently analyzes and refines the brand positioning and messaging to ensure continuity across all mediums. Specific brand messaging is developed for each market focus while maintaining the philosophy that messaging needs to be easily repurposed across the business, as needed.

To achieve effective results with a dynamic approach, brand positioning and messaging are mapped out across the company, beforehand, with a focus on content that is interesting, informative, emotional and congruent.

Based on extensive market testing and industry experience, Redfall believes that the primary method to drive sales and growth in both the U.S. and Canadian markets is with an effective direct sales and business development team. This team will be supplemented with an inside sales structure and inbound marketing tactics to engage with specific targeted industry markets.

That team is expected to be achieved in combination with a strategic acquisition and with organic development. Milestones are:

1. Develop Strategic Sales and Business Development Structure – Develop and allocate sales and business development resources to target key markets. Eastern Canada, Western Canada, Eastern U.S., Mid-West and Western U.S. Estimated time: 12 to 24 months; target completion in 2016; estimated total cost: \$1,000,000; and
2. Execute on Market Strategy – Results oriented execution. Penetrate and capture targeted verticals, develop and foster positive company culture, consistently grow EBITDA.

The following is a breakdown of anticipated marketing costs in the upcoming two years:

	2014	2015
Marketing Consultants	\$290,000	\$1,170,000
Advertising	\$111,000	\$407,000
Tactical Partnerships	\$10,000	\$71,000
Events/Gorilla Marketing	\$Nil.	\$110,000
Media Relations	\$19,000	\$39,000
News	\$6,000	\$13,000

Competitive Conditions

The payment processing and foreign exchange services are markets that reflect the general economic conditions in the United States and in Canada. Redfall has spent considerable time and effort in market analysis, and even the largest banks would have very small percentages of market share, although due to the size of the market it is difficult to determine accurate market share for any competitors. What might appear at a high level as a very competitive space is, in the opinion of management of Redfall, actually very open for opportunity due to the sheer size of the market. Principle differentiators within the industry are technology and market focus.

Redfall’s applications are designed using agile methodologies that support collaborative development with clean design, using less code, with a focus on automation while adhering to “DRY” (Don’t Repeat Yourself) principles. Design also incorporates the ability for rapid changes, frequent outage-free releases and scalability. As well, geographical segregation and deployment capabilities are integrated to effectively manage multiple payment networks and regulatory requirements. All of the Vogogo systems have been designed and developed “in-house” by Redfall and are proprietary to Redfall. Redfall remains, efficient, flexible and relevant in its ability to develop technology.

The PSP structure is significantly more efficient than the traditional payment processing model, giving Redfall a distinct advantage in the payment processing industry.

Today’s solutions typically focus on one specific service, for example, card processing. Businesses need flexibility in their payment and financial services. Redfall believes Vogogo provides users with multiple payment options along with foreign exchange services and electronic invoicing. All services are readily available to users and can be used at their convenience without limitation. This gives users effective payment options for any situation.

eWallet functionality is a platform that provides stored value accounts and can transfer virtual or electronic funds between those accounts. Vogogo was built on this principle allowing it to be flexible in adapting and administering new and alternative payment methods. It is also a critical component in applying Vogogo to markets that have under-developed banking and payment networks. Every user who signs up for Vogogo is given a Vogogo account that feels and acts like an online bank account. eWallet functionality is necessary to provide foreign exchange services and peer-to-peer payments as well as being critical in adopting new and innovative mobile payment methods.

An effective integration option that allows partners to fully integrate to Vogogo is important in capturing larger opportunities in a timely fashion. The Vogogo do-it-yourself integration toolset is designed and built for developers and the dev.vogogo.com web site publishes all the information needed for developers to quickly integrate to Vogogo. Users do not have to coordinate with Vogogo personnel. Users can sign-up, integrate to Vogogo and successfully process millions of dollars in payments without any requirement to communicate directly with Vogogo personnel.

Providing users with a simple web application (Vogogo.com) opens Vogogo up to a demographic in the market that does not have the technical sophistication to integrate to a payment gateway. With a simple sign-up and login, Vogogo.com is one of only a few web apps in the financial services market designed for non-technical users.

Close competitors to Redfall are:

- Stripe (www.stripe.com) - Stripe is a very similar service to Vogogo. Stripe remains focused on technology developers, allowing Redfall to differentiate based on market focus. Stripe is the only competitor with PSP status in Canada.
- Wepay (www.wepay.com) - Wepay is also a very similar service to Vogogo. Wepay is focused on small businesses allowing Redfall to differentiate based on market focus. Wepay is offered in the U.S. only and has no current focus on Canada.
- It is important to note that Stripe and Wepay are relatively new players in the industry, similar to Redfall. Both companies are relatively unknown to industry outsiders. Redfall believes that both of these companies experienced growth and success after being properly financed.
- Dwolla (www.dwolla.com) - Dwolla remains focused on peer to peer payments essentially trying to circumvent the traditional payment networks established by the large banks. Redfall differentiates itself from Dwolla by maintaining focus on traditional payment networks with technology that improves their inherent limitations. Dwolla has been well financed with limited success so far. Dwolla is offered in the U.S. only and has no current focus on Canada.
- Bancbox (www.bancbox.com) - Bancbox is focused on niche web developers. Bancbox is offered in the U.S. only and has no current focus on Canada.
- Braintree (www.braintree.com) - Braintree is focused on technology developers allowing Redfall to differentiate based on market focus. Braintree is offered in the U.S. only and has no PSP capabilities in Canada.
- Balanced Pay (www.balancedpayments.com) - Balanced Pay is focused on small businesses allowing Redfall to differentiate based on market focus. Balance Pay is offered in the U.S. only and has no current focus on Canada.

All Redfall technology is built and managed in-house. As well, Redfall's software must be combined with significant banking and processing infrastructure to be relevant. All key Redfall personnel are bound by customary confidentiality agreements as part of their employment contracts.

In summary, Redfall has the following key competitive advantages:

- higher efficiency due to advanced banking structure combined with advanced technology; and
- multiple payment services in a single web application.

Selected Consolidated Financial Information

The following table sets forth selected historical financial information for Redfall for the years ended December 31, 2013 and 2012 and the three month period ended March 31, 2014. Such information is derived from the annual consolidated financial statements of Redfall for the years ended December 31, 2013, 2012 and 2011 and the interim consolidated financial statements of Redfall for the three months ended March 31, 2014, which are attached hereto in Appendix F and should be read in conjunction with such consolidated financial statements.

	Year Ended December 31, 2011 ⁽¹⁾ (unaudited) (\$)	Year Ended December 31, 2012 (audited) (\$)	Year Ended December 31, 2013 (audited) (\$)	Three Months Ended March 31, 2014 (unaudited) (\$)
Total revenue	2,214,269	31,748	159,527	120,129
Income (loss) from operations	(112,925)	(2,291,189)	(997,586)	(2,080,923)
Net income or loss	(13,381)	(1,778,822)	(1,047,980)	(2,377,515)
Total assets	1,753,477	358,307	1,616,279	3,504,394
Total liabilities	729,161	427,010	2,242,237	1,595,060
Cash dividends declared	-	-	-	-

Notes:

(1) Revenues were primarily from processing transactions for two online poker companies operating in the U.S. These companies discontinued operations in the second half of 2011 as a result of legal challenges and regulatory changes imposed on the gaming industry operating in the U.S. Revenues in 2012 were significantly lower as Redfall transitioned away from gaming related revenues to small and medium businesses and web based businesses.

(2) See Appendix I - *Management's Discussion and Analysis for Redfall*.

Management's Discussion and Analysis

Management's Discussion and Analysis for Redfall for the years ended December 31, 2013, 2012 and 2011 and the interim period ended March 31, 2014 are presented in Appendix I, respectively, to this Information Circular.

Trends

For a discussion on trends and commitments related to Redfall, see "*Information Concerning Redfall - Narrative Description of the Business*".

Description of the Securities

The authorized capital of Redfall consists of an unlimited number of class A and class B common shares, without nominal or par value and an unlimited number of class C, class D and class E preferred shares. The holders of the Redfall Shares are entitled to receive notice of and attend any meeting of the Redfall Shareholders and are entitled to cast one vote for each Redfall Share held and to receive dividends as and when declared by the Redfall Board. Redfall Shareholders of all classes of shares are entitled to receive a proportionate share, subject to preference of the preferred shares of Redfall, on a per share basis, of the assets of Redfall available for distribution in the event of a liquidation, dissolution or winding-up of Redfall.

The Redfall Shares will be exchanged for Amalco Shares pursuant to the Amalgamation, following which all such Redfall Shares will be cancelled.

Consolidated Capitalization

The following table sets forth Redfall's share capital, long-term debt and deficit as of the end of the periods indicated. This information is derived from the financial statements of Redfall for the year ended December 31, 2013 and the interim period ended March 31, 2014, which are attached as Appendix F hereto.

Designation of Security	Amount Authorized or to be authorized	Amount as at December 31, 2013	Amount as at March 31, 2014, prior to giving effect to the completion of the Amalgamation (unaudited)	Amount as at June 1, 2014, prior to giving effect to the completion of the Amalgamation (unaudited)
Redfall Shares ⁽¹⁾	Unlimited	15,696,307 (\$1,161,164)	22,144,204 (\$3,726,400)	26,598,692 (\$4,609,400)
Royalty Financing Liability ⁽²⁾	Up to \$1,000,000	\$218,192	\$229,699	Nil.
Redfall Finder's Warrants ⁽³⁾	2,275,000 Redfall Finder's Warrants	Nil.	2,275,000 (\$964,709)	2,275,000 (\$964,709)
Redfall Options ⁽⁴⁾	1,850,000 Redfall Options	Nil.	Nil.	1,850,000
Redfall Warrants ⁽⁵⁾	768,002 Redfall Warrants	Nil.	Nil.	768,002

Notes:

- (1) Pursuant to a restructuring of Limitless, an aggregate of 53,551 Redfall Shares will be cancelled prior to the Effective Date. See "Summary – The Amalgamation". In addition 479,540 Redfall Warrants have been exercised since June 1, 2014.
- (2) Redfall and AVAC Ltd., an arm's length party, entered into an investment agreement dated July 5, 2013 for an investment in Redfall of up to \$1,000,000. The investment agreement was terminated and fully repaid on April 25, 2014.
- (3) An aggregate of 2,275,000 Redfall Finder's Warrants to acquire Redfall Shares at an exercise price of \$0.33 per Redfall Share, expiring February 11, 2019 and were issued in connection with the Limitless Debenture financing. See "Information Concerning Redfall - General Development of the Business".
- (4) 1,450,000 Redfall Options to acquire Redfall Shares at an exercise price of \$0.33 per Redfall Share, expiring April 28, 2019, and 400,000 Redfall Options to acquire Redfall Shares at an exercise price of \$0.52 per Redfall Share, expiring March 31, 2017.
- (5) An aggregate of 768,002 Redfall Warrants at an exercise of \$0.52 per Redfall Share, expiring April 30, 2017. 479,540 Redfall Warrants have been exercised since June 1, 2014 and as at the date hereof, a balance of 288,462 Redfall Warrants are issued and outstanding.
- (6) As at March 31, 2014, a deficit of (\$4,241,523).

Prior Sales

In the twelve month period preceding the date of this Information Circular, the following securities of Redfall were issued:

Date	Number and Type of Security	Issue Price Per Security	Aggregate Issue Price	Nature of Consideration Received
July 10, 2013	171,213 Redfall Shares ⁽¹⁾	\$0.33	N/A	Remuneration
October 17, 2013	151,516 Redfall Shares	\$0.33	\$50,000	Cash
February 11, 2014	Limitless Debenture ⁽²⁾	N/A	\$2,000,000	Cash
February 11, 2014	2,275,000 Redfall Finder's Warrants ⁽³⁾	N/A	N/A	Remuneration
March 5, 2014	192,307 Redfall	\$0.52	\$100,000	Conversion of

<u>Date</u>	<u>Number and Type of Security</u>	<u>Issue Price Per Security</u>	<u>Aggregate Issue Price</u>	<u>Nature of Consideration Received</u>
	Shares ⁽⁴⁾			debenture
March 17, 2014	Limitless Debenture ⁽²⁾	N/A	\$3,164,345	Cash
March 17, 2014	3,333,334 Redfall Options ⁽⁵⁾	N/A	N/A	N/A
March 17, 2014	500,000 Redfall Shares	\$0.09	\$45,000	Cash
March 26, 2014	9,588,924 Redfall Shares ⁽⁶⁾	\$0.33	\$3,164,345	Conversion of debenture
April 1, 2014	400,000 Redfall Options ⁽⁷⁾	N/A	N/A	Remuneration
April 2, 2014	48,077 Redfall Shares	\$0.52	\$25,000	Cash
April 7, 2014	784,615 Redfall Shares	\$0.52	\$408,000	Cash
April 28, 2014	1,450,000 Redfall Options ⁽⁸⁾	N/A	N/A	Remuneration
April 30, 2014	288,462 Redfall units ⁽⁹⁾	\$0.52	\$150,000	Cash
April 30, 2014	3,333,334 Redfall Shares ⁽¹⁰⁾	\$0.09	\$300,000	Exercise of Redfall Options
June 30, 2014	479,540 Redfall Shares ⁽⁹⁾	\$0.52	\$249,361	Exercise of Redfall Warrants

Notes:

- (1) Finder's fee paid in relation to an investment agreement between AVAC Ltd., an arm's length party, and Redfall for an investment of up to \$1,000,000.
- (2) For information regarding the Limitless Debenture, see "Information Concerning Redfall - General Development of the Business".
- (3) Each Redfall Finder's Warrant is exercisable at a price of \$0.33 per Redfall Finder's Warrant before February 11, 2019 and were issued in connection with the Limitless Debenture financing. See "Information Concerning Redfall – General Development of the Business".
- (4) 192,307 Redfall Shares were issued upon conversion of the aggregate principal amount of \$100,000 Redfall debentures at a price of \$0.52 per Redfall Share pursuant to a convertible debenture dated March 6, 2013.
- (5) 1,666,668 of the 3,333,334 Redfall Options were issued to Non Arm's Length Parties to Redfall. Such Redfall Options were issued at an exercise price of \$0.09 per Redfall Share, expiring March 17, 2015.
- (6) 9,588,924 Redfall Shares were issued upon conversion of an amended and restated secured convertible debenture dated March 17, 2014 in favour of Limitless (the "Limitless Debenture"). The principal and interest owing pursuant to the Limitless Debenture, at the option of the holder, was convertible to class "A" common shares of Redfall at a price of \$0.33 per Redfall Share and the aggregate principal of \$3,164,345 was converted on March 26, 2014. No interest was payable or due on conversion. Prior to the Amalgamation, Limitless intends to complete a restructuring whereby the shareholders of Limitless will each receive Redfall Shares equal to such shareholder's proportionate interest in the aggregate Redfall Shares held by Limitless. As a result of such restructuring, it is anticipated that an aggregate of 53,333 Redfall Shares will be cancelled prior to Closing.
- (7) In consideration for certain advisory services provided by Fin-Serv Advisors Inc., an arm's length party, to Redfall, Redfall has issued 400,000 Redfall Options, all of which are fully vested and each of which is exercisable at an exercise price of \$0.52 per share before April 1, 2017.
- (8) Redfall Options granted to officers and employees of Redfall to acquire Redfall Shares at an exercise price of \$0.33 per Redfall Share before April 28, 2019.
- (9) Each Redfall unit included one Redfall Share and 2.66240127795 Redfall Share purchase warrants for an aggregate subscription of 288,462 Redfall Shares and 768,002 Redfall Warrants, exercisable at a price of \$0.52 per Redfall Share before April 30, 2017. 479,540 Redfall Warrants issued in connection with the Redfall Units have been exercised, leaving a balance of 288,462 Redfall Warrants.
- (10) 1,666,668 of the 3,333,334 Redfall Shares were issued to Non Arm's Length Parties to Redfall pursuant to the exercise of the same number of Redfall Options issued on March 17, 2014.

Stock Exchange Price

There is no public market for any securities of Redfall.

Executive Compensation

Compensation Discussion and Analysis

The Redfall Board determines the compensation to be provided to the executive officers and directors of Redfall. Compensation of all executive officers is based on the principle that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contribution of the individuals involved and the overall performance of Redfall.

The objective of the Redfall Board in setting compensation levels will be to attract and retain individuals of high calibre to serve as officers of Redfall, to motivate their performance in order to achieve Redfall's strategic objectives and to align the interests of executive officers with the long-term interests of the shareholders. The elements of the Redfall executive compensation program include base salary and where appropriate, annual bonuses and participation in equity based incentives. These elements contain both short-term incentives, comprised of cash payments of salary and bonuses and long-term incentives comprised of equity-based incentives.

The Redfall Board will set the compensation received by the Redfall Named Executive Officers (defined below) so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Redfall Board will rely primarily on their own experience and knowledge.

Redfall does not believe that its compensation programs encourage excessive or inappropriate risk taking as: (i) the Redfall's employees receive both fixed and variable compensation, and the fixed (salary) portion provides a steady income regardless of the stock value which allows employees to focus on the Redfall's business; and (ii) convertible securities of Redfall which encourages a long-term perspective due to the vesting provisions of such securities.

Although Redfall does not have a policy which prohibits any Redfall Named Executive Officer or director from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the Redfall Named Executive Officer or director, no Redfall Named Executive Officer or director has entered into any such agreement.

Applicable Canadian Securities Laws require executive compensation disclosure for (i) each Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) each of the three most highly compensated executive officers (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year (or three most highly compensated individuals); and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of Redfall nor acting in a similar capacity, at the end of that financial year (the "**Named Executive Officers**"). In addition, the Exchange requires executive compensation disclosure for each of Redfall's four most highly compensated executive officers, in addition to the Chief Executive Officer, regardless of the amount of their compensation (the "**Exchange NEO**" and collectively with the Named Executive Officer, the "**Redfall Named Executive Officers**").

During the fiscal year ended December 31, 2013, the Redfall Named Executive Officers were Robert Geoffrey Gordon, Managing Partner and Stan Carney, Managing Partner.

On January 10, 2014, Stan Carney resigned as managing partner and director of Redfall. Rodney Thompson was appointed as a director of Redfall on January 10, 2014 and subsequently resigned on February 11, 2014. Cameron Chell was appointed director of Redfall on February 11, 2014.

Name and Principal Position	Year	Salary (\$)	Share Based Awards (\$)	Option Based Awards (\$)	Non-Equity Incentive Plan Compensation			All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)	Pension Value (\$)		
Robert Geoffrey Gordon⁽¹⁾ Managing Partner and Director	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	110,000	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	110,000
	2011	185,000	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	185,000
Stan Carney⁽¹⁾ Managing Partner and Director	2013	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2012	110,000	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	110,000
	2011	185,000	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	185,000

Note:

(1) Mr. Gordon and Mr. Carney also acted as directors of Redfall and did not receive any additional compensation for their roles as directors of Redfall for the year ended December 31, 2013.

Incentive Plan Awards

Redfall does not have any defined option plan or other share incentive plan.

Pension Plan Benefits

Redfall does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

Termination and Change of Control Benefits

As at the most recently completed financial year, there were no compensatory plans, contracts or arrangements with any Redfall Named Executive Officer (including payments to be received from Redfall or any subsidiary), which result or will result from the resignation, retirement or any other termination of employment of such Redfall Named Executive Officer or from a change of control of Redfall thereof or any change in such Redfall Named Executive Officer's responsibilities, where the Redfall Named Executive Officer is entitled to payment or other benefits.

Management Contracts

Other than as set forth below, there are no agreements for the performance of management functions by persons other than the directors or officers of Redfall.

Pursuant to a consulting services agreement dated October 8, 2013 between Redfall and a private company incorporated in Calgary, Alberta and owned by Karim Teja (the "**Consultant**"), the Consultant has agreed to provide consulting services for an initial term of one (1) year on a part-time basis. On expiry of the agreement, it will automatically renew for another year and can be terminated by either party with 30 days' notice. The Consultant provides chief financial officer services for Redfall for a fee of \$10,000 per month.

Non-Arm's Length Party Transactions

Except as otherwise disclosed herein, the directors and senior officers of Redfall and associates and affiliates thereof have not had any direct or indirect material interest in any transaction or proposed transaction since its date of incorporation to the date of this Information Circular that has materially affected or will materially affect Redfall or Amalco.

Legal Proceedings

Redfall has not been and nor is it presently involved in any legal proceedings material to it and no such proceedings are, to the best of its knowledge, contemplated.

Material Contracts

Redfall has not entered into any material contracts since incorporation, other than the following:

1. the Amalgamation Agreement (see “*Information Concerning the Amalgamation*”);
2. the BIG Consulting Agreement (See “*Information Concerning Redfall – Narrative Description of Business – Operations*”);
3. the Vantiv Agreement (See “*Information Concerning Redfall – Narrative Description of Business – Card Payments*”);
4. the Subscription Receipt Agreement (see “*Information Concerning the Amalgamation - Redfall Financing*”); and
5. the Redfall Financing Agency Agreement (see “*Information Concerning the Amalgamation - Redfall Financing*”).

Copies of the these agreements will be available for inspection at the registered office of Redfall at 4600, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1, during regular business hours until the date of the closing of the Amalgamation and for a period of 30 days thereafter.

INFORMATION CONCERNING AMALCO

Corporate Structure

Name and Incorporation

Upon issuance of the Certificate of Amalgamation by the Registrar in connection with the Amalgamation, Amalco will be named “Vogogo Inc.”.

It is expected that, following the completion of the Amalgamation, the registered office of Amalco will be located at 4600, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1 and the head office of Amalco will be located at 400, 320 – 23 Avenue S.W., Calgary, Alberta T2S 0J2.

Intercorporate Relationships

Following the completion of the Amalgamation, Amalco will have two wholly-owned subsidiaries, Vogogo Canada Inc. and Vogogo USA Inc. See “*Information Concerning Redfall*”.

Narrative Description of the Business

Following completion of the Amalgamation, Amalco will carry on the business of Redfall.

See “*Information Concerning Redfall - Narrative Description of the Business*” for additional information on Redfall’s business.

Stated Business Objectives and Milestones

A key business objective for Amalco will be the successful selling of services to the U.S. market. Amalco will have considerable past experience processing payments in the U.S., the Vogogo technology is ready for the U.S. market, leaving three primary milestones left to complete in order to execute on this objective. Each are listed below in order of priority. For further information, see “*Information Concerning Redfall - Narrative Description of Business*”.

a) PCI-DSS Testing and Audit

Amalco will be subject to a yearly audit and testing by the PCI-DSS. Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank) the most recent PCI-DSS testing and audit must be finalized. Redfall has previous experience with PCI-DSS compliance. The process of testing and audit for PCI-DSS essentially tests to confirm that Amalco properly handles sensitive payment card related data. An independent third party applies the testing and checks to insure that all PCI-DSS standards and guidelines are met before providing certification. Amalco believes that it has sufficient capability to finalize the audit and complete the testing. The PCI-DSS testing and audit process is not a pass or fail process. Amalco can be certified with deficiencies as long as those deficiencies are known and there is a plan of action in place to rectify them. PCI-DSS is an ongoing process. PCI-DSS updates and adjustments are consistent and a part of doing business as a payment service provider. This milestone is subject to availability of a third party auditor. It is expected that it will take no longer than sixty days to engage a third-party auditor. PCI-DSS testing and audit is expected to be complete within 6-12 weeks of engagement with a third party auditor and cost approximately \$50,000. PCI-DSS is administered by the PCI Security Standards Council, which was founded by American Express, Discover Financial Services, JCB International, Mastercard Worldwide and VISA Inc. PCI-DSS auditing is done on an annual basis by a third party auditor. Redfall has completed such audit in the past, however, it has not completed such audit for the current year in order to conserve funds as it pursued the Amalgamation.

b) Vantiv Inc. Testing and Certification

Upon completion of the PCI-DSS certification, Amalco then qualifies to test and certify its technology integration to Vantiv Inc. Amalco, to date, has no direct operational experience with Vantiv Inc. so it is possible that Vantiv Inc. may have technical limitations. The analysis based on the integration specs is that Vantiv Inc. is very capable and will pose no technical limitations on Amalco. In the event that there are technical limitations, they will be rectified by either Amalco building further technology to address any limitations, or Vantiv Inc. building further technology to address any limitations, or both parties working together to address any limitations. Banking integration updates and adjustments are consistent and a part of doing business as a payment service provider. Amalco has successfully implemented similar integrations with several other banks and processors in Canada and the U.S. This task is believed to be within Amalco's core expertise. This milestone is subject to PCI-DSS completion and availability of Vantiv Inc.'s certification and testing team. It is expected that it will take no longer than sixty days to schedule testing and certification procedures. Vantiv Inc. testing and certification is expected to be complete within 2-4 weeks of engagement with Vantiv Inc.'s certification and testing team and cost approximately \$15,000.

c) Security Deposit with U.S. Banking Partners

Prior to going live with the new banking partner in the U.S., Amalco must place funds as a security deposit against Amalco's processing portfolio. Estimated time for completion is one day and management expects this to be finalized in the third quarter of 2015 at an estimated total cost of \$1,000,000 assuming a minimum Redfall Financing and \$1,500,000 assuming a maximum Redfall Financing. Note that this amount is not a hard cost but rather a security deposit that will earn interest. Details in respect of the terms of such deposits are described above under "*Narrative Description of the Business – Principal Products and Services*". There are no other costs required to be certified.

Due to current industry conditions, management of Amalco believes it has an opportunity to achieve growth through acquisitions. Preparation for that objective will be achieved through the following milestones:

- a) Create Strategic Target Acquisition Pipeline – Further develop the acquisition target pipeline. Target focus includes companies that generate solid revenue but cannot meet the demands of a market driven by technology, companies that have unique or complimentary technology and companies that focus on verticals or markets that the Vogogo technology provides a competitive advantage. Estimated time for completion: 12 - 36 months. Amalco does not expect to incur additional costs for this initiative as existing personnel will be used for this ongoing process; and
- b) Open Discussions and Negotiations with Target Acquisition – Initiate the beginning steps for the acquisition process. Estimated time for completion: ongoing into 2016; estimated total costs: costs are included as general working capital as well as the foreign exchange company acquisition costs. Amalco does not expect to incur additional costs for this initiative as existing personnel will be used for this ongoing process. Amalco has not executed any binding agreements with respect to the acquisition of a foreign exchange company and no assurance can be given that such an acquisition will occur.

In addition, Amalco will continue to refine the Vogogo technology, over the next 18 months for aggregate costs of \$435,000, in order to meet the demands of the marketplace. Milestones relating to this are as follows:

- a) Vogogo Application Programming Interface ("**API**") Evolution – Continue to expand and refine the capabilities of the Vogogo API set with a specific focus on ease of use and ease of integration for web applications and mobile applications. API set is now live and further development is ongoing. Ongoing development and refining costs are included in the Vogogo development costs category. See "*Information Concerning Amalco - Proposed Use of Funds*".
- b) Vogogo.com Front End – Continue to expand and refine the capabilities of the Vogogo.com web application with a specific focus on effective risk management, efficient payment services and new country

development. Vogogo.com is now live in Canada with further development ongoing. Costs are included in the Vogogo development costs category. See “*Information Concerning Amalco - Proposed Use of Funds*”.

- c) Affiliate Tracking within Vogogo – Final testing and release of affiliate tracking within Vogogo, allowing Amalco to effectively affiliate with re-sellers and third party sales organizations. Estimated time for completion: 3 months and to be finalized in the first quarter of 2015. Costs are included in the Vogogo development costs category. See “*Information Concerning Amalco - Proposed Use of Funds*”.
- d) Foreign Exchange Integration into Vogogo – Development of foreign exchange services into the Vogogo platform allows Amalco to capture new markets driven by technology and foreign exchange opportunities within Amalco’s payment-processing portfolio while also reducing operational overhead. Estimated time for completion: 3 months and to be finalized in first quarter of 2015. Costs are included in the Vogogo development costs category. See “*Information Concerning Amalco - Proposed Use of Funds*”.
- e) Vogogo Platform White-Labeling – Develop the Vogogo technology to support white-labeling. White labeling is the process of allowing the Vogogo platform to be branded with alternate brands. This functionality is attractive to companies that have built a strong brand and wish to continue using that brand. With Vogogo’s unique structure, white-labeling opens up significant opportunities for Amalco to provide the Vogogo technology to other payment services companies, effectively turning competitors into partners. Estimated time for completion: 3 to 6 months and to be finalized in the second quarter of 2015. Costs are included in the Vogogo development costs category. See “*Information Concerning Amalco - Proposed Use of Funds*”.

Description of the Securities

The authorized capital of Amalco will consist of an unlimited number of Amalco Shares and an unlimited number of preferred shares without nominal or par value.

Upon completion of the Amalgamation and a minimum Redfall Financing amount, the following securities will be issued and outstanding in the capital of Amalco: 35,464,681 Amalco Shares, 3,412,037 Amalco Options entitling the holder to purchase up to 3,412,037 Amalco Shares, 2,275,000 Amalco Finder’s Warrants entitling the holder to purchase up to 2,275,000 Amalco Shares, 288,462 Amalco Warrants entitling the holders thereof to purchase up to an aggregate of 288,462 Amalco Shares, and 504,000 Amalco Compensation Options entitling the holders thereof to purchase up to an aggregate of 504,000 Amalco Shares.

Upon completion of the Amalgamation and a maximum Redfall Financing amount, the following securities will be issued and outstanding in the capital of Amalco: 39,598,014 Amalco Shares, 3,750,000 Amalco Options entitling the holder to purchase up to 3,750,000 Amalco Shares, 2,275,000 Amalco Finder’s Warrants entitling the holder to purchase up to 2,275,000 Amalco Shares, 288,462 Amalco Warrants entitling the holders thereof to purchase up to an aggregate of 288,462 Amalco Shares, and 793,333 Amalco Compensation Options entitling the holders thereof to purchase up to an aggregate of 793,333 Amalco Shares. It is not expected that there will be any preferred shares issued or outstanding. See “*Information Concerning Amalco – Fully Diluted Share Capital*”.

Subject to the approval of the board of directors of Amalco, Amalco may also issue additional incentive stock options to its directors, officers, employees and consultants after the completion of the Amalgamation. Amalco expects that it will issue at Closing an aggregate of 1,442,037 Amalco Options assuming a minimum Redfall Financing and an aggregate of 1,780,000 Amalco Options assuming a maximum Redfall Financing, each of which will entitle the holder thereof to purchase one Amalco Share at a price of \$0.75 per share for a period of five years. See “*Options to Purchase Securities*”, below.

The holders of Amalco Shares will be entitled to receive notice of and attend any meeting of the Amalco’s shareholders and entitled to cast one vote for each Amalco Share held. The holders of Amalco Shares will be entitled to receive dividends, if, as and when declared by the board of directors of Amalco and to receive a proportionate share, on a per share basis, of the assets of Amalco available for distribution in the event of a liquidation, dissolution or winding-up of Amalco.

Selected Pro Forma Financial Information

The following table sets forth selected financial information for Amalco as at March 31, 2014 on a pro forma basis, assuming completion of the Amalgamation and a minimum Redfall Financing amount. Such information is derived from the unaudited consolidated pro forma balance sheet of Amalco as at March 31, 2014, which is attached hereto as Appendix G, and should be read in conjunction with such financial statements.

	Period Ended March 31, 2014 (unaudited) (\$)
Total Assets	9,439,712
Total Liabilities	1,936,282
Total Current Liabilities	1,936,282
Share Capital	11,972,071
Warrants	1,215,236
Contributed Surplus	56,248
Deficit	(5,740,125)

Pro Forma Consolidated Capitalization

The following table sets forth the pro forma share capital of Amalco after giving effect to the completion of the Amalgamation.

Designation of Security	Amount authorized or to be authorized	Amount outstanding after giving effect to the Amalgamation upon a minimum Redfall Financing amount	Amount outstanding after giving effect to the Amalgamation upon a maximum Redfall Financing amount
Amalco Shares ⁽¹⁾	Unlimited	35,464,681 ⁽¹⁾	39,598,014
Amalco Convertible Securities ⁽²⁾⁽³⁾	N/A	5,975,499	6,313,462
Amalco Compensation Options ⁽⁴⁾	N/A	504,000	793,333

Notes:

- (1) Of these Amalco Shares, 4,000,000 Amalco Shares are being held in escrow under the CPC Escrow Agreement. See “*Information Concerning Amalco - Escrowed Securities*”.
- (2) Includes the Amalco Options, Amalco Warrants and the Amalco Finder’s Warrants. See “*Information Concerning Amalco – Fully Diluted Share Capital*”.
- (3) It is anticipated that Amalco will grant options to purchase 1,442,037 Amalco Shares upon Closing of a minimum Redfall Financing amount and 1,780,000 Amalco Shares upon Closing of a maximum Redfall Financing amount, each of which will entitle the holder to purchase one Amalco Share at a price of \$0.75 per Amalco Share for a period of 5 years from the date of grant. See “*Information Concerning Amalco - Options to Purchase Securities*”.
- (4) Each Amalco Compensation Option entitles the holder to purchase one Amalco Share at a price of \$0.75 per Amalco Share on or before two years from the date of grant. See “*Information Concerning the Amalgamation - Redfall Financing*”.
- (5) Pro forma as at March 31, 2014 upon completion of the Amalgamation and a minimum Redfall Financing amount, Amalco would have a deficit of (\$5,740,125).

Fully Diluted Share Capital

The following table summarizes the securities of Amalco to be issued and outstanding following the completion of the Amalgamation, on a basic and fully-diluted basis.

	Number and Percentage of total number of Amalco Shares outstanding following the Amalgamation upon a minimum Redfall Financing amount (non-diluted / diluted)	Number and Percentage of total number of Amalco Shares outstanding following the Amalgamation upon a maximum Redfall Financing amount (non-diluted / diluted)
Amalco Shares to be issued as to Southtech Shareholders pursuant to the Amalgamation	1,240,000 (3.5% / 2.98%)	1,240,000 (3.13% / 2.65%)
Amalco Shares to be issued to Redfall Shareholders pursuant to the Amalgamation	27,024,681 (76.20% / 64.43%)	27,024,681 (68.25% / 57.86%)
Amalco Shares to be issued as a result of the Redfall Financing	7,200,000 (20.30% / 17.17%)	11,333,333 (28.62% / 24.27%)
Subtotal (non-diluted)	35,464,681	39,598,014
Amalco Shares issuable upon exercise of Amalco Options to holders of previous Southtech Options ⁽¹⁾	120,000 (Nil. / 0.29%)	120,000 (Nil. / 0.26%)
Amalco Shares issuable upon exercise of Amalco Options to holders of previous Redfall Options ⁽²⁾	1,850,000 (Nil. / 4.41%)	1,850,000 (Nil. / 3.96%)
Amalco Shares issuable upon exercise of Amalco Warrants	288,462 (Nil. / 0.69%)	288,462 (Nil. / 0.62%)
Amalco Shares issuable upon exercise of Amalco Finder's Warrants ⁽³⁾	2,275,000 (Nil. / 5.42%)	2,275,000 (Nil. / 4.87%)
Amalco Shares issuable upon exercise of Amalco Compensation Options ⁽⁴⁾	504,000 (Nil. / 1.20%)	793,333 (Nil. / 1.70%)
New Options to be issued upon Closing ⁽⁵⁾⁽⁶⁾	1,442,037 (Nil. / 3.44%)	1,780,000 (Nil. / 3.81%)
Total Amalco Shares (fully diluted)	41,944,180	46,704,810

Notes:

- (1) See "Information Concerning Southtech - Southtech Stock Option Plan".
- (2) See "Information Concerning Redfall - Consolidated Capitalization" and "Information Concerning Redfall - Prior Sales".
- (3) See "Information Concerning Redfall - General Development of the Business", "Information Concerning Redfall - Consolidated Capitalization" and "Information Concerning Redfall - Prior Sales".
- (4) See "Information Concerning the Amalgamation - Redfall Financing".
- (5) For full details concerning all incentive stock options for Amalco upon completion of the Amalgamation, see "Information Concerning Amalco - Options to Purchase Securities".
- (6) It is anticipated that upon Closing, Amalco will have an additional 134,431 Amalco Options available for future issuance pursuant to the Amalco Option Plan assuming a minimum Redfall Financing and an additional 209,801 Amalco Options available for future issuance pursuant to the Amalco Option plan assuming a maximum Redfall Financing.

Estimated Available Funds

On Closing, Amalco will have an estimated minimum consolidated working capital position of \$6,010,000 and an estimated maximum consolidated working capital position of \$9,110,000.

See "Information Concerning the Amalgamation - Available Funds and Principal Purposes" and Appendix G – "Amalco Pro Forma Financial Statements".

Dividends

There are no restrictions in Amalco's articles or elsewhere which could prevent Amalco from paying dividends subsequent to the completion of the Amalgamation. Amalco does not contemplate paying any dividends on any of

the Amalco Shares in the immediate future subsequent to the completion of the Amalgamation, as it anticipates investing all available funds to finance the growth of Amalco's. The board of directors of Amalco will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on Amalco's financial position at the relevant time. All of the Amalco Shares will be entitled to an equal share in any dividends declared and paid on a per share basis.

Proposed Use of Funds

The following table sets out the estimated available funds over the next 18 months after giving effect to the Amalgamation and the proposed principal uses for those funds.

Principal Use of Funds	Amount upon completion of the Amalgamation and a minimum Redfall Financing amount	Amount upon completion of the Amalgamation and a maximum Redfall Financing amount
Transaction Expenses ⁽¹⁾	\$763,000	\$980,000
PCI-DSS Testing and Audit ⁽²⁾	\$65,000	\$65,000
Security Deposits ⁽³⁾	\$1,000,000	\$1,500,000
BIG Consulting Agreement ⁽³⁾	\$600,000	\$600,000
Marketing Costs ⁽⁴⁾	\$1,000,000	\$1,200,000
Vogogo Development Costs ⁽⁵⁾	\$435,000	\$435,000
General and Administrative	\$1,550,000	\$1,700,000
Acquisition of a Foreign Exchange Company ⁽⁶⁾	\$Nil.	\$2,000,000
Unallocated Working Capital	\$597,000	\$630,000
Total	\$6,010,000	\$9,110,000

Notes:

- (1) Expenses include professional fees, the Commission, listing fees, printing and miscellaneous costs.
- (2) See "Information Concerning Redfall - General Development of the Business", "Information Concerning Redfall - Narrative Description of the Business - Principal Products and Services" and "Information Concerning Amalco - Narrative Description of the Business".
- (3) See "Information Concerning Redfall - Narrative Description of the Business - BIG Consulting Agreement" and "Information Concerning Amalco - Investor Relations Arrangements".
- (4) See "Information Concerning Redfall - Narrative Description of the Business - Marketing Plans and Strategies".
- (5) See "Information Concerning Amalco - Narrative Description of the Business - Stated Business Objectives and Milestones".
- (6) See "Information Concerning Redfall - General Development of the Business" and "Information Concerning Amalco - Narrative Description of the Business - Stated Business Objectives and Milestones".

The above uses of available funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of Amalco. For these reasons, management considers it to be in the best interests of Amalco and its shareholders to permit management a reasonable degree of flexibility as to how Amalco's funds are employed among the above uses or for other purposes, as the need may arise.

Amalco may also require additional funds in order to fulfill all of Amalco's future expenditure requirements or obligations, in which case Amalco may raise additional funds either through the issuance of equity or by incurring debt to satisfy such requirements or obligations. There is no assurance that any additional funding required by Amalco will be available.

While actual expenditures may differ from the amounts and allocations indicated above, the net proceeds will be used in furtherance of Amalco's business. See "Information Concerning Redfall".

Principal Securityholders

To the best of the knowledge of management and the directors of Southtech and Redfall, other than as set out in the following table, no Person who will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the voting rights attached to all of the outstanding shares of the Amalco after completion of the Amalgamation.

Name and Municipality of Residence	Amalco Shares assuming completion of the Amalgamation upon a minimum Redfall Financing amount	Amalco Shares assuming completion of the Amalgamation upon a maximum Redfall Financing amount
1320678 Alberta Inc. ⁽¹⁾ Calgary, AB	5,166,668 (14.57%)	5,166,668 (13.05%)
SAY Marketing & Consulting Ltd. ⁽²⁾ Calgary, AB	5,166,666 (14.57%)	5,166,666 (13.05%)

Notes:

(1) 1320678 Alberta Inc. is a company controlled by Robert Geoffrey Gordon, Managing Partner and a director of Redfall and the proposed Chief Executive Officer and director of Amalco. See “*Information Concerning Amalco – Management*”.

(2) SAY Marketing & Consulting Ltd. is a company controlled by Rodney Thompson, a proposed director of Amalco. See “*Information Concerning Amalco – Management*”.

Management

The following are summaries of the proposed directors and principal management of Amalco, including their respective proposed positions with Amalco and relevant work and educational background.

Robert (Geoff) Gordon (Age 41) – Proposed Chief Executive Officer and Director of Amalco; Calgary, Alberta

Working as a full time employee with Amalco as the Chief Executive Officer. Geoff’s responsibilities will include but are not limited to general business management, internal team coordination, business development efforts, financing efforts along with shareholder coordination and the continued development of commercial payments and banking structure.

A co-founder of Redfall Technologies Inc., Mr. Gordon is an entrepreneur with a proven track record of success in business. Mr. Gordon has gained experience from owning and managing businesses since the mid 1990’s. An engineer by trade, Mr. Gordon became involved in the financial services industry in 2001 and since then, has helped build and operate several payment processing and financial related services. Since 2009, Mr. Gordon has been Managing Partner of Redfall. Mr. Gordon’s experience ranges from white label debit cards to commercial payment gateways to e-wallet services in several different countries including Canada, the U.S., Japan, Australia, Philippines and Hong Kong (China). These experiences have provided Mr. Gordon with an understanding of business management as well as expertise in regional and international payment and banking services.

Karim Teja (Age 49) – Proposed Chief Financial Officer of Amalco; Calgary, Alberta

Working as an independent part-time contractor with Amalco as the Chief Financial Officer. Mr. Teja’s responsibilities will include, but are not limited to, public company management, financing management, investor relations, mergers and acquisitions, due diligence, intellectual property administration, profit and loss management, cash flow management, securities and exchange regulations, accounts payable, accounts receivable, payroll and foreign currency.

Since September 2007, Mr. Teja has been a consultant advising pre-commercial and early commercial technology and software companies on financial, operational and strategic matters. From June 1999 to September 2007, Mr. Teja served as an officer of Imaging Dynamics Company Ltd. (“**IDC**”), a TSX listed company that developed and commercialized a proprietary digital x-ray technology. Mr. Teja was instrumental in transitioning IDC from a strictly R&D organization to a company with revenues of almost \$40 million and product installations and distribution partners in over 35 countries. Prior to IDC, Mr. Teja was the Chief Financial Officer and Chief

Operating Officer of Erasoft Technologies Inc., a private software company, where he helped negotiate its successful acquisition by a NASDAQ traded company. Mr. Teja holds a Bachelor's degree in Business Administration with honours from Simon Fraser University and an honours certificate from the Canadian Securities Institute. He received the designation of Certified General Accountant (CGA) in 1992.

He completed the Canadian Securities Course. He also received the Ernst and Young Entrepreneur of the Year award – Prairies Region in 2006.

Mr. Teja will devote up to 40% of his total time to perform the work required in connection with the management of Amalco.

Rodney Thompson (Age 39) – Proposed Chief Relationship Officer and Director of Amalco; Calgary, Alberta

Working as a full time employee with Amalco as the Chief Relationship Officer. Mr. Thompson's responsibilities will include, but are not limited to, general business management, business development efforts, sales management and coordination, client account management and coordination, country development and coordination, marketing management and coordination including the continued development of third party marketing groups.

A sales and marketing executive with more than 12 years of experience in e-commerce and payment. As Vice President of Global Sales and also as Vice President of Product Development, Mr. Thompson played a major role in growing the annual sales of NETeller, an e-money / e-wallet service company, to more than \$8 billion. At NETeller, he managed every facet of the sales cycle, from targeting and planning to hiring, training and directing a global team. Mr. Thompson also led new sales and marketing initiatives, including the implementation of customer relationship management tools, development of a new instant-access product called "Direct Accept". As Country Development Manager, he directed country targeting, payment integration, merchant localization and communications strategies for senior teams. As Product Development Manager, he oversaw tactics that aligned merchants with clients, monitored a global road-map that addressed a constantly shifting focus, communicated product priorities with executive teams and introduced the affiliate concept to NETeller. Mr. Thompson's experience and accomplishments have made him a vital part of new ventures, including Redfall and Vogogo.

Kris Read (Age 34) - Proposed Chief Technology Officer of Amalco; Calgary, Alberta

Working as a full time employee with Amalco as the Chief Technology Officer. Mr. Read's responsibilities will include, but are not limited to, general business management, leading the technology development team in the design, development, deployment and operation of the Amalco technology. Mr. Read will also evaluate, define, implement and maintain technology stacks, applications, and general technology architectures that meet Amalco's business goals as well as evaluate, define, implement and maintain development methodologies, standards, policies and procedures that meet Redfall's business goals. Finally, Mr. Read will be responsible for reviewing technical designs for conformance to development standards, regulatory requirements and compliance standards and to manage all Amalco's technology research and development initiatives.

An entrepreneur and technology executive, Mr. Read has built a reputation over the past decade providing strategic leadership, agile process management, software architecture, and product vision. In the startup space, Mr. Read assembled and led teams at early-stage companies like Poynt (mobile local search) and Curve Dental (practice management on the web). Working with ThoughtWorks Inc., a SAAS (software as a service) based project management service, and subsequently independently, Mr. Read delivered technology consulting in the US and Canada to companies such as Stripe, Shaw Communications, Canadian Pacific, and AT&T. Mr. Read holds a Master's Degree in Software Engineering and is a conference speaker and published expert in areas such as DevOps, Cloud Computing, Mobile, Web Applications and Continuous Delivery. In his role at Redfall, Mr. Read is responsible for technology and product delivery, with a focus on team culture, performance, and sustainable growth.

Mr. Read holds a Bachelors of Science specializing in computer science from the University of Calgary and a Masters of Science specializing in Software Engineering from the University of Calgary.

Janan Paskaran (Age 35) – Proposed Corporate Secretary of Amalco; Calgary, Alberta

Mr. Paskaran is a partner at the law firm of Torys LLP. Mr. Paskaran's practice focuses on corporate and securities law, with an emphasis on international transactions. He has extensive experience representing public and private issuers in a wide variety of financing, business combination and merger and acquisition transactions, including both private and publicly traded issuers. Mr. Paskaran also advises on securities compliance matters, commercial transactions and corporate finance, procedures and governance. Mr. Paskaran holds a law degree from the University of Western Ontario and was called to the bar in the Province of Alberta and England and Wales (not practising).

Mr. Paskaran will devote up to 5% of his total time to perform the work required in connection with the management of Amalco.

Cory Cleveland (Age 31) - Proposed Director of Amalco; Calgary, Alberta

Mr. Cleveland is a finance professional specializing in early stage ventures. He is President of Play It Gaming, a social free-to-play gaming company in emerging markets. Mr. Cleveland is also Vice President of Finance and the Business Instincts Group, a company that advises entrepreneurs on the areas of strategy, finance, development, execution, growth, sustainability and revenue. Mr. Cleveland has co-managed over \$20 million in brokered and non-brokered financings over the last four years. Mr. Cleveland was previously an analyst with the mergers and acquisitions team of Agrium Inc., a multi-billion dollar, international agri-nutrient firm in Calgary, Alberta. Mr. Cleveland holds a Bachelor of Commerce from Royal Roads University.

Mr. Cleveland will devote the time necessary to perform the work required in connection with the management of Amalco.

Tony Lacavera (Age 40) - Proposed Director of Amalco; Toronto, Ontario

Mr. Lacavera is the Chairman and CEO of Globalive Holdings and WIND Mobile, which are telecommunication companies. Mr. Lacavera was named CEO of the Year for 2010 by the Globe and Mail's Report on Business Magazine. He was named one of Canada's Top 40 under 40 in 2006. Under Mr. Lacavera's leadership, Globalive has received numerous best in business awards including ranking #1 on Profit Magazine's 2004 list of Canada's 100 fastest growing companies. Mr. Lacavera holds a Bachelor of Science from the University of Toronto.

Mr. Lacavera will devote the time necessary to perform the work required in connection with the management of Amalco.

Dale Johnson (Age 67) - Proposed Director of Amalco; Invermere, British Columbia

Mr. Johnson is currently the non-executive Chairman of Optimal Payments Plc, a public company listed on the AIM Market of the London Stock Exchange, which provides safe payment and money transfer services. Mr. Johnson is also a director of CanElsion Drilling Inc., a public oil and gas drilling company listed on the TSX.

Mr. Johnson has over 30 years of experience in corporate leadership, operations management, business development, project management and turnarounds for private and public companies. He was a founding member and a Principal of Tri Ocean Engineering Ltd., an oilfield engineering firm, from 1976 to 1987. He was a founder and Chief Executive Officer of Alpeco Limited, a specialized oilfield equipment packager, from 1988 to 1993, which was acquired by Taro Industries Ltd. where he continued as Senior Vice-President - Operations until 1997. More recently, he was President of Neovia Financial Plc's (now part of Optimal Payments plc) Asia Pacific operations, establishing the company's services in online payments in the region, from September 2005 to December 2006. Mr. Johnson has Bachelor and Master's degrees in Applied Science from the University of British Columbia, and a Management Diploma from the University of Calgary.

Mr. Johnson will devote the time necessary to perform the time to perform the work required in connection with the management of Amalco.

Cease Trade Orders or Bankruptcies

Other than as described below, none of the directors, proposed directors, officers, insiders or the promoters of Amalco or a shareholder holding a sufficient number of securities of Amalco to affect materially the control of Amalco is, or within 10 years before the date of this Information Circular has been, a director, officer, insider or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable 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;

Mr. Paskaran was Corporate Secretary of Idaho Natural Resources Corp. (“**Idaho**”) from February 2011 to November 2012. On December 4, 2012, a cease trade order was issued by the Alberta Securities Commission against Idaho for failure to file its interim unaudited financial statements and related management’s discussion and analysis and trading in shares of Idaho was suspended by the Exchange. Idaho subsequently filed a voluntary assignment under section 49 of the *Bankruptcy and Insolvency Act* on December 11, 2012 and a final distribution of its assets was made on or about June 22, 2013.

Mr. Teja was Chief Financial Officer of Preo Software Inc. (“**Preo**”) from June 2008 to September 2013. On March 26, 2013, an order was issued by the Court of Queen’s Bench of Alberta to appoint a receiver to liquidate the assets of Preo. The major creditor recently sold the intellectual property assets to a company in the US.

Penalties or Sanctions

Other than as described below, none of the directors, proposed directors, officers, insiders or the promoters of Amalco or a shareholder holding a sufficient number of securities of Amalco to affect materially the control of Amalco has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Dale P. Johnson was a director of NETeller, a public company listed on the AIM of the London Stock Exchange, when charges were brought against NETeller by the United States Attorney’s Office for the Southern District of New York. NETeller entered into a deferred prosecution agreement and, following satisfaction of certain conditions which did not involve Mr. Johnson personally, the charges were withdrawn in August 2009.

Personal Bankruptcies

None of the directors, proposed directors, officers, insiders or the promoters of Amalco or a shareholder holding a sufficient number of securities of Amalco to affect materially the control of Amalco is, or within the 10 years before the date of this Information Circular, has been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Name, Municipality of Residence, Occupation and Security Holdings

It is expected that upon completion of the Amalgamation, the individuals disclosed in the table below will be the directors and officers of Amalco, with the term of office of the directors to expire on the date of the next annual general meeting of the shareholders of Amalco.

The following table lists the name, municipality of residence, proposed office, principal occupation and anticipated shareholdings of each proposed director and officer of Amalco.

Name and Municipality of Residence	Positions and Offices to be Held	Principal Occupation During the Past Five Years	Amalco Shares owned, beneficially held or controlled assuming completion of the Amalgamation upon completion of the Redfall Financing (Minimum / Maximum)⁽¹⁾	Director or Officer of Redfall
Robert Geoffrey Gordon Calgary, AB	Chief Executive Officer and Director	Managing Partner and director of Redfall.	5,166,668 (14.57% / 13.05%)	Since inception
Karim Teja Calgary, AB	Chief Financial Officer	Owner, 1366651 Alberta Ltd., a private consulting company.	Nil.	Not applicable
Rodney Thompson Calgary, AB	Chief Relationship Officer and Director	Owner, Say Marketing & Consulting Ltd., a private consulting company.	5,166,666 (14.57% / 13.05%)	Not applicable
Kris Read Calgary, AB	Chief Technology Officer	Software developer and technology officer of various technology start-up companies.	Nil.	Not applicable
Janan Paskaran Calgary, AB	Corporate Secretary	Partner, Torys LLP.	Nil.	Not applicable
Cory Cleveland ⁽²⁾ Calgary, AB	Director	Vice President Finance of Business Instincts Group Inc. and analyst at Agrium Inc.	244,358 (0.69% / 0.62%)	Not applicable
Tony Lacavera ⁽²⁾ Calgary, AB	Director	Chief Executive Officer of Globalive Wireless Management Corp.	288,462 (0.81% / 0.73%)	Not applicable
Dale P. Johnson ⁽²⁾ Calgary, AB	Director	Chairman of Optimal Payments Plc.	40,000 (0.11% / 0.10%)	Not applicable

Notes:

(1) All percentages are on a non-diluted basis and assume none of the directors or officers will participate in the Redfall Financing. Redfall has been advised that none of the directors and officers intend to participate in the Redfall Financing.

(2) Proposed member of the audit committee.

It is anticipated that the directors and officers of Amalco, as a group, will control an aggregate of 10,906,154 Amalco Shares on Closing, representing approximately 30.75% of the Amalco Shares assuming a minimum Redfall Financing and on a non-diluted basis or approximately 28% of the Amalco Shares assuming a maximum Redfall Financing and on a non-diluted basis.

Following the completion of the Amalgamation, the board of directors of Amalco intends to establish a compensation committee and such other committees of the board as it determines to be appropriate in addition to the audit committee. The members of the compensation committee will be determined after completion of the Amalgamation.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, proposed directors, officers and insiders and the promoters of Amalco will be subject in connection with the operations of Amalco. Some of the directors, proposed directors, officers and insiders and the promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by Amalco for businesses or assets in order

to close a Qualifying Transaction. Accordingly, situations may arise where some of the directors, officers and insiders and the promoter will be in direct competition with Amalco. Conflicts, if any, will be subject to the procedures and remedies as provided under the ABCA.

Other Reporting Issuer Experience

The following table sets out the current and proposed directors, officers and promoters of Amalco that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name of Reporting Issuer	Exchange or Market	Position	From	To
Karim Teja	Aqua-Pure Ventures Inc.	TSXV	Chief Financial Officer	January 2007	Present
	Preo Software Inc.	TSXV	Chief Financial Officer	June 2008	September 2012
	Challenger Deep Resources Inc.	TSXV	Chief Financial Officer	June 2008	August 2012
Janan Paskaran	Idaho Natural Resources Corp.	TSXV	Corporate Secretary	February 2011	November 2012
Tony Lacavera	Lingo Media Corporation	TSXV	Director	April 2008	July 2012
Dale P. Johnson	Southtech Capital Corporation	TSXV	Director	April 2011	Present
	Optimal Payments Plc	AIM of the London Stock Exchange	Chairman	July 2007	Present
	CanElsion Drilling Inc.	TSX	Director	June 2009	Present

Executive Compensation

Amalco will have four executive officers: Robert Geoffrey Gordon, Chief Executive Officer; Karim Teja, Chief Financial Officer; Rodney Thompson, Chief Relationship Officer and Kris Read, Chief Technology Officer.

The following table sets out the proposed annual compensation to be paid, after giving effect to the Amalgamation for the 12 months following completion of the Amalgamation, to the executive officers of Amalco.

Name and Principal Position	Annual Compensation			Long Term Compensation	
	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Securities Under Stock Options Granted (min / max)⁽¹⁾ (#)	All Other Compensation (\$)
Robert Geoffrey Gordon Chief Executive Officer	220,000	See Note 2.	6,000	(162,026 / 200,000)	Nil.
Karim Teja Chief Financial Officer	120,000	Nil.	Nil.	(231,013 / 250,000)	Nil.

Name and Principal Position	Annual Compensation			Long Term Compensation	
	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Securities Under Stock Options Granted (min / max) ⁽¹⁾ (#)	All Other Compensation (\$)
Rodney Thompson Chief Relationship Officer	220,000	See Note 2.	6,000	(162,026 / 200,000)	Nil.
Kris Read Chief Technology Officer	150,000	See Note 2.	6,000	(500,000 / 500,000)	Nil.

Notes:

- (1) Options to be issued upon completion of the Amalgamation, subject to the approval of the board of directors of Amalco. Each Amalco Option shall entitle the holder to purchase one Amalco Share at a price of \$0.75 per share for a period of five years from the date of issuance. See also "Options to Purchase Securities" below.
- (2) Each of Robert Geoffrey Gordon and Rodney Thompson shall receive a quarterly bonus of 5% of Amalco's previous quarterly adjusted EBITDA, which amount may be paid in cash or Amalco Shares in the sole discretion of the Amalco Board and subject to approval of the TSXV. Kris Read shall receive a quarterly bonus of 2% of Amalco's previous quarterly adjusted EBITDA, which amount may be paid in cash or Amalco Shares in the sole discretion of the Amalco Board and subject to approval of the TSXV.

Overview

Amalco's compensation practices will be designed to retain, motivate and reward its executive officers for their performance and contribution to Amalco's long-term success. The Amalco Board will seek to compensate Amalco's executive officers by combining short and long-term cash and equity incentives. It will also seek to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with shareholder value creation. The Amalco Board will seek to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals. The Amalco Board will also seek to set company performance goals that reach across all business areas and include achievements in finance/business development and corporate development.

The proposed independent directors of Amalco have approved the executive compensation arrangements for the employment agreements for Robert Geoffrey Gordon (Chief Executive Officer), Karim Teja (Chief Financial Officer), Rodney Thompson (Chief Relationship Officer) and Kris Read (Chief Technology Officer).

Compensation Discussion and Analysis

The compensation of the named executive officers of Amalco will include two major elements: (a) base salary; and (c) long-term equity incentives, consisting of stock options granted under the Amalco Option Plan and any other equity plan that may be approved by the Amalco Board. These two principal elements of compensation are described below.

The named executive officers of Amalco will not benefit from pension plan participation. Perquisites and personal benefits are not a significant element of compensation of the named executive officers.

Base Salary

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries will be determined on an individual basis, taking into consideration the past, current and potential contribution to our success, the position and responsibilities of the named executive officer and competitive industry pay practices for other technology companies of comparable size.

Amalco does not intend to engage compensation consultants for the purposes of performing benchmarking or apply specific criteria for the selection of comparable technology businesses. Increases in base salary are at the sole discretion of the Amalco Board.

Amalco Option Plan

See “*Information Concerning Amalco — Options to Purchase Securities*”.

Employment, Termination and Change of Control Benefits

The employment agreement with Messrs. Gordon and Thompson provides for, among other things, an indeterminate term in accordance with applicable laws, subject to termination in certain specified events. The consulting agreement with a privately held company of Mr. Teja is subject to a one year term and can be terminated by either party with one-hundred eighty (180) days’ notice.

In the event, any of Messrs. Gordon, Thompson or Read is terminated without cause, resigns for good reason or is terminated within twelve (12) months of a Change of Control (as defined in each employment agreement), each will be entitled to receive a lump sum payment equal to two years’ salary. Mr. Teja is not entitled to any payments in the event he is terminated or resigns from Amalco.

The employment agreements for Messrs. Gordon, Thompson and Read contain a non-competition and non-solicitation restriction in the event any of the respective executive officers resign from their employment with Amalco.

Remuneration of Directors

The compensation for each of Amalco’s directors for the 12 month period following completion of the Amalgamation shall be finalized by the Amalco Board subsequent to the completion of the Amalgamation. In reviewing director compensation, it is expected that the Amalco Board will consider the responsibilities and time commitment of the directors and benchmark compensation against comparable technology companies. Amalco will disclose the terms of any agreements entered into with any of Amalco’s directors at the time such agreements are entered into.

Indebtedness of Directors and Officers

None of the directors or officers of Southtech or Redfall and none of the proposed directors or officers of Amalco, nor any of their associates, were, at any time during the most recently completed financial year of Southtech or Redfall, indebted to Southtech, Redfall or a subsidiary of Redfall. See the subsequent event note in the interim financial statements of Redfall attached hereto as Appendix F for further information.

Investor Relations Arrangements

Other than as described herein, Amalco has not entered into, and does not presently intend to enter into, any written or oral agreement or understanding with any person to provide promotional or investor relations services to either of them, or to engage in activities for the purposes of stabilizing the market, either now or in the future. See “*Information Concerning Redfall – Narrative Description of the Business – BIG Consulting Agreement*”.

In connection with the BIG Consulting Agreement, Josh Stanbury, Andrew Clarke, Jesse Miles and Roy Roman, each an employee of BIG, will assist Amalco with respect to public relations and shareholder communications. It is anticipated that each of these individuals will not, directly or indirectly, become holders or have control or discretion over securities of Amalco. In addition, it is anticipated that each of these individuals will not have any right to acquire securities of Amalco, either in full or partial compensation for services. These individuals do not receive additional consideration for their public relations or shareholder communications roles pursuant to the BIG Consulting Agreement. In addition to the above, an executive officer at Amalco will be directly contactable for shareholder and investor relation inquiries.

Responsibilities pursuant to the BIG Consulting Agreement, include correspondence with media, facilitating meetings and discussions related to public relations, coordinating media inquiries, managing a database of press and media contacts, circulation of shareholder materials and coordination with transfer and escrow agents. BIG’s head

office and Messrs. Clarke and Miles are located in Calgary, Alberta, Mr. Stanbury is located in London, England and Mr. Roman is located in Toronto, Ontario. Messrs. Stanbury, Clarke, Miles and Roman are members of the capital markets team at BIG and assist various companies, both public and private, in maintaining communication with their respective shareholders.

Prior to their respective roles at BIG, Mr. Stanbury was a public relations specialist who assisted with investor and public relations for a host of companies in both Canada and the United Kingdom; Mr. Roman was an equities trader; Mr. Clarke was a lab technician; and Mr. Miles operated a cleaning company.

Options to Purchase Securities

Options to Purchase Securities

The following table illustrates the number of options of Amalco that will be held by the officers, directors, employees and consultants of Amalco upon completion of the Amalgamation (assuming that no Southtech Options or Redfall Options are exercised prior to such time). All of the options of Amalco described below will be governed by the Amalco Option Plan.

Of the total Amalco Options anticipated on Closing, there will be:

- (a) an aggregate of 1,450,000 Amalco Options with an exercise price of \$0.33 per Amalco Share, expiring April 28, 2019;
- (b) an aggregate of 400,000 Amalco Options with an exercise price of \$0.52 per Amalco Share, expiring April 1, 2017;
- (c) an aggregate of 100,000 Amalco Options with an exercise price of \$0.50 per Amalco Share, expiring twelve months from Closing; and
- (d) an aggregate of 20,000 Amalco Options with an exercise price of \$0.50 per Amalco Share, expiring May 3, 2022.

In addition, it is anticipated on Closing, assuming a minimum Redfall Financing, that an aggregate of 1,442,037 Amalco Options will be issued and such Amalco Options will be exercisable at an exercise price of \$0.75 per Amalco Share, expiring five years from the date of grant. Assuming a maximum Redfall Financing, it is anticipated that an aggregate of 1,780,000 Amalco Options will be issued and such Amalco Options will be exercisable at an exercise price of \$0.75 per Amalco Share, expiring five years from the date of grant.

See *“Information Concerning Amalco – Fully Diluted Share Capital”*.

Upon a minimum Redfall Financing amount:

Name and Category	Number of Holders	Number of Amalco Options	Exercise Price	Expiration Date
Officers of Amalco, as a group (Robert Geoffrey Gordon – 162,026; Karim Teja – 231,013; Rodney Thompson – 162,026; Kris Read – 500,000; Janan Paskaran – 40,507)	5	1,095,572	\$0.33 - \$0.75	5 years from date of grant ⁽¹⁾
Directors of Amalco who are not officers, as a group (Dale Johnson – 125,317; Cory Cleveland – 60,760)	2	186,077	\$0.50 - \$0.75	5 years from date of grant ⁽²⁾
Officers and Directors of subsidiaries of Amalco, as a group	-	-	-	-
Employees of Amalco, as a group	9	1,095,575	\$0.33 - \$0.75	5 years from the date of grant
Consultants of Amalco, as a group	4	1,025,000	\$0.33 - \$0.75	5 years from the date of grant
Former Directors and Officers of Amalco, as a group	5	100,000	\$0.50	12 months from Closing
Total	25	3,412,037		

Notes:

(1) Mr. Read's Redfall Options expire April 28, 2019.

(2) 20,000 Southtech Options owned by Mr. Johnson expire May 3, 2022.

Upon a maximum Redfall Financing amount:

Name and Category	Number of Holders	Number of Amalco Options	Exercise Price	Expiration Date
Officers of Amalco, as a group (Robert Geoffrey Gordon – 200,000; Karim Teja - 250,000; Rodney Thompson – 200,000; Kris Read – 500,000; Janan Paskaran – 50,000)	5	1,200,000	\$0.33 - \$0.75	5 years from date of grant ⁽¹⁾
Directors of Amalco who are not officers, as a group (Dale Johnson - 150,000; Cory Cleveland – 75,000)	2	225,000	\$0.50 - \$0.75	5 years from date of grant ⁽²⁾
Officers and Directors of subsidiaries of Amalco, as a group	-	-	-	-
Employees of Amalco, as a group	12	1,200,000	\$0.33 - \$0.75	5 years from the date of grant
Consultants of Amalco, as a group	2	1,025,000	\$0.33 - \$0.75	5 years from the date of grant
Former Directors and Officers of Amalco, as a group	5	100,000	\$0.50	12 months from Closing
Total	25	3,750,000		

Notes:

- (1) Mr. Read's Redfall Options expire April 28, 2019.
(2) 20,000 Southtech Options owned by Mr. Johnson expire May 3, 2022.

Amalco Option Plan

It is a condition of the Amalgamation Agreement that Southtech Shareholders and Redfall Shareholders approve the Amalco Option Plan. See "*Matters to be Considered at the Meetings*".

Escrowed Securities***CPC Escrow Agreement***

Subject to the CPC Escrow Agreement among Southtech, CIBC Mellon Trust Company and the founding shareholders of Southtech, 25% of the below Amalco Shares shall be released from escrow on the completion of the Amalgamation (the "**Initial Release**") and an additional 25% will be released on the dates that are 6 months, 12 months and 18 months following the Initial Release. In addition, any Amalco Shares issued upon exercise of Southtech Options to principals of Southtech prior to completion of the Amalgamation will be subject to the CPC Escrow Agreement.

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to Giving Effect to the Amalgamation		After Giving Effect to the Amalgamation	
		Number of Southtech Shares held in escrow	Percentage of Class⁽¹⁾	Number of Amalco Shares to be held in escrow	Percentage of Class (Minimum / Maximum)⁽¹⁾
Paul S. Readwin Calgary, Alberta	Common	1,466,650	23.7%	293,330	(0.83% / 0.74%)
Wade J. Larson New Westminster, British Columbia	Common	1,033,334	17.22%	206,667	(0.58% / 0.52%)
Michael P. Kraft Toronto, Ontario	Common	800,016	13.83%	160,003	(0.45% / 2.40%)
Douglas M. Stuve Calgary, Alberta	Common	300,000	5.00%	60,000	(0.17% / 0.15%)
Dale P. Johnson Invermere, British Columbia	Common	200,000	3.33%	40,000	(0.11% / 0.10%)
Donald Whalen Unionville, Ontario	Common	200,000	3.33%	40,000	(0.11% / 0.10%)
Total		4,000,000	66.7%	800,000	(4.51% / 3.94%)

Note:

- (1) Approximate figures. Figures have been rounded to the nearest tenth of a percent. Calculated on a non-diluted basis.

Value Security Escrow Agreement

The following Amalco Shares and Amalco Convertible Securities will be deposited upon completion of the Amalgamation under the Value Security Escrow Agreement to be entered into concurrently with the completion of the Amalgamation between Amalco and the securityholders below whereby 25% of such securities shall be released from escrow on the issuance of the Final Exchange Bulletin, and an additional 25% shall be released on the dates that are 6 months, 12 months and 18 months following Final Exchange Bulletin. CST Trust Company will act as escrow agent for the Amalco Shares held in escrow under the Value Security Escrow Agreement.

Name and Municipality of Residence of Securityholder	Designation of Class	After Giving Effect to the Amalgamation	
		Number of Amalco Shares to be held in escrow based on a minimum Redfall Financing Amount	Number of Amalco Shares to be held in escrow based on a maximum Redfall Financing Amount
1320678 Alberta Inc. ⁽¹⁾ Calgary, Alberta	Common	5,166,668	5,166,668
Karim Teja Calgary, Alberta	Common	Nil	Nil
SAY Marketing & Consulting Ltd. ⁽²⁾ Calgary, Alberta	Common	5,166,666	5,166,666
Kris Read Calgary, Alberta	Common	Nil	Nil
Cory Cleveland Calgary, Alberta	Common	244,358	244,358
AAL Corp. ⁽³⁾ Calgary, Alberta	Common	288,462	288,462
Janan Paskaran Calgary, Alberta	Common	Nil	Nil
Dale P. Johnson Invermere, British Columbia	Common	40,000	40,000
Non-Principal Securityholder Calgary, Alberta	Common	500,000	500,000
Total		11,406,154	11,406,154

Notes:

- (1) 1320678 Alberta Inc. is a company controlled by Robert Geoffrey Gordon, Managing Partner and a director of Redfall and the proposed Chief Executive Officer and director of Amalco.
- (2) SAY Marketing & Consulting Ltd. is a company controlled by Rodney Thompson, proposed Chief Relationship Officer and director of Amalco.
- (3) AAL Corp. is a company controlled by Tony Lacavera, proposed director of Amalco.

Name and Municipality of Residence of Securityholder	Designation of Class	After Giving Effect to the Amalgamation	
		Number of Amalco Convertible Securities to be held in escrow based on a minimum Redfall Financing Amount	Number of Amalco Convertible Securities to be held in escrow based on a maximum Redfall Financing Amount
1320678 Alberta Inc. ⁽¹⁾ Calgary, Alberta	Amalco Options	162,026	200,000
Karim Teja Calgary, Alberta	Amalco Options	231,013	250,000
SAY Marketing & Consulting Ltd. ⁽²⁾ Calgary, Alberta	Amalco Options	162,026	200,000
Kris Read Calgary, Alberta	Amalco Options	500,000	500,000
Cory Cleveland Calgary, Alberta	Amalco Options	60,760	75,000
AAL Corp. ⁽³⁾ Calgary, Alberta	Amalco Warrants	288,462	288,462

Name and Municipality of Residence of Securityholder	Designation of Class	After Giving Effect to the Amalgamation	
		Number of Amalco Convertible Securities to be held in escrow based on a minimum Redfall Financing Amount	Number of Amalco Convertible Securities to be held in escrow based on a maximum Redfall Financing Amount
Janan Paskaran Calgary, Alberta	Amalco Options	40,507	50,000
Dale P. Johnson Invermere, British Columbia	Amalco Options	125,317	150,000
Total		1,570,111	1,713,462

Notes:

- (1) 1320678 Alberta Inc. is a company controlled by Robert Geoffrey Gordon, Managing Partner and a director of Redfall and the proposed Chief Executive Officer and director of Amalco.
- (2) SAY Marketing & Consulting Ltd. is a company controlled by Rodney Thompson, proposed Chief Relationship Officer and director of Amalco.
- (3) AAL Corp. is a company controlled by Tony Lacavera, proposed director of Amalco.

During the time that any Amalco Shares are held in escrow, the holder of such shares may not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with the shares without the prior approval of the Exchange. Subject to compliance with the terms of the Amalco Escrow Agreement, the Exchange may approve a transfer of escrowed shares within escrow under the following circumstances:

- (a) the pledge, mortgage or charge of escrowed shares to a financial institution as collateral for a loan, and any subsequent transfer of the shares upon the realization of the collateral;
- (b) the transfer of escrowed shares to existing or, upon their appointment, incoming directors or senior officers of Amalco or any of its material operating subsidiaries;
- (c) the transfer of escrowed shares to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to Amalco's outstanding shares, or to a person or company that after the proposed transfer:
 - (i) will hold more than 10% of the voting rights attached to Amalco's outstanding shares, and
 - (ii) has the right to elect or appoint one or more directors or senior officers of Amalco or any of its material operating subsidiaries;
- (d) the transfer of escrowed shares to a trustee in bankruptcy or another person or company entitled to the escrowed shares on bankruptcy;
- (e) the transfer of escrowed shares to or between a registered retirement savings plan, registered retirement income fund or other similar registered plan or fund with a trustee, where the beneficiaries of the plan or fund are limited to the spouse, children and parents of the shareholder;
- (f) the transfer of escrowed shares to an offeror or other person in connection with certain prescribed business combinations; and
- (g) any transfer of escrowed shares that the Exchange in its discretion, upon application, may approve.

Seed Share Resale Restrictions

In addition to the above, certain securities of Amalco will be subject to resale restrictions pursuant to the Exchange imposed seed share resale restrictions (“**SSRRs**”). SSRRs are Exchange escrow and hold periods of various lengths which apply where seed shares are issued by private companies prior to the completion of certain transactions and initial listings. The terms of SSRRs are based on the length of time such securities have been held and the price at which such securities were issued. An aggregate of 12,304,578 Amalco Shares will be subject to SSRRs of which 802,539 Amalco Shares will be subject to a four month hold period; 10,035,373 Amalco Shares will be subject to a one year hold period; and 1,466,666 Amalco Shares will be subject to a two year hold period. In addition, an aggregate of 800,000 Amalco Options with an exercise price of \$0.33 per Amalco Share will be subject to a one year hold period and an aggregate of 2,275,000 Amalco Finder’s Warrants with an exercise price of \$0.33 per Amalco will be subject to a four month hold period.

20% of the securities subject to a four month hold period will be released each month of the hold period with the first release occurring on Closing. 20% of the securities subject to a one year hold period will be released every three months of the hold period with the first release occurring on Closing. 20% of the securities subject to a two year hold period will be released every six months of the hold period with the first release occurring on Closing. All hold periods pursuant to the SSRRs commence from the Closing Date.

Auditors, Transfer Agent and Registrar

Auditor

Amalco’s auditors will be Redfall’s current auditors, Collins Barrow Calgary LLP, whose principal office is located at 1400 First Alberta Place, 777 - 8th Avenue S.W., Calgary, Alberta T2P 3R5.

Transfer Agent and Registrar

The registrar and transfer agent for the Amalco Shares will be CST Trust Company at its Calgary office located at Suite 600, the Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1.

GENERAL MATTERS

Sponsor

No sponsor has been retained in connection with the Amalgamation as Southtech has been granted a waiver from sponsorship in accordance with the policies of the Exchange.

Experts Opinions

The following Professional Persons have prepared reports or provided opinions that are either included in or referred to in this Information Circular.

1. Burstall Winger Zammit LLP has provided the opinion contained under “*Summary — Certain Canadian Federal Income Tax Considerations*”.
2. Torys LLP has provided the opinion contained under “*Summary — Certain Canadian Federal Income Tax Considerations*”.
3. BDO Canada LLP, Chartered Accountants, has provided an audit report on the audited financial statements of Southtech for the years ended December 31, 2013 and 2012. See Appendix E.
4. Collins Barrow Calgary LLP, has provided an audit report on the audited consolidated financial statements of Redfall for the year ended December 31, 2013. See Appendix F.
5. MNP LLP has provided an audit report on the audited consolidated financial statements of Redfall for the year ended December 31, 2012. See Appendix F.

Interests of Experts

As of the date hereof, except for 300,000 Southtech Shares and 100,000 Southtech Options held by Doug Stuve, a partner of Burstall Winger Zammit LLP and a maximum of 50,000 Amalco Options to be held by Janan Paskaran, a partner of Torys LLP, none of the partners and associates of Burstall Winger Zammit LLP or Torys LLP hold or will hold any beneficial interest, direct or indirect, in any securities or property of Southtech, Redfall or Amalco or of an associate or affiliate of Southtech, Redfall or Amalco. Each of BDO Canada LLP, MNP LLP and Collins Barrow Calgary LLP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

Other Material Facts

There are no other material facts relating to Southtech, Redfall or Amalco or the proposed Amalgamation not disclosed elsewhere in this Information Circular.

Board Approval

The contents and sending of this Information Circular have been approved by the directors of Southtech and Redfall. Where information contained in this Information Circular rests particularly within the knowledge of a person other than Southtech or Redfall, Southtech and Redfall have relied upon information furnished by such person.

CERTIFICATE OF SOUTHTECH

Dated: July 31, 2014

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Southtech Capital Corporation assuming Completion of the Qualifying Transaction,

(signed) "*Wade J. Larson*"

President, Chief Executive Officer and Chief
Financial Officer

(signed) "*Dale P. Johnson*"

Director

(signed) "*Paul S. Readwin*"

Director

CERTIFICATE OF REDFALL

Dated: July 31, 2014

The foregoing as it relates to Redfall Technologies Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Redfall Technologies Inc.

(signed) "*Robert Geoffrey Gordon*"

Managing Partner and Director

(signed) "*Karim Teja*"

Chief Financial Officer

(signed) "*Cameron Chell*"

Director

APPENDIX A

Amalgamation Agreement

(See attached)

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the “**Agreement**”) is made as of July 31, 2014.

BETWEEN:

SOUTHTECH CAPITAL CORPORATION, a corporation
incorporated under the laws of the Province of Alberta (“**Southtech**”)

AND

REDFALL TECHNOLOGIES INC., a corporation incorporated under
the laws of the Province of Alberta (“**Redfall**”)

RECITALS

WHEREAS Southtech and Redfall entered into an amalgamation agreement dated effective May 7, 2014 (the “**Amalgamation Agreement**”);

AND WHEREAS Southtech and Redfall desire to amend the Amalgamation Agreement as set forth in this Agreement;

NOW THEREFORE in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The “Termination Time” referenced in Section 7.2 of the Amalgamation Agreement is hereby amended from July 31, 2014 to September 16, 2014.
2. The Amalgamation Agreement and this Agreement shall together constitute and be read as one and the same written instrument.
3. Except as otherwise amended by the foregoing, the provisions of the Amalgamation Agreement shall be and continue in full force and effect and are hereby confirmed as of the date hereof.
4. This Agreement enures to the benefit of and binds the parties and their respective successors and permitted assigns.
5. Southtech and Redfall hereby agree to do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect complete consummation of the transactions contemplated by this Agreement.
6. This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.
7. This Agreement may be executed and delivered in any number of original or electronic counterparts, each of which when executed and delivered shall be considered an original and all of which taken together shall constitute one and the same instrument.

[Remainder of page left intentionally blank - signature page to follow]

IN WITNESS WHEREOF Southtech and Redfall have executed this Agreement as of the date first written above.

SOUTHTECH CAPITAL CORPORATION

Per: (signed) "Wade Larson"
Name: Wade Larson
Title: President and Chief Executive
Officer

REDFALL TECHNOLOGIES INC.

Per: (signed) "Geoff Gordon"
Name: Geoff Gordon
Title: Managing Partner

AMALGAMATION AGREEMENT
BETWEEN
SOUTHTECH CAPITAL CORPORATION
AND
REDFALL TECHNOLOGIES INC.

DATED EFFECTIVE AS OF MAY 7, 2014

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AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT dated effective as of the 7th day of May, 2014.

AMONG:

SOUTHTECH CAPITAL CORPORATION, a body corporate incorporated under the laws of the Province of Alberta (hereinafter called “**Southtech**”)

– and –

REDFALL TECHNOLOGIES INC., a body corporate incorporated under the laws of the Province of Alberta (hereinafter called “**Redfall**”)

WHEREAS Southtech and Redfall wish to amalgamate and continue as one corporation in accordance with the terms and conditions hereof;

AND WHEREAS Southtech and Redfall are parties to a Letter of Intent (as defined below), pursuant to which the basic terms and conditions of a proposed amalgamation between Southtech and Redfall and a private placement of subscription receipts of Redfall was set forth;

AND WHEREAS the proposed Amalgamation (defined below) is intended to constitute the Qualifying Transaction of Southtech pursuant to Policy 2.4 of the TSXV (as defined below);

AND WHEREAS the parties have entered into this Agreement to provide for the matters referred to in these recitals and for other matters relating to the proposed Amalgamation;

NOW THEREFORE THIS AGREEMENT WITNESSETH in consideration of the above premises and of the covenants, agreements, representations and warranties hereinafter contained, the parties hereto agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms shall have the meanings hereinafter set forth:

“**ABCA**” means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as from time to time amended or re-enacted and includes any regulations heretofore or hereafter made pursuant to the ABCA;

“**Agreement**”, “**this Agreement**”, “**herein**”, “**hereby**”, “**hereof**”, “**hereunder**” and similar expressions mean or refer to this agreement, together with the schedules hereto and any amendments hereto;

“**Amalco**” means the continuing corporation to be constituted upon completion of the Amalgamation, to be named “Vogogo Inc.”;

“**Amalco Agent’s Options**” means the agent’s options to be issued by Amalco in exchange for the Redfall Agent’s Options pursuant to the Amalgamation;

“**Amalco Convertible Securities**” means collectively, the Amalco Agent’s Options, the Amalco Options and the Amalco Warrants convertible into Amalco Shares to be issued by Amalco pursuant to the Amalgamation;

“**Amalco Options**” means the options to be issued by Amalco in exchange for the Redfall Options and the Southtech Options pursuant to the Amalgamation;

“**Amalco Registrar and Transfer Agent**” means any person which may be appointed as registrar and transfer agent of Amalco from time to time;

“**Amalco Shares**” means the common shares in the capital of Amalco;

“**Amalco Warrants**” means the warrants to be issued by Amalco in exchange for the Redfall Warrants pursuant to the Amalgamation;

“**Amalgamation**” means the amalgamation of Southtech and Redfall pursuant to section 181 of the ABCA provided for herein;

“**Applicable Canadian Securities Laws**”, means, with respect to any person the securities legislation of each of the provinces and territories of Canada that apply to such person or its business, undertaking, property or securities and emanate from a person having jurisdiction over the person or its business, undertaking, property or securities;

“**Applicable Laws**” means with respect to any person, any Law that is binding upon or applicable to such person;

“**Articles of Amalgamation**” means the articles of amalgamation with respect to the Amalgamation, substantially in the form attached hereto as Schedule A;

“**Business Day**” means any day other than a Saturday or Sunday or a day when banks in the City of Calgary are not generally open for business;

“**Certificate of Amalgamation**” means the Certificate of Amalgamation issued by the Registrar pursuant to the ABCA in respect of the Amalgamation;

“**Circular**” means the joint management information circular of Redfall and Southtech to be sent to the Redfall Shareholders and the Southtech Shareholders in connection with the Redfall Meeting and the Southtech Meeting;

“**Closing**” means the completion of the Amalgamation;

“**Closing Date**” means the date of the Closing, which shall be not later than the Termination Date;

“**Confidential Information**” shall have the meaning ascribed to such term in Section 8.13;

“**Dissenting Shareholders**” means either the Redfall Shareholders or the Southtech Shareholders, as applicable, who exercise the right of dissent available to them in respect of the respective special resolutions approving the Amalgamation;

“**Effective Date**” means the effective date of the Amalgamation, which shall be the date of the Certificate of Amalgamation;

“**Governmental Authority**” means any:

- (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;
- (b) subdivision, agent, commission, board or authority of any of the foregoing; or
- (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing;

“**Intellectual Property**” means all proprietary rights provided in Law to all inventions, arts, processes, compositions of matter, business methods, developments and improvements (whether or not patented or the subject of an application for patent, whether or not patentable and whether or not reduced to practice), and all improvements thereto, patents, trademarks, copyrights, industrial designs, software, firmware, trade secrets, know how, show how, concepts, information and other intellectual and industrial property, including all copies and tangible embodiments of any of the foregoing (in whatever form or medium);

“**IFRS**” means the International Financial Reporting Standards published by the International Accounting Standards Board, as amended from time to time;

“**Laws**” means all laws, statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices, directions (including all Applicable Canadian Securities Laws), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority;

“**Letter of Intent**” means the non-binding letter of intent dated March 31, 2014 between Southtech and Redfall;

“**Material Adverse Change**” or “**Material Adverse Effect**” means, with respect to Southtech or Redfall, as the case may be, any change, effect, event or occurrence that, individually or taken together with any other change, effect, event or occurrence, has or could reasonably be expected to have a material and adverse effect on: (x) the business,

operations, results of operations, assets, prospects, title to assets, properties, capitalization, financial condition, licences, permits, concessions, rights, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or privileges of such party and its subsidiaries, considered as whole; or (y) the ability of any party and its subsidiaries, considered as whole, to consummate the transactions contemplated by this Agreement or that would materially impair their ability to perform their obligations under this Agreement, other than any change, effect, event or occurrence relating to or resulting from:

- (a) general economic, financial, currency exchange, securities or commodity prices in Canada, the United States or elsewhere, not having a material disproportionate effect on such party;
- (b) conditions affecting the payment processing industry as a whole, and not specifically relating to any party and/or its subsidiaries, including changes in Laws (including Tax Laws);
- (c) any change in the market price or trading volume of any publicly traded securities of the party (it being understood that the causes underlying such change in market price or volume may be taken into account in determining whether a Material Adverse Change or a Material Adverse Effect has occurred);
- (d) the execution, announcement or performance of this Agreement or the transactions contemplated hereby;
- (e) any matter which has been publicly disclosed or has been communicated in writing to the other party as of the date hereof;
- (f) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to or approved in writing by the other party; or
- (g) acts or war, terrorism or armed hostilities, not having a material disproportionate effect on such party;

“**misrepresentation**” includes any untrue statement of a material fact, any omission to state a material fact that is required to be stated and any omission to state a material fact that is necessary to be stated in order for a statement not to be misleading;

“**Offering Price**” means the offering price of \$0.75 per Subscription Receipt, or such other price as may be agreed upon by the parties;

“**parties**” means, collectively, Southtech and Redfall, and “**party**” means any one of them;

“**permitted encumbrances**” means, with respect to the parties, as the case may be, those encumbrances which do not and will not have a Material Adverse Effect on such party;

“**person**” means any individual, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

“**Policy 2.4**” means TSXV Manual Policy 2.4 – *Capital Pool Companies*;

“**Qualifying Transaction**” has the meaning ascribed thereto in Policy 2.4;

“**Redfall Agent’s Options**” means the outstanding agent’s options of Redfall entitling the holders thereof to purchase an aggregate of 2,275,000 Redfall Shares at a price of \$0.33 per Redfall Share expiring February 11, 2019;

“**Redfall Balance Sheet**” has the meaning ascribed in Section 4.2(k)(i) hereof;

“**Redfall Board**” means the board of directors of Redfall;

“**Redfall Financial Statements**” means the audited financial statements of Redfall for the years ended December 31, 2013, December 31, 2012 and December 31, 2011 together with the notes thereto;

“**Redfall Meeting**” means the annual and special meeting of Redfall Shareholders to approve, among other things, the Amalgamation under the ABCA;

“**Redfall Options**” means the stock options of Redfall entitling the holders thereof to purchase an aggregate of 1,450,000 Redfall Shares at a price of \$0.33 per Redfall Share expiring April 28, 2019;

“**Redfall Private Placement**” means the private placement by Redfall of Subscription Receipts for gross proceeds of a minimum of \$5,400,000 at the Offering Price;

“**Redfall Shareholders**” means the holders of Redfall Shares;

“**Redfall Shares**” means the class A shares in the capital of Redfall;

“**Redfall Subsidiaries**” means Vogogo USA Inc. and Vogogo Canada Inc.;

“**Redfall Warrants**” means, collectively, the outstanding Redfall Share purchase warrants entitling the holder thereof to purchase an aggregate of 768,002 Redfall Shares at a price of \$0.52 per Redfall Share expiring three (3) years from the date of grant and the outstanding Redfall Share purchase warrants entitling the holder thereof to purchase an aggregate of 400,000 Redfall Shares at a price of \$0.52 per Redfall Share expiring three (3) years from the date of grant;

“**Registrar**” means the Registrar appointed under the ABCA;

“**Representatives**” means with respect to either Southtech or Redfall, as the case may be, such party’s officers, directors, representatives, employees, partners, advisors (including legal and financial advisors) and agents;

“**Returns**” shall mean all reports, estimates, declarations of estimated tax, information statements and returns relating to, or required to be filed in connection with, any Taxes;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

“**Southtech Financial Statements**” means the audited financial statements of Southtech for the years ended December 31, 2013, December 31, 2012 and the initial 254 day period ended December 31, 2011, together with the notes thereto; and (ii) the unaudited interim financial statements of Southtech for the period ended March 31, 2014;

“**Southtech Meeting**” means the annual and special meeting of the Southtech Shareholders to approve, among other things, the Amalgamation under the ABCA;

“**Southtech Options**” means the outstanding stock options of Southtech entitling the holders to purchase an aggregate of 600,000 Southtech Shares at a price of \$0.10 per Southtech Share expiring May 3, 2022;

“**Southtech Public Disclosure**” shall have the meaning attributed to such term in Section 4.1;

“**Southtech Shareholders**” means the holders of Southtech Shares;

“**Southtech Shares**” means the common shares in the capital of Southtech;

“**Subscription Receipts**” means the subscription receipts offered in the Redfall Private Placement at the Offering Price, pursuant to which each Subscription Receipt is exchangeable for one Redfall Share immediately prior to the closing of the Amalgamation for no additional consideration;

“**Subsidiary**” or “**Subsidiaries**” has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended, except as otherwise provided herein;

“**Tax**” or “**Taxes**” shall mean all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any federal, provincial, territorial, municipal, state, local or foreign government or any agency or political subdivision of any such government, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding taxes, unemployment insurance, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, capital taxes, workers compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing,

which Southtech or Redfall (or any of their respective Subsidiaries), as the case may be, is required to pay, withhold, remit or collect;

“**Tax Act**” means the *Income Tax Act* (Canada), together with any and all regulations promulgated thereunder, as in effect on the date hereof;

“**Termination Date**” shall have the meaning attributed to such term in Section 7.2;

“**Third Party Beneficiaries**” shall have the meaning attributed to such term in Section 5.4;

“**TSXV**” means the TSX Venture Exchange;

“**TSXV Manual**” means the Corporate Finance Manual of the TSXV; and

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein”, and “hereunder” and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number shall include the plural and vice versa, words importing the use of any gender shall include all genders and words importing persons shall include firms and corporations and vice versa.

1.4 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where an action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.5 Currency

All sums of money referred to in this Agreement are expressed in lawful money of Canada.

1.6 Entire Agreement

This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect to the subject matter hereof, including for greater certainty the Letter of Intent.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made hereunder shall be made in a manner consistent with IFRS.

1.8 Knowledge

In this Agreement, whenever a representation or warranty is made on the basis of the knowledge or awareness of a party, such knowledge or awareness consists only of the actual collective knowledge or awareness, as of the Agreement Date, of the senior officers of such party, in their capacity as senior officers of such party and not in their personal capacity and without personal liability, but does not include the knowledge or awareness of any other individual or any constructive, implied or imputed knowledge; provided that the party making the representation and warranty shall have conducted a reasonable investigation as to the subject matter relating thereto and the level of such investigation shall be that of a reasonably prudent person investigating a material consideration in the context of a material transaction and the use of such phrase shall constitute a representation and warranty by the party making the representation and warranty in each case that such investigation has actually been made.

1.9 Disclosure in Writing

Reference to disclosure in writing herein shall, in the case of Southtech, include disclosure to Southtech or its Representatives and in the case of Redfall, include disclosure to Redfall or its Representatives.

1.10 References to Legislation

References in this Agreement to any Laws, statute or sections thereof shall include such Laws, statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.11 Meanings

Words and phrases defined in the ABCA shall have the same meaning herein as in the ABCA, unless otherwise defined herein or the context otherwise requires. Unless otherwise specifically indicated or the context otherwise requires “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”.

1.12 Schedule

The following schedules are annexed to this Agreement and are hereby incorporated by reference into this Agreement and form part hereof:

Schedule A – Articles of Amalgamation

**ARTICLE 2
AMALGAMATION**

2.1 Agreement to Amalgamate

Redfall and Southtech hereby agree to amalgamate under the provisions of the ABCA and to continue as one corporation upon the terms and conditions set forth herein.

2.2 Name

The name of Amalco shall be “Vogogo Inc.”

2.3 Registered Office

The registered office of Amalco shall be situated at Suite 4600, 525 – 8 Avenue S.W., Calgary, Alberta T2P 1G1.

2.4 Authorized Capital

Amalco shall be authorized to issue an unlimited number of Amalco Shares and an unlimited number of preferred shares, issuable in series, which shall have the rights, privileges, restrictions and conditions set forth in the Articles of Amalgamation.

2.5 Restriction on Share Transfer

The transfer of shares of Amalco shall not be subject to any restrictions.

2.6 Number of Directors

The minimum number of directors of Amalco shall be three (3) and the maximum number of directors of Amalco shall be fifteen (15).

2.7 First Directors

The number of first directors of Amalco shall be five (5). The first directors of Amalco shall be:

<u>Name</u>	<u>Address</u>
Robert Geoffrey Gordon	[REDACTED]
Rodney Thompson	[REDACTED]
Cory Cleveland	[REDACTED]
Dale Johnson	[REDACTED]
Tony Lacavera	[REDACTED]

The first directors shall hold office until the first annual meeting of the shareholders of Amalco following the Amalgamation, or until their successors are duly appointed or

elected. The subsequent directors shall be elected each year thereafter as provided for in the ABCA and in the by-laws of Amalco. The management and operation of the business and affairs of Amalco shall be under the control of the board of directors as it is constituted from time to time.

2.8 First Officers

The first officers of Amalco shall be:

<u>Name</u>	<u>Office Held</u>
Robert Geoffrey Gordon	Chief Executive Officer
Karim Teja	Chief Financial Officer
Rodney Thompson	Chief Relationship Officer
Kris Read	Chief Technology Officer
Janan Paskaran	Corporate Secretary

2.9 First Auditors

The first auditors of Amalco shall be Collins Barrow Calgary LLP, Chartered Accountants. The first auditors of Amalco shall hold office until the first annual meeting of the shareholders of Amalco following the Amalgamation, or until their successor is appointed.

2.10 Fiscal Year

The fiscal year end of Amalco shall be December 31.

2.11 Restrictions on Business

There shall be no restrictions on the business that Amalco may carry on.

2.12 Articles of Amalgamation and By-Laws

The Articles of Amalgamation shall be in substantially the form set forth as Schedule A hereto. The by-laws of Amalco shall be the same as By-Law No. 1 of Southtech, provided that By-Law No. 2 relating to the adoption of advance notice provisions will be presented for approval by the Southtech Shareholders at the Southtech Meeting and by the Redfall Shareholders at the Redfall Meeting.

2.13 Effect of Certificate of Amalgamation

On the Effective Date:

- (a) the Amalgamation of Redfall and Southtech and their continuance as one corporation shall become effective;

- (b) the property of each of Redfall and Southtech shall continue to be the property of Amalco;
- (c) Amalco shall continue to be liable for the obligations of each of Redfall and Southtech;
- (d) any existing cause of action, claim or liability to prosecution of either Redfall or Southtech shall be unaffected;
- (e) any civil, criminal or administrative action or proceeding pending by or against either Redfall or Southtech may be continued to be prosecuted by or against Amalco;
- (f) a conviction against, or ruling, order or judgment in favour of or against, either Redfall or Southtech may be enforced by or against Amalco;
- (g) the Articles of Amalgamation shall be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the certificate of incorporation for Amalco; and
- (h) no fractional Amalco Shares shall be issued to holders of Southtech Shares; in lieu of any fractional entitlement, the number of Amalco Shares issued to each former holder of Southtech Shares shall be rounded up to the next higher whole number of Amalco Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Amalco Shares if the fractional entitlement is less than 0.5 (subject to only one (1) rounding per holder of Southtech Shares).

2.14 Manner of Conversion of Issued Securities

- (a) each Redfall Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Redfall Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every one (1) Redfall Share held by such Redfall Shareholder, and the Redfall Shares thus exchanged shall be cancelled without reimbursement of the capital represented by such securities;
- (b) each Southtech Shareholder, other than a Dissenting Shareholder who is ultimately entitled to be paid fair value for their Southtech Shares, shall receive one (1) fully paid and non-assessable Amalco Share for every five (5) Southtech Shares held by such Southtech Shareholder, and the Southtech Shares shall be cancelled without reimbursement of the capital represented by such securities;
- (c) Dissenting Shareholders who exercise rights of dissent pursuant to and in the manner set forth in Section 191 of the ABCA in connection with the Amalgamation and who:
 - (i) are ultimately entitled to be paid fair value for their Redfall Shares or Southtech Shares, as applicable, shall be deemed to have surrendered such

shares to Redfall or Southtech, as the case may be, for cancellation immediately prior to the Effective Date; or

- (ii) for any reason, are ultimately not entitled to be paid fair value for their Redfall Shares or Southtech Shares, shall be deemed to have participated in the Amalgamation on the same basis as any non-dissenting shareholder, as at and after the Effective Date, and are to receive Amalco Shares on the same basis determined in accordance with this Section 2.14;

but in no case is Amalco required to recognize such persons as holders of Redfall Shares or Southtech Shares, as the case may be, after the Effective Date, and Redfall or Southtech will delete the names of such persons from its register of holders of securities on the Effective Date; and

- (d) the aggregate stated capital of Amalco shall be an amount equal to the aggregate stated capital of Redfall and Southtech immediately prior to such time, and such stated capital shall be allocated on an equal basis to each share of Amalco issued on the Amalgamation, or as otherwise determined by the directors of Amalco.

2.15 Restriction on Securities

The parties acknowledge and agree that the securities of Amalco to be issued to the securityholders of Redfall and Southtech pursuant to Section 2.14 hereof will be subject to compliance with Applicable Canadian Securities Laws and the policies of the TSXV.

2.16 Share Certificates

On the Effective Date:

- (a) the registered holders of Redfall Shares shall cease to be registered holders of such shares and shall be deemed to be the registered holders of Amalco Shares to which they are entitled in accordance with Section 2.14 hereof and Redfall will prepare a treasury direction with a certified list of all the shareholders of Redfall attached thereto and, upon such remittance, subject to any escrow requirements pursuant to the policies of the TSXV, and on or after the Effective Date, the registered holders of certificates representing Redfall Shares may surrender such certificates to the Amalco Registrar and Transfer Agent, and, upon such surrender, shall be entitled to receive certificates representing the number of Amalco Shares to which they are entitled in accordance with Section 2.14, as soon as practicable, but in any event no later than five (5) Business Days following the later of the Effective Date and the date of deposit; and
- (b) the registered holders of Southtech Shares shall cease to be registered holders of Southtech Shares, and shall be deemed to be registered holders of Amalco Shares to which they are entitled in accordance with Section 2.14 hereof, and on or after the Effective Date, the registered holders of certificates representing Southtech Shares may surrender such certificates to the Amalco Registrar and Transfer Agent and, upon such surrender, shall be entitled to receive certificates

representing the number of Amalco Shares to which they are entitled in accordance with Section 2.14, as soon as practicable, but in any event no later than five (5) Business Days following the later of the Effective Date and the date of deposit.

2.17 Lost Certificates

In the event any certificate which immediately prior to the Effective Date represented one or more outstanding Redfall Shares or Southtech Shares that were exchanged pursuant to Section 2.14 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder thereof, as applicable, claiming such certificate to be lost, stolen or destroyed, the Amalco Registrar and Transfer Agent will issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing one or more Amalco Shares in each case deliverable pursuant to Section 2.14 hereof. When authorizing such payment in exchange for any lost, stolen, destroyed certificate, the holder to whom certificates representing such securities are to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to Amalco and the Amalco Registrar and Transfer Agent in such sum as Amalco may direct or otherwise indemnify Amalco and the Amalco Registrar and Transfer Agent in a manner satisfactory to Amalco and the Amalco Registrar and Transfer Agent against any claim that may be made against Amalco and the Amalco Registrar and Transfer Agent with respect to the certificate alleged to have been lost, stolen or destroyed.

2.18 Escrowed Securities

Redfall and Southtech acknowledge that certain of the securities of Amalco to be issued to the securityholders of Redfall and Southtech pursuant to the Amalgamation will be deposited into escrow in accordance with the policies of the TSXV. The parties further acknowledge that any securities of Amalco deposited into escrow shall be held in escrow and released as determined in accordance with the policies of the TSXV. The parties agree that the terms of the applicable escrow shall be negotiated by counsel for Redfall and Southtech and the TSXV and the parties agree to accept such terms as imposed by the TSXV. Such escrowed securities of Amalco shall be held in escrow, pursuant to an escrow agreement prescribed by the TSXV.

2.19 Stock Option Plan

The stock option plan to be approved at each of the Redfall Meeting and the Southtech Meeting shall be the stock option plan of Amalco.

ARTICLE 3 COVENANTS

3.1 Covenants of Redfall

Redfall covenants and agrees with Southtech that Redfall will not, from the date of execution hereof and ending on the earlier of the Effective Date and the Termination

Date, except with the prior written consent of Southtech, such consent not to be unreasonably withheld:

- (a) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital or otherwise, to the Redfall Shareholders;
- (b) split, combine or reclassify any outstanding shares;
- (c) enter into any material contract, other than in the ordinary course of business consistent with past practice;
- (d) redeem, purchase or offer to purchase any of its shares or other securities;
- (e) reorganize, amalgamate or merge with any other Person or other business organization whatsoever;
- (f) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or other business organization or division or any assets or properties of a material nature;
- (g) incur or commit to incur any indebtedness for borrowed money, other than in the ordinary course of business consistent with past practice, or issue any debt securities;
- (h) other than pursuant to the Redfall Private Placement or in connection with the exercise of the Redfall Options, Redfall Agent's Options or Redfall Warrants, issue or commit to issue any shares of its capital stock, or rights, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options;
- (i) alter or amend in any way its constating documents as the same exist at the date of this Agreement;
- (j) take any action which would be outside the ordinary course of business or which may result in a Material Adverse Change;
- (k) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any material component of its assets, other than in the ordinary course of business consistent with past practice;
- (l) engage in any business enterprise or other activity other than as contemplated herein;
- (m) enter into any transaction with or make payments or issue securities to a party or parties with which Redfall does not deal at arm's length, other than in the ordinary course of business consistent with past practice;

- (n) except as disclosed to Southtech, enter into any employment or consulting agreement with any director, officer or employee who has a policy-making function, or hire or promote any such person; or
- (o) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement.

3.2 Further Covenants of Redfall

Redfall covenants and agrees with Southtech that Redfall will:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) prior to the Termination Date, convene the Redfall Meeting for the purpose of approving the Amalgamation and the stock option plan of Amalco, subject to the completion of the Amalgamation and to solicit proxies to be voted at the Redfall Meeting in favour of the approval of the Amalgamation and the stock option plan of Amalco, subject to the completion of the Amalgamation;
- (c) prepare with Southtech and distribute to the Redfall Shareholders in a timely and expeditious manner, the Circular, and any amendments or supplements to the Circular, all as required by Applicable Law, in all jurisdictions where the same is required complying in all material respects with all applicable legal requirements on the date of issue thereof;
- (d) include in the Circular the recommendation of the board of directors of Redfall that the Redfall Shareholders vote in favour of the Amalgamation;
- (e) provide Southtech, on a timely basis, with all relevant information concerning it and its business, property, operations and financial statements for inclusion in the Circular and that such information will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in the light of the circumstances in which it will be made, and such information will constitute full, true and plain disclosure of all material facts relating to the particular matters concerning Redfall to be acted upon by the Redfall Shareholders at the Redfall Meeting;
- (f) except for proxies and other non-substantive communications with Redfall Shareholders, furnish promptly to Southtech a copy of each notice, report, schedule or other document delivered, filed or received by it in connection with:
 - (i) the Amalgamation; (ii) any filings under Applicable Laws; and (iii) any

dealings with regulatory agencies in connection with the transactions contemplated herein;

- (g) make other necessary filings and applications under applicable foreign, federal and provincial laws and regulations required on its part in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (h) use all commercially reasonable efforts to conduct its affairs so that all of its representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (i) within five Business Days of receiving any written audit inquiry, assessment, reassessment, confirmation or variation of an assessment from an applicable government authority of Redfall, indication that an assessment is being considered, request for filing of a waiver or extension of time or any other notice in writing relating to an assessment (each an “**Assessment**”), deliver to Southtech a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of it on the assumption that such Assessment is valid and binding;
- (j) use all commercially reasonable efforts and do all such acts and things that are reasonably necessary to cause each of the conditions precedent set forth in Sections 5.1 and 5.3 hereof to be complied with;
- (k) subject to the satisfaction of the conditions precedent in Sections 5.1 and 5.2 hereof, thereafter together with Southtech file with the Registrar the Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation on or before the Termination Date; and
- (l) notify Southtech immediately upon becoming aware that any of the representations and warranties of Redfall contained herein are no longer true and correct in any material respect.

3.3 Covenants of Southtech

Southtech covenants and agrees with Redfall that it will not, from the date of execution hereof and ending on the earlier of the Effective Date and the Termination Date, except with the prior written consent of Redfall, such consent not to be unreasonably withheld:

- (a) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital or otherwise, to its shareholders;
- (b) split, combine or reclassify any outstanding shares;

- (c) enter into any material contract;
- (d) redeem, purchase or offer to purchase any of its shares or other securities;
- (e) reorganize, amalgamate or merge with any other Person or other business organization whatsoever;
- (f) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or other business organization or division, or any assets or properties of a material nature;
- (g) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;
- (h) issue or commit to issue any shares of its capital stock, or rights, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options other than in connection with the exercise of the Southtech Options;
- (i) alter or amend in any way its constating documents or by-laws as the same exist at the date of this Agreement;
- (j) take any action which would be outside the ordinary course of business or which may result in a Material Adverse Change;
- (k) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any material component of its assets other than in the ordinary course of business consistent with past practice;
- (l) engage in any business enterprise or other activity, other than as contemplated herein and as required by law as a public company;
- (m) enter into any transaction with or make payments or issue securities to a party or parties with whom Southtech does not deal at arm's length;
- (n) enter into any employment or consulting agreement with any director, officer or employee who has a policy-making function, or hire or promote any such person;
or
- (o) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement.

3.4 Further Covenants of Southtech

Southtech covenants and agrees with Redfall that Southtech will:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement, including obtaining the approval of the TSXV of the Amalgamation as Southtech's Qualifying Transaction;
- (b) prior to the Termination Date, convene the Southtech Meeting for the purpose of approving the Amalgamation and to solicit proxies to be voted at the Southtech Meeting in favour of the approval of the Amalgamation;
- (c) prepare with Redfall, file and distribute to the Southtech Shareholders in a timely and expeditious manner, the Circular and any amendments or supplements to the Circular, all as required by Applicable Law, in all jurisdictions where the same is required complying in all material respects with all applicable legal requirements on the date of issue thereof,
- (d) include in the Circular the recommendation of the board of directors of Southtech that the Southtech Shareholders vote in favour of the Amalgamation;
- (e) provide Redfall, on a timely basis, with all relevant information concerning it and its business, property, operations and financial statements for inclusion in the Circular and that such information will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in the light of the circumstances in which it will be made, and such information will constitute full, true and plain disclosure of all material facts relating to the particular matters concerning Southtech to be acted upon by the Southtech Shareholders at the Southtech Meeting;
- (f) except for proxies and other non-substantive communications with securityholders, furnish promptly to Redfall a copy of each notice, report, schedule or other document delivered, filed or received by Southtech in connection with: (i) the Amalgamation; (ii) any filings under Applicable Laws; and (iii) any dealings with regulatory agencies in connection with the transactions contemplated herein;
- (g) make other necessary filings and applications under applicable foreign, federal and provincial laws and regulations required on the part of Southtech in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (h) use all commercially reasonable efforts to conduct its affairs so that all of Southtech's representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;

- (i) within five Business Days of receiving an Assessment, deliver to Redfall a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of it on the assumption that such Assessment is valid and binding;
- (j) use all commercially reasonable efforts and do all such acts and things that are reasonably necessary to cause each of the conditions precedent set forth in Sections 5.1 and 5.2 hereof to be complied with;
- (k) subject to the satisfaction of the conditions precedent in Sections 5.1 and 5.3 hereof, thereafter together with Redfall file with the Registrar the Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation on or before the Termination Date; and
- (l) notify Redfall immediately upon becoming aware that any of the representations and warranties of Southtech contained herein are no longer true and correct in any material respect.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Southtech

Southtech represents and warrants to and in favour of Redfall as follows and acknowledges that Redfall is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) Southtech is a corporation incorporated under the laws of Alberta and is a valid and subsisting corporation under the ABCA and is in compliance, in all material respects, with the requirements of the ABCA;
- (b) Southtech has no Subsidiaries;
- (c) Southtech has the requisite power, capacity and authority to enter into this Agreement on the terms and conditions herein set forth and to perform its obligations hereunder;
- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated herein have been, or in respect of the transactions contemplated herein will have been prior to Closing, duly approved by the board of directors of Southtech and this Agreement constitutes a valid and binding obligation of Southtech enforceable against it in accordance with its terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction;

- (e) no consent, approval, order or authorization of, or registration, declaration or filing with, any third party or governmental entity which, if not obtained or made, would, individually or in the aggregate, have a Material Adverse Effect on Southtech or prevent or materially impair Southtech's ability to perform its obligations hereunder is required by or with respect to Southtech in connection with the execution and delivery of this Agreement by Southtech, the performance of its obligations hereunder or the consummation by Southtech of the transactions contemplated hereby other than: (a) the approval of the Amalgamation by the Southtech Shareholders; (b) the approval of the Amalgamation as Southtech's Qualifying Transaction and the listing of the Amalco Shares to be issued under the Amalgamation and those Amalco Shares to be issued upon the exercise of the Amalco Convertible Securities by the TSXV; (c) such registrations and other actions required under provincial and territorial securities laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of a new corporation on the Amalgamation; and (d) any filings with the Registrar;
- (f) the entering into and performance of this Agreement and the transactions contemplated herein by Southtech will not violate:
 - (i) the constating documents or by-laws of Southtech;
 - (ii) any agreement to which Southtech is a party and will not give any person or company any right to terminate or cancel any agreement or any right enjoyed by Southtech because of such agreement, and will not result in the creation or imposition of any lien, encumbrance or restriction of any nature whatsoever in favour of a third party upon or against Southtech or the assets of Southtech; or
 - (iii) any statute, regulation, by-law, order, judgment, or decree by which Southtech is bound, except for such violations which would not have a Material Adverse Effect on Southtech or the Southtech Shares;
- (g) Southtech is a "reporting issuer" or equivalent under applicable securities legislation in the Provinces of Alberta, British Columbia and Ontario, is not in default of the requirements of such legislation or the regulations and rules thereto or the policies and requirements of the TSXV and the issued and outstanding Southtech Shares are currently listed and posted for trading on the TSXV;
- (h) no cease trade order has been issued against Southtech or the Southtech Shares in any jurisdiction, and, to the knowledge of Southtech, no cease trade order is pending or threatened;
- (i) the authorized share capital of Southtech consists of an unlimited number of Southtech Shares and an unlimited number of preferred shares, issuable in series, of which 6,000,000 Southtech Shares are issued and outstanding as fully paid and non-assessable shares in the capital of Southtech;

- (j) except for the Southtech Options, no Person has any agreement, option or right to acquire or capable of becoming an agreement for the purchase or acquisition of any of the unissued share capital of Southtech, or any other securities of Southtech;
- (k) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the knowledge of Southtech, threatened against or relating to Southtech or affecting its properties or business which if determined adversely to Southtech might materially and adversely affect the properties, business, future prospects or the financial condition of Southtech, or the right of Southtech to use, produce or sell its property or assets in whole or in part. There is not presently outstanding against Southtech any judgment, injunction, rule or order of any court, governmental department, commission, agency or arbitrator;
- (l) Southtech has not experienced nor, to the knowledge of Southtech, is it aware of any occurrence or event which has had, or might reasonably be expected to have, a Material Adverse Effect on Southtech;
- (m) Southtech has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated by this Agreement;
- (n) the Southtech Financial Statements are true and correct and present fairly, in all material respects, the financial position of Southtech as at such date and the results of its operations and changes in financial position for the period indicated in the said statements, and have been prepared in accordance with IFRS;
- (o) Southtech has no material liabilities, contingent or otherwise, except those set out in the financial statements referred to in subsection 4.1(n) hereof, and Southtech has not guaranteed or indemnified, or agreed to guarantee or indemnify, any debt, liability or other obligation of any Person;
- (p) Southtech is not indebted to:
 - (i) any director, officer or shareholder of Southtech;
 - (ii) any individual related to any of the foregoing by blood, marriage or adoption; or
 - (iii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in subsections 4.1(p)(i) and (ii) hereof;
- (q) none of those Persons referred to in subsection 4.1(p) hereof is indebted to Southtech;
- (r) Southtech does not have any outstanding liability, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification,

assumption or endorsement of, or any other similar commitment with respect to, the obligations, liabilities (contingent or otherwise) or indebtedness of any person, other than those reflected in the Southtech Financial Statements;

- (s) no notices, reports or other filings are required to be made by Southtech with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by Southtech from, any governmental or regulatory authority, other than the TSXV, and the usual filings under applicable Canadian corporate and securities laws, in connection with the execution and delivery of this Agreement by Southtech and the consummation of the transactions contemplated herein by Southtech, the failure to make or obtain any or all of which is reasonably likely to have a Material Adverse Effect on Southtech or could prevent, materially delay or materially burden the transactions contemplated by this Agreement;
- (t) Southtech has filed all required forms, reports and documents (collectively, the “**Southtech Public Disclosure**”) with the applicable Canadian regulatory authorities having jurisdiction over Southtech. None of the Southtech Public Disclosure filed by Southtech with the applicable Canadian securities regulatory authorities having jurisdiction, at the time filed or as subsequently amended, contained any misrepresentation or any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;
- (u) all material contracts, agreements and commitments of Southtech (whether written or oral) are in full force and effect and Southtech is not in default, in any material respect, under any of such contracts, agreements or commitments, save and except for any breach or default which is not material or which has been waived by the other party to such contract, agreement or commitment;
- (v) there does not exist any state of facts which after notice or lapse of time, or both, will constitute a default or breach on the part of Southtech under any of the provisions contained in any of the material contracts, commitments or agreements referred to in subsection 4.1(v) hereof,
- (w) the corporate records and minute books of Southtech are current and complete in all material respects and represent accurate minutes of all meetings of the directors (and committees thereof) and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meeting, duly signed;
- (x) there are no reasonable grounds for believing that a creditor of Southtech will be prejudiced by the Amalgamation; and
- (y) the information concerning Southtech to be set forth in the Circular will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not

misleading in light of the circumstances in which it will be made, and such information in the Circular will constitute full, true and plain disclosure of all material facts relating to the particular matters concerning Southtech to be acted upon by the shareholders of Southtech at the Southtech Meeting;

4.2 Representations and Warranties of Redfall

Redfall represents and warrants to and in favour of Southtech as follows and acknowledges that Southtech is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) Redfall and the Redfall Subsidiaries are duly incorporated and validly subsisting under the laws of their respective jurisdiction of incorporation and has the requisite corporate power and capacity to carry on its business as it is now being conducted;
- (b) Redfall and the Redfall Subsidiaries are duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a Material Adverse Effect on Redfall or the Redfall Subsidiaries;
- (c) Redfall has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder; the execution and delivery of this Agreement and the consummation by Redfall of the transactions contemplated hereby have been duly authorized by the Redfall Board and no other corporate proceedings on the part of Redfall are or will be necessary to authorize this Agreement and the transactions contemplated hereby (other than approval of the Redfall Shareholders); this Agreement has been duly executed and delivered by Redfall and constitutes the legal, valid and binding obligation of Redfall enforceable against Redfall in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and to general principles of equity;
- (d) neither the execution and delivery of this Agreement by Redfall, the consummation by Redfall of the transactions contemplated hereby nor compliance by Redfall with any of the provisions hereof will:
 - (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Redfall under, any of the terms, conditions or provisions of (x) the articles or bylaws of Redfall or any of the Redfall Subsidiaries, or (y) any note, bond, mortgage, indenture, loan agreement,

deed of trust, agreement, lien, contract or other instrument or obligation to which Redfall or any of the Redfall Subsidiaries is a party or to which its properties or assets may be subject or by which Redfall or any of the Redfall Subsidiaries is bound;

- (ii) subject to compliance with Applicable Laws, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to Redfall or any of the Redfall Subsidiaries; or
- (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a Material Adverse Effect on Redfall,

(except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any Material Adverse Effect on Redfall);

- (e) Redfall has authorized an unlimited number of Redfall Shares, class B shares, class C preferred shares, class D preferred shares and class E preferred shares and, as at the Agreement Date, Redfall had issued and outstanding:
 - (i) 26,598,692 Redfall Shares;
 - (ii) no class B shares, class C preferred shares, class D preferred shares or class E preferred shares; and,

other than pursuant to the Redfall Private Placement and other than the Redfall Agent's Options, Redfall Options and Redfall Warrants, there are no other outstanding shares of Redfall or options, warrants, rights or conversion or exchange privileges entitling anyone to acquire any shares of Redfall or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Redfall of any shares of Redfall (including Redfall Shares) or any securities convertible into, exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Redfall; all outstanding Redfall Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor issued in violation of, any preemptive rights;

- (f) Redfall has made all material filings required under Applicable Laws with the applicable Governmental Authorities, all such filings have been made in a timely manner, and all such filings and information and statements contained therein were true, correct and complete in all material respects and did not contain any misrepresentation, as at the date of such information or statements;
- (g) since December 31, 2013:

- (i) there has been no Material Adverse Change in respect of Redfall (or any condition, event or development involving a prospective change that would result in a Material Adverse Change to, or have a Material Adverse Effect on, Redfall);
 - (ii) each of Redfall and the Redfall Subsidiaries has conducted its businesses only in the ordinary and normal course; and
 - (iii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Redfall (taken as a whole) has been incurred other than in the ordinary and normal course of business,
- (h) the data and information in respect of Redfall and the Redfall Subsidiaries' assets, liabilities, business and operations provided by Redfall or its Representatives to Southtech or its Representatives was and is accurate and correct in all material respects as at the respective dates thereof and, in respect of any information provided or requested, did not knowingly omit any material data or information necessary to make any data or information provided not misleading as at the respective dates thereof;
- (i) there are no actions, suits, proceedings or inquiries, including, to the knowledge of Redfall, pending or threatened against or affecting Redfall or any of the Redfall Subsidiaries, at law or in equity, or before or by any Governmental Authority which in any way would have a Material Adverse Effect on Redfall, or may in any way have a Material Adverse Effect on Redfall;
- (j) the Redfall Financial Statements fairly present, in accordance with IFRS, consistently applied (except as specifically provided in the notes to such statements and except as otherwise disclosed in writing to Southtech), the financial position and condition of Redfall and the Redfall Subsidiaries, on a consolidated basis, at the dates thereof and the results of the operations of Redfall and the Redfall Subsidiaries, on a consolidated basis, for the periods then ended and reflect all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Redfall and the Redfall Subsidiaries, on a consolidated basis, as at the dates thereof;
- (k) Redfall has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:
 - (i) those set forth or adequately provided for in the most recent balance sheet and associated notes thereto included in the Redfall Financial Statements (the "**Redfall Balance Sheet**");
 - (ii) those incurred in the ordinary course of business and not required to be set forth in the Redfall Balance Sheet under IFRS;
 - (iii) those incurred in the ordinary course of business since the date of the Redfall Balance Sheet and consistent with past practice; and

(iv) those incurred in connection with the execution of this Agreement,

which would reasonably be expected to have a Material Adverse Effect on Redfall;

- (l) except as otherwise disclosed in writing to Southtech as at the Agreement Date, there are no material contracts or agreements to which Redfall is a party or by which it is bound. For the purposes of this subparagraph, any contract or agreement pursuant to which Redfall will, or may reasonably be expected to, result in a requirement of Redfall to expend more than an aggregate of \$50,000 or receive or be entitled to receive revenue of more than \$50,000 in either case in the next 12 months, or is out of the ordinary course of business of Redfall or any of the Redfall Subsidiaries, shall be considered to be material;
- (m) except as otherwise disclosed in writing to Southtech, Redfall does not have in effect any bonus plan, commission plan, profit sharing plan, pension plan, royalty plan or arrangement, defined benefit plan or employee benefit plan for the benefit of any of its employees, officers, directors or shareholders, and has made no agreements or promises with respect to any such plans;
- (n) except as otherwise disclosed in writing to Southtech, Redfall does not have in place or in effect any employment agreements, consulting agreements or other change of control agreements which provide for a payment accruing as a result of the Amalgamation or other change of control of Redfall;
- (o) Redfall does not have any subsidiaries other than the Redfall Subsidiaries and Redfall directly or indirectly beneficially owns all of the outstanding shares and other securities or interests in each of the Redfall Subsidiaries and no person, firm, corporation or other entity holds any securities convertible or exchangeable into securities of any of such Redfall Subsidiaries or now has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement for the purchase, subscription or issuance of any unissued shares, securities (including convertible securities) or warrants of any of the Redfall Subsidiaries;
- (p) no securities commission or similar regulatory authority, or stock exchange in Canada or the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of Redfall, no such proceeding is, to the knowledge of Redfall, pending, contemplated or threatened and Redfall is not in default of any requirement of any securities laws, rules or policies applicable to Redfall or its securities;
- (q) Redfall has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement or the transactions contemplated hereby or any transaction presently ongoing or contemplated and Redfall has delivered to Southtech current copies of

all agreements between Redfall and its financial advisors which could give rise to the payment of any fees to such financial advisors;

- (r) there are no accrued bonuses payable to any officers, directors or employees of Redfall;
- (s) Redfall has not waived the applicability of any “standstill” or other provisions of any confidentiality agreements entered into by Redfall which have not automatically expired by their terms;
- (t) Redfall is not a party to and, prior to the Closing Date, Redfall will not implement, a shareholder rights plan or any other form of plan, agreement, contract or instrument that will trigger any rights to acquire Redfall Shares or other securities of Redfall or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or the Amalgamation;
- (u) except as otherwise disclosed in writing to Southtech, to the knowledge of Redfall, as of the Agreement Date, none of the Redfall Shares are the subject of any escrow, voting trust or other similar agreement;
- (v) to the knowledge of Redfall, all accounts receivable in any material amount of Redfall are collectible, subject to any provisions for bad debts as set forth in the Redfall Financial Statements;
- (w) Redfall and Redfall’s Subsidiaries have good, valid and marketable title to the material properties and assets currently used in its business and such properties and assets are free and clear of all mortgages, pledges, liens, charges and encumbrances (other than permitted encumbrances) and other than permitted encumbrances, it has not done any act or suffered or permitted any action to be done whereby any person has acquired or may acquire an interest in or to its material properties or assets, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets as currently held;
- (x) Redfall is not aware of, and has not received:
 - (i) any order or directive which relates to environmental matters and which requires any material work, repairs, construction, or capital expenditures on its or the Redfall Subsidiaries’ properties or assets of Redfall or the Redfall Subsidiaries that has not been done; or
 - (ii) any demand or notice with respect to the material breach of any environmental, health or safety law applicable to it or the Redfall Subsidiaries or any of their respective business undertakings, including, without limitation, any regulations respecting the use, storage, treatment, transportation, or disposition of environmental contaminants,

the failure to comply with which would have a Material Adverse Effect on Redfall;

- (y) Redfall has obtained and is in compliance with all licences, permits, certificates, consents, orders, grants and other authorizations of or from any Governmental Authority necessary to conduct its businesses as they are now being or are proposed to be conducted, other than such licences, permits, certificates, consents, orders, grants and other authorizations the absence of which would not reasonably be expected to have a Material Adverse Effect on Redfall;
- (z) Redfall has complied with and is in compliance with all Laws applicable to the operation of its business, except where such non-compliance would not have a Material Adverse Effect on Redfall;
- (aa) Redfall has no obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, production sales transactions having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions;
- (bb) the minute books, books of account and other records of Redfall and the Redfall Subsidiaries have (whether of a financial or accounting nature or otherwise) been maintained in accordance with, in all material respects, all Applicable Laws;
- (cc) Redfall is not a “reporting issuer” pursuant to Applicable Canadian Securities Laws of the provinces and territories of Canada;
- (dd) all Returns required to be filed by or on behalf of Redfall or any of the Redfall Subsidiaries have been duly filed on a timely basis and such Returns are true, complete and correct in all material respects and all Taxes shown to be payable on the Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and, to the knowledge of Redfall, no other Taxes are payable by Redfall or any of the Redfall Subsidiaries with respect to items or periods covered by such Returns;
- (ee) Redfall has paid or provided adequate accruals in the Redfall Financial Statements for the period ended December 31, 2013 for Taxes, including income taxes and related future taxes, in conformity with IFRS;
- (ff) no material deficiencies exist or have been asserted with respect to Taxes and Redfall is not a party to any action or proceeding for assessment or collection of Taxes, nor has such event been asserted or threatened against Redfall or any of the Redfall Subsidiaries or any of their respective assets;

- (gg) no waiver or extension of any statute of limitations is in effect with respect to Taxes or Returns of Redfall or any of the Redfall Subsidiaries;
- (hh) the Returns of Redfall and the Redfall Subsidiaries have never been audited by a government or taxing authority, nor is any such audit in process, or to the knowledge of Redfall, or pending or threatened which resulted in or could result in a reassessment of Taxes owing by Redfall or any of the Redfall Subsidiaries or an adjustment to Redfall's tax pools or the tax pools of any of the Redfall Subsidiaries;
- (ii) Redfall has withheld from each payment made to any of its present or former employees, officers and directors, and to all persons who are non-residents of Canada for the purposes of the Tax Act all amounts required by law and will continue to do so until the Closing Date and has remitted such withheld amounts within the prescribed periods to the appropriate Governmental Authority;
- (jj) Redfall has remitted all Canada Pension Plan contributions, employment insurance premiums, employer health taxes and other Taxes payable by it in respect of its employees and has or will have remitted such amounts to the proper Governmental Authority within the time required by Applicable Law; Redfall has charged, collected and remitted on a timely basis all Taxes as required by Applicable Law on any sale, supply or delivery whatsoever, made by Redfall;
- (kk) except as otherwise disclosed in writing to Southtech, no director, officer, employee, insider of Redfall or other non-arm's length party to Redfall is indebted to Redfall;
- (ll) Redfall is not indebted to any of its directors, officers, employees or consultants, any of its shareholders or any of their respective associates or affiliates, except for amounts due as reimbursement for ordinary business expenses incurred within the previous 90 days;
- (mm) there is no non-competition, exclusivity or other similar agreement, commitment or understanding in place to which Redfall is a party or by which it is otherwise bound that would now or hereafter in any way may limit the business or operations of Redfall in a particular manner or to a particular locality or geographic region or for a specified period of time and the execution, delivery and performance of this Agreement does not and will not result in any restriction of Redfall from engaging in its business or from competing with any person or in any geographic area;
- (nn) Redfall does not have any rights to purchase any assets, properties or undertakings of third parties nor have any obligation to sell assets, properties or undertakings with a value in excess of \$50,000 in the aggregate, under any agreements to purchase or sell that have not closed;
- (oo) Redfall is not a party to or bound by any agreement, guarantee, indemnification (other than in the ordinary course of business and to officers and directors

pursuant to Redfall's by-laws and standard indemnity agreements, pursuant to underwriting, agency or financial advisor agreements pursuant to the standard indemnity provisions in agreements of that nature), or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation;

- (pp) the policies of insurance in force as of the date hereof naming Redfall as an insured are in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated herein;
- (qq) no director, officer, insider or other party not at arm's length to Redfall has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, participation interest or any other interest whatsoever, in any properties of Redfall;
- (rr) as at March 31, 2014, Redfall's long term debt did not exceed \$0.5 million;
- (ss) Redfall has all Intellectual Property necessary to permit it to conduct its business as presently conducted and as proposed to be conducted;
- (tt) Redfall is the exclusive owner of, or possesses adequate enforceable rights to use, its Intellectual Property, free and clear of any encumbrances, covenants, conditions, options to purchase and restrictions or other adverse claims or interests of any kind or nature which would, individually or in the aggregate, have a Material Adverse Effect on Redfall and Redfall has no knowledge of any claim or adverse ownership in respect thereof;
- (uu) Redfall has not received any notice or claim challenging ownership of or rights by Redfall to such Intellectual Property or suggesting that such person has any claim of legal or beneficial ownership or other claim or interest with respect thereto nor, to Redfall's knowledge, is there a reasonable basis for such a claim;
- (vv) Redfall has documented procedures in place to protect the confidentiality of and all rights to the Intellectual Property. All fees payable in respect of the maintenance of Intellectual Property have been paid and all registrations and applications for registration of any Intellectual Property are in good standing; Redfall has prosecuted, and is prosecuting, such applications diligently;
- (ww) Redfall is not aware of a claim of any infringement or breach by Redfall of any industrial or intellectual property rights of any other person, nor has Redfall received any notice, nor is Redfall otherwise aware, that the use of the Intellectual Property of Redfall infringes upon or breaches any industrial or intellectual property rights of any other person and Redfall has no knowledge of any infringement or violation of any of the rights of Redfall in the Intellectual Property and is not aware of any state of facts that cast doubt on the validity or enforceability of any such Intellectual Property;

- (xx) to the knowledge of Redfall, no insider of Redfall has formally indicated a present intention to sell any securities of Redfall held by it;
- (yy) all the personal property and tangibles owned or used by Redfall in connection with its business are in working order, operational and free of any material defect, except for normal wear and tear, having regard to the use and age of such property;
- (zz) Redfall is in compliance with all covenants and obligations of any secured indebtedness of Redfall, in all material respects and to the knowledge of Redfall, no creditor of Redfall will be prejudiced by the Amalgamation;
- (aaa) Redfall is not a party to or bound or affected by any contract limiting its freedom to compete in any line of business or any geographic area, acquire goods or services from any supplier, establish the prices at which it may sell any goods or services, sell goods or services to any customer or potential customer, or transfer or move any of its assets or operations;
- (bbb) neither Redfall nor, to the knowledge of Redfall, any officer, director, employee or agent of Redfall has, directly or indirectly: (a) paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any broker, finder, agent, client representative, employee, political party or campaign, government official or other Person, which any officer, director, employee or agent of Redfall knew or had reason to believe, or ought to have known, was in violation of the Corruption of *Foreign Public Officials Act* (Canada), the United States *Foreign Corrupt Practices Act of 1977*, as amended, or any applicable law implementing the provisions of the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or the Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada); or (b) made or received a bribe, rebate, payoff, influence payment, kickback or other unlawful payment;
- (ccc) Redfall has not been, nor to the knowledge of Redfall, has any director, officer, agent, employee, affiliate or person acting on behalf Redfall been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department (“**OFAC**”); and Redfall will not directly or indirectly lend, contribute or otherwise make available funds to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States administered by OFAC; and
- (ddd) the information concerning Redfall to be set forth in the Circular will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in light of the circumstances in which it will be made, and such information in the Circular will constitute full, true and plain disclosure of all material facts relating to the particular matters concerning Redfall to be acted upon by the shareholders of Redfall at the Redfall Meeting.

ARTICLE 5 CONDITIONS PRECEDENT AND OTHER MATTERS

5.1 Mutual Conditions Precedent

The respective obligations of the parties hereto to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Effective Date, of the following conditions any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other or others of such conditions:

- (a) the Redfall Private Placement shall have been completed;
- (b) executive employment agreements for Robert Geoffrey Gordon, Karim Teja, Rodney Thompson and Kris Read, as first officers of Amalco, shall have been entered into prior to or on Closing, on substantially the terms disclosed by Redfall to Southtech;
- (c) the Amalgamation shall have been approved by the required majority of the votes of the shareholders of each of Redfall and Southtech who, being entitled to do so, vote in person or by proxy at the Redfall Meeting or Southtech Meeting in accordance with the provisions of the ABCA;
- (d) the TSXV shall have conditionally approved the Amalgamation as Southtech's Qualifying Transaction and the Amalco Shares to be issued upon the completion of the Amalgamation and the Amalco Shares to be issued upon the exercise of the Amalco Convertible Securities shall have been conditionally approved for listing by the TSXV, subject to Amalco fulfilling the TSXV's listing requirements;
- (e) each of the Redfall Shareholders and the Southtech Shareholders shall have duly approved a stock option plan for Amalco;
- (f) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement;
- (g) all consents, orders and approvals, including, without limitation, regulatory approvals, required or necessary or desirable for the completion of the transactions provided for in this Agreement shall have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances, all on terms satisfactory to each of the parties hereto, acting reasonably; and
- (h) this Agreement shall not have been terminated in accordance with Section 7.2 of this Agreement.

5.2 Conditions to Obligations of Redfall

The obligation of Redfall to consummate the transactions contemplated herein is subject to the satisfaction, on or before the Effective Date, or such other date specified below, of the following conditions:

- (a) each of the acts and undertakings of Southtech to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Southtech in all material respects;
- (b) no Material Adverse Change in Southtech shall have occurred between the date hereof and the Effective Date;
- (c) except as affected by the transactions contemplated herein, the representations and warranties of Southtech contained in Section 4.1 hereof shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time and Redfall shall have received a certificate to that effect, dated the Effective Date, from an officer of each of Southtech acceptable to Redfall, to the best of his knowledge, after having made reasonable inquiry;
- (d) the covenants of Southtech contained in Sections 3.3 and 3.4 hereof shall have been complied with, and Redfall shall have received a certificate dated the Effective Date of an officer of each of Southtech to such effect;
- (e) Southtech shall have furnished Redfall with:
 - (i) a copy of a court order waiving certain requirements of the ABCA and permitting Southtech to delay its annual shareholder meeting;
 - (ii) certified copies of the resolutions passed by the board of directors of Southtech approving this Agreement and the consummation of the transactions contemplated herein;
 - (iii) certified copies of the resolutions passed by the Southtech Shareholders at the Southtech Meeting approving this Agreement; and
 - (iv) a conditional approval letter from the TSXV approving the Amalgamation as Southtech's Qualifying Transaction; and
- (f) not more than 5% of the Southtech Shareholders shall have exercised rights of dissent in relation to the Amalgamation and Southtech shall have provided to Redfall a certificate of an officer of Southtech certifying on the Effective Date the number of Southtech Shares in respect of which, to such officer's knowledge, the holders thereof have exercised rights of dissent.

The conditions described above are for the exclusive benefit of Redfall and may be asserted by Redfall regardless of the circumstances, or may be waived by Redfall in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Redfall may have hereunder or at law.

5.3 Conditions to Obligations of Southtech

The obligations of Southtech to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Effective Date, or such other date specified below, of the following conditions:

- (a) each of the acts and undertakings of Redfall to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Redfall in all material respects;
- (b) no Material Adverse Change in Redfall shall have occurred between the date hereof and the Effective Date;
- (c) except as affected by the transactions contemplated herein, the representations and warranties of Redfall contained in Section 4.2 hereof shall be true in all material respects on the Effective Date with the same effect as though such representations and warranties had been made at and as of such time, and Southtech shall have received a certificate to such effect, dated the Effective Date, of a senior officer of Redfall acceptable to Southtech to the best of his or her knowledge, after having made reasonable inquiry;
- (d) the covenants of Redfall contained in Sections 3.1 and 3.2 hereof shall have been complied with, and Southtech shall have received a certificate, dated the Effective Date, of an officer of Redfall to such effect;
- (e) Redfall shall have furnished Southtech with:
 - (i) certified copies of the resolutions passed by the Redfall Board approving this Agreement and the consummation of the transactions contemplated herein; and
 - (ii) certified copies of the resolutions passed by the Redfall Shareholders at the Redfall Meeting approving this Agreement; and
- (f) not more than 5% of the Redfall Shareholders shall have exercised rights of dissent in relation to the Amalgamation and Redfall shall have provided to Southtech a certificate of an officer of Redfall certifying on the Effective Date the number of Redfall Shares in respect of which, to such officer's knowledge, the holders thereof have exercised rights of dissent.

The conditions described above are for the exclusive benefit of Southtech and may be asserted by Southtech regardless of the circumstances, or may be waived by Southtech in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Southtech may have hereunder or at law.

5.4 Acknowledgements

Each of Redfall and Southtech acknowledges and agrees that:

- (a) Amalco shall fulfil its obligations pursuant to indemnities provided or available to past and present officers and directors of Redfall and Southtech pursuant to the provisions of their respective constating documents and the ABCA, as applicable, and its officers and directors; and
- (b) the provisions of subsection (a) above are: (i) intended for the benefit of all present and former directors and officers of Redfall and Southtech, and shall be enforceable by each of such persons and his or her heirs, executors, administrators and other legal representatives (collectively, the “**Third Party Beneficiaries**”) and each of Redfall and Southtech shall hold the rights and benefits of subsection (a) above in trust for, and on behalf of, their respective Third Party Beneficiaries and each of Redfall and Southtech hereby accept such trust and agree to hold the benefit of, and enforce performance of, such covenants on behalf of their respective Third Party Beneficiaries; and (ii) in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when the Articles of Amalgamation are filed under the ABCA to give effect to the Amalgamation.

ARTICLE 6 NOTICES

6.1 Notices

All notices, requests and demands hereunder, which may or are required to be given pursuant to any provision of this Agreement, shall be given or made in writing and shall be delivered by courier, facsimile or email as follows:

- (a) to Southtech, addressed to:

Southtech Capital Corporation
Suite 200, 5970 Centre Street N.E.
Calgary, Alberta T2H 0N7

Attention: Wade Larson, President and Chief Executive Officer
Facsimile: (403) 648-3043
Email: wadejlarson@gmail.com

with a copy to:

Burstall Winger Zammit LLP
Suite 1600, 333 – 7th Avenue S.W.
Calgary, Alberta T2P 2Z1

Attention: Douglas M. Stuve
Facsimile: (403) 234-3337
Email: dstuve@burstall.com

(b) to Redfall, addressed to:

Redfall Technologies Inc.
400, 320 – 23rd Avenue S.W.
Calgary, Alberta T2S 0J2

Attention: Geoff Gordon, Managing Partner
Facsimile: (403) 452-5066
Email: geoff@redfall.com

with a copy to:

Torys LLP
4600, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Janan Paskaran
Facsimile: (403) 776-3800
Email: jpaskaran@torys.com

or to such other addresses, facsimile numbers or email addresses as the parties may, from time to time, advise the other party hereto by notice in writing. All notices, requests and demands hereunder shall be deemed to have been received, if delivered by courier on the date of delivery and if sent by facsimile or email, on the next Business Day after the transmission was sent.

ARTICLE 7 AMENDMENT AND TERMINATION OF AGREEMENT

7.1 Amendment

This Agreement may, at any time and from time to time before or after holding of the Redfall Meeting and the Southtech Meeting, be amended by written agreement of the parties hereto without, subject to Applicable Law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties hereto; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by the securityholders of Redfall and the securityholders of Southtech without approval by such securityholders of Redfall and Southtech given in the same manner as required for the approval of the Amalgamation.

7.2 Rights of Termination

If any of the conditions contained in Article 5 hereof shall not be fulfilled or performed by July 31, 2014 (the “**Termination Date**”) or such other date mutually agreed upon by the parties and such condition is contained in:

- (a) Section 5.1 hereof, any of the parties hereto may terminate this Agreement by notice to the other party;
- (b) Section 5.2 hereof, Redfall may terminate this Agreement by notice to Southtech;
or
- (c) Section 5.3 hereof, Southtech may terminate this Agreement by notice to Redfall.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, other than those obligations under Sections 8.8 and 8.13, all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder; and further provided that any of such conditions may be waived in full or in part by any of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

7.3 Notice of Unfulfilled Conditions

If either of Redfall or Southtech shall determine at any time prior to the Effective Date that it intends to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other party to be fulfilled or performed, Redfall or Southtech, as the case may be, shall so notify the other party forthwith upon making such determination in order that such other party shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

7.4 Mutual Termination

This Agreement may, at any time, but no later than the last Business Day immediately preceding the Effective Date, be terminated by mutual agreement of Redfall and Southtech, and if the Amalgamation does not become effective on or before the Termination Date, either Southtech or Redfall may unilaterally terminate this Agreement, which termination will be effective upon notice thereof being given to the other of them.

ARTICLE 8 GENERAL

8.1 Standstill Agreement

As long as this Agreement is in effect and except as contemplated herein, neither Southtech nor Redfall (including their respective directors, officers and agents) will solicit any discussions, expressions of interest, proposals or accept any offers from any Person relating to a possible amalgamation, arrangement or relating to the sale of substantially all of the shares or assets, or any controlling equity interest of Redfall or Southtech, as applicable, provided however that the respective boards of directors of Southtech and Redfall, as applicable, may take action or refrain from taking action as is appropriate to satisfy applicable fiduciary duties and none of the covenants of Southtech and Redfall contained herein shall prevent the respective boards of directors of Southtech and Redfall, from taking such action and further provided that Southtech and Redfall (including their directors, officers and agents) may, after the Termination Date, solicit and accept offers if the Articles of Amalgamation are not filed with the Registrar by the Termination Date.

8.2 Disclosure of Alternative Transaction

In the event either Redfall or Southtech shall receive an unsolicited proposal, offer or expression of interest in connection with any of those matters referred to in Section 8.1 hereof on or before the Termination Date, the recipient of such proposal, offer or expression of interest shall notify the other party hereto and shall provide details of such proposal, offer or expression of interest to the other party hereto.

8.3 Entire Agreement

The terms and provisions herein contained and the schedules hereto constitute the entire agreement between the parties and shall supersede all previous oral or written communications, including the Letter of Intent, as amended, between the parties.

8.4 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the parties hereto.

8.5 Waiver and Modification

Redfall and Southtech may waive or consent to the modification of, in whole or in part, any inaccuracy or any representation or warranty made to them hereunder or in any document to be delivered pursuant hereto and may waive or consent to the modification of any of the covenants or agreements herein contained for their respective benefit or waive or consent to the modification of any of the obligations of the other party hereto. Any waiver or consent to the modification of any of the provisions of this Agreement, to be effective, must be in writing executed by the party granting such waiver or consent.

8.6 No Personal Liability

- (a) No director, officer, employee or agent of Southtech shall have any personal liability whatsoever to Redfall under this Agreement, or any other document delivered in connection with the Amalgamation on behalf of Southtech.
- (b) No director, officer, employee or agent of Redfall shall have any personal liability whatsoever to Southtech under this Agreement, or any other document delivered in connection with the Amalgamation on behalf of Redfall.

8.7 Assignment

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

8.8 Public Disclosure

The parties agree to consult with each other before making any public disclosure or announcement of or pertaining to this Agreement, and that any such disclosure or announcement shall be mutually satisfactory to all parties; provided, however, this Section shall not apply in the event any party hereto is advised by its counsel that certain disclosures or announcements, which the other parties after reasonable notice will not consent to, are required to be made by applicable laws, stock exchange rules or policies of regulatory authorities having jurisdiction.

8.9 Expenses

Whether or not the Amalgamation is completed, Southtech and Redfall shall each pay for their respective costs and expenses incurred in connection with the matters contemplated herein.

8.10 Time of Essence

Time is of the essence of this Agreement.

8.11 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, and the parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of Alberta.

8.12 Severability

In the event that any provisions contained in this Agreement shall be declared invalid, illegal or unenforceable by a court or other lawful authority of competent jurisdiction, this Agreement shall continue in force with respect to the enforceable provisions and all rights and remedies accrued under the enforceable provisions shall survive any such declaration, and any non-enforceable provision shall to the extent permitted by law be replaced by a provision which, being valid, comes closest to the intention underlying the invalid, illegal and unenforceable provision.

8.13 Confidentiality

Each of Redfall and Southtech will provide such information as to its financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other party. Such information which:

- (a) has not become generally available to the public; or
- (b) was not available to a party or its representatives on a non-confidential basis before the date of this letter; or
- (c) does not become available to a party or its representatives on a non-confidential basis from a person who is not, to the knowledge of the party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the party or its representatives;

will be kept confidential by each party and shall constitute confidential information (the “**Confidential Information**”). No Confidential Information may be released to third parties without the consent of the provider thereof, except that the parties hereto agree that they will not unreasonably withhold such consent to the extent that such Confidential Information is compelled to be released by legal process or must be released to regulatory bodies and/or included in public documents.

8.14 Further Assurances

Each party hereto shall, from time to time, and at all times hereafter, at the request of the other party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

8.15 Counterparts

This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one agreement. The parties shall be entitled to rely on delivery of a facsimile copy or electronic PDF form of the executed Agreement and such facsimile copy or electronic PDF form shall be legally effective to create a valid and binding Agreement.

[Remainder of this page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

SOUTHTECH CAPITAL CORPORATION

Per: (signed) "Wade Larson"
Name: Wade Larson
Title: President and Chief Executive Officer

REDFALL TECHNOLOGIES INC.

Per: (signed) "Geoff Gordon"
Name: Geoff Gordon
Title: Managing Partner

SCHEDULE A
ARTICLES OF AMALGAMATION

(See attached)

Articles Of Amalgamation
Business Corporations Act

1. **Name of Amalgamated Corporation**

Vogogo Inc.

2. **The classes of shares, and any maximum number of shares that the corporation is authorized to issue:**

See Share Structure Schedule attached hereto.

3. **Restrictions on share transfers (if any):**

4. **Number, or minimum and maximum number of directors:**

Minimum 3 - Maximum 15

5. **If the corporation is restricted FROM carrying on a certain business or restricted TO carrying on a certain business, specify the restriction(s):**

No Restrictions.

6. **Other provisions (if any):**

See Other Rules or Provisions Schedule attached hereto.

7. **Name of Amalgamating Corporations**

Corporate Access Number

Southtech Capital Corporation	2016027548
Redfall Technologies Inc.	2013765215

Name of Person Authorizing (*please print*)

Signature

Title (*please print*)

Date

REG 3068 (2001109)

This information is being collected for the purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Freedom of Information and Protection of Privacy Coordinator for Alberta Registries, Research and Program Support, Box 3140, Edmonton, Alberta T5J 4L4, (780) 427-7013.

**SHARE STRUCTURE SCHEDULE
REFERRED TO IN THE FOREGOING
ARTICLES OF AMALGAMATION**

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Preferred Shares and the Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

A. PROVISIONS ATTACHING TO THE COMMON SHARES

The Common Shares of the Corporation shall have attached thereto the following rights, privileges, restrictions and conditions:

(1) Dividends

Subject to the prior rights of the holders of the Preferred Shares and any other shares ranking senior to the Common Shares with respect to priority in the payment of dividends, the holders of Common Shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the board of directors of the Corporation out of moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors of the Corporation may from time to time determine and all dividends which the board of directors of the Corporation may declare on the Common Shares shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding.

(2) Dissolution

In the event of the dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, subject to the prior rights of the holders of the Preferred Shares and any other shares ranking senior to the Common Shares with respect to priority in the distribution of assets upon dissolution, liquidation, winding-up or distribution for the purpose of winding-up, the holders of the Common Shares shall be entitled to receive the remaining property and assets of the Corporation.

(3) Voting Rights

The holders of the Common Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall have one (1) vote for each Common Share held at all meetings of the shareholders of the Corporation, except meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series.

B. PROVISIONS ATTACHING TO THE PREFERRED SHARES

The Preferred Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

(1) Directors' Authority to Issue in One or More Series

The board of directors of the Corporation may issue the Preferred Shares at any time and from time to time in one or more series. Before the first shares of a particular series are issued, the board of directors of the Corporation shall fix the number of shares in such series and shall determine, subject to the limitations set out in the Articles, the designation, rights, privileges, restrictions and conditions to be attached to the shares of such series including, without limitation, the rate or rates, amount or method or methods of calculation of dividends thereon, the time and place of payment of dividends, whether cumulative or non-cumulative or partially cumulative and whether such rate, amount or method of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment of dividends, the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any), and the terms and conditions of any share purchase plan or sinking fund with respect thereto. Before the issue of the first shares of a series, the board of directors of the Corporation shall send to the Registrar (as defined in the *Business Corporations Act* (Alberta)) Articles of Amendment containing a description of such series including the designation, rights, privileges, restrictions and conditions determined by the board of directors of the Corporation.

(2) Ranking of Preferred Shares

No rights, privileges, restrictions or conditions attached to a series of Preferred Shares shall confer upon shares of a series a priority in respect of dividends or return of capital over shares of any other series of Preferred Shares then outstanding. The Preferred Shares shall be entitled to priority over the Common Shares of the Corporation and over any other shares of the Corporation ranking junior to the Preferred Shares with respect to priority in the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of Preferred Shares are not paid in full, the Preferred Shares of all series shall participate rateably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided, however, that in the event of there being insufficient assets to satisfy in full all such claims to dividends and return of capital, the claims of the holders of the Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends. The Preferred Shares of any series may also be given such other preferences, not inconsistent with Sections B(1) to (4) hereof, over the Common Shares and over any other shares ranking junior to the Preferred Shares as may be determined in the case of such series of Preferred Shares.

(3) Voting Rights

Except as hereinafter referred to or as otherwise required by law or in accordance with any voting rights which may from time to time be attached to any series of Preferred Shares, the

holders of the Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

(4) Approval of Holders of Preferred Shares

The rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class may be added to, changed or removed but only with the approval of the holders of the Preferred Shares given as hereinafter specified.

The approval of the holders of Preferred Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Preferred Shares as a class or to any other matter requiring the consent of the holders of the Preferred Shares as a class may be given in such manner as may then be required by law, subject to a minimum requirement that such approval shall be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Preferred Shares duly called for that purpose. The formalities to be observed in respect of the giving of notice of any such meeting or any adjourned meeting and the conduct thereof shall be those from time to time required by the *Business Corporations Act* (Alberta) (as from time to time amended, varied or replaced) and prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at a meeting of holders of Preferred Shares as a class, each holder entitled to vote thereat shall have one vote in respect of each Preferred Share held by him.

**OTHER RULES OR PROVISIONS SCHEDULE
REFERRED TO IN THE FOREGOING
ARTICLES OF AMALGAMATION**

The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

APPENDIX B

Amalco Option Plan

(See attached)

STOCK OPTION PLAN

OF

VOGOGO INC.

1. PURPOSE

The purpose of the Stock Option Plan (the “**Plan**”) of Vogogo Inc., a corporation formed under the *Business Corporations Act* (Alberta) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. ADMINISTRATION

The Plan shall be administered by the board of directors of the Corporation or by a special committee of the directors appointed from time to time by the board of directors of the Corporation pursuant to rules of procedure fixed by the board of directors (such committee or, if no such committee is appointed, the board of directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. STOCK EXCHANGE RULES

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or quotation system on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”).

4. SHARES SUBJECT TO PLAN

Subject to adjustment as provided in Section 21 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation’s authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. MAINTENANCE OF SUFFICIENT CAPITAL

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. ELIGIBILITY AND PARTICIPATION

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. EXERCISE PRICE

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the Discounted Market Price, as such term is defined by the Exchange.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange (if applicable) and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that in the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. NUMBER OF OPTIONED SHARES

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) No single Participant may be granted options to purchase a number of Shares equaling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relations activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

9. DURATION OF OPTION

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11, 12 and 14, provided that in no circumstances shall

the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange, the maximum term may not exceed 10 years.

10. OPTION PERIOD, CONSIDERATION AND PAYMENT

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11, 12 and 14 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. CEASING TO BE A DIRECTOR, OFFICER, CONSULTANT OR EMPLOYEE

- (a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death or termination with cause), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within the earlier of the option expiry date and ninety (90) days, after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee.
- (b) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. DEATH OF PARTICIPANT

Notwithstanding section 11, if a Participant dies, the legal representatives of the Participant may exercise the options held by the Participant within a period after the date of the Participant's death. For greater certainty shall remain outstanding beyond one-hundred eighty (180) days following the date of death or such other period as determined by the Board, provided that, in any event, no option shall remain outstanding for any period that exceeds the expiry date of such Option. The Board may determine at any time, including for greater certainty at any time subsequent to the date of grant of the options, that such portion of the option vests automatically or pursuant to a vesting schedule determined by the Board. The Board may delegate authority to the Chief Executive Officer to make any determination with respect to the expiry or termination date of options or vesting of options or any portion thereof held by any deceased Participant. If the legal representative of a Participant who has died exercises the option of the

Participant in accordance with the terms of this Plan, the Corporation will have no obligation to issue the Shares until evidence satisfactory to the Corporation has been provided by the legal representative that the legal representative is entitled to act on behalf of the Participant to purchase the Shares under this Plan.

13. DISABILITY OF PARTICIPANT

If the employment or engagement of a participant is terminated by the Corporation by reason of such participant's Disability, any options held by such participant shall be exercisable by such participant or by the legal representative on or before the date which is the earlier of one hundred and eighty (180) days following the termination of employment, engagement or appointment as a director or officer and the applicable expiry date.

For the purposes of this plan, "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than twelve (12) months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Board, acting reasonably, determines constitutes a disability;

14. TERMINATION WITH CAUSE

Notwithstanding section 11, in the event that a Participant is terminated for cause, as such term is defined in the agreement governing such Participants relationship with the Corporation and/or applicable laws, the option previously granted to such Participant will expire immediately upon such termination for cause. For greater certainty, immediately upon such termination for cause, the option shall concurrently expire and terminate and be of no further force or effect whatsoever.

15. RIGHTS OF OPTIONEE

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

16. VESTING

Unless the Board determines otherwise, options held by or exercisable by a participant or a legal representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such options are subject.

17. ACCELERATION ON CHANGE OF CONTROL

(a) For the purposes of this Section 16, "Change of Control" means the occurrence of any one or more of the following:

- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction;
- (ii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (iii) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Corporation which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or Associates and/or Affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Corporation's outstanding Voting Securities which may be cast to elect directors of the

Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);

- (iv) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent Management Information Circular of the Corporation for election to the Board shall not constitute a majority of the Board; or
- (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

For the purposes of the foregoing, "Voting Securities" means Shares and any other shares entitled to vote for the election of directors of the Corporation and shall include any security, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors of the Corporation but are convertible into or exchangeable for shares which are entitled to vote for the election of directors of the Corporation including any options or rights to purchase such shares or securities;

For the purposes of the foregoing, "control" means the ability of a person or company, directly or indirectly, to direct management and policies of another person or company, as defined in the *Securities Act* (Alberta);

- (b) In the event of a Change of Control, all Options outstanding shall be immediately exercisable, notwithstanding any determination of the Board pursuant to this Plan or any stock option agreements, if applicable, and the expiry date of such Options shall remain the same. In the event of a Change of Control and options are held by Consultants performing Investor Relations, as such terms are defined by the Exchange, vesting of such options shall be subject to Exchange approval. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Corporation with respect to the consideration that the Participant would be entitled to receive for their Shares.

18. RIGHT TO TERMINATE OPTIONS ON SALE OF CORPORATION

Notwithstanding any other provision of this Plan, if the Board at any time by resolution declares it advisable to do so in connection with any proposed Change of Control (collectively, the "Proposed Transaction"), the Corporation may give written notice to all Participants advising them that, within 30 days after the date of the notice each Participant must advise the Board whether the Participant desires to exercise its options prior to the closing of the Proposed Transaction, provided that the Proposed Transaction is completed within 180 days after the date of the notice. In the event the Proposed Transaction is completed within 180 days after the date of the notice and the Participant does not advise the Board of their desire to exercise its options prior to the closing of the Proposed Transaction, the said options shall expire. If the Proposed Transaction is not completed within the 180-day period, no right under any option will be exercised or affected by the notice. If a Participant gives notice that the Participant desires to exercise its options prior to the closing of the Proposed Transaction, then all options which the Participant elected by notice to exercise will be exercised immediately prior to the effective date of the Proposed Transaction or such earlier time as may be required to complete the Proposed Transaction.

19. WITHHOLDING

- (a) To the extent required under applicable law, the Corporation shall be entitled to take all reasonable and necessary steps, which may include the sale of certain Shares issued upon the exercise of any option granted under the Plan (other than a redemption or purchase for cancellation), or obtain all reasonable or necessary indemnities, assurances, payments or undertakings, to the sole satisfaction of the Corporation, to satisfy any tax remittance obligations of the Corporation or any Subsidiary to any taxing authorities arising in respect of any exercise of any options granted hereby or any other options heretofore granted by the Corporation and the President of the Corporation shall be appointed as the attorney-in-fact for any person granted an option under this Plan to take all such reasonable and necessary steps or Share sales.

- (b) Each Participant (or their beneficiaries) shall be responsible for all taxes with respect to any options granted to such Participant under this Plan, whether as a result of the grant or exercise of options or otherwise. The Corporation makes no guarantee to any person regarding the tax treatment of options or payments made under this Plan and none of the Corporation, or any of its employees or representatives shall have any liability to any Participant with respect thereto.

20. PROCEEDS FROM SALE OF SHARES

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

21. ADJUSTMENTS

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

22. TRANSFERABILITY

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

23. AMENDMENT AND TERMINATION OF PLAN

- (a) The Board may, at any time, amend or terminate the terms and conditions of the Plan by resolution of the Board (the “**Amendment Procedure**”). Any amendment to the Plan shall take effect only with respect to options granted after the effective date of such amendment, provided that it may apply to any outstanding options with the mutual consent of the Corporation and the Participant to whom such options have been granted. Without limiting the generality of the foregoing, the Board may use the Amendment Procedure without seeking shareholder approval when:
- (i) altering, extending or accelerating the terms and conditions of vesting of any options, subject to the prior written approval of the Exchange;
 - (ii) accelerating the expiry date of options;
 - (iii) amending the definitions contained within the Plan;
 - (iv) effecting amendments of a “housekeeping” or administrative nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error, inconsistency or omission in or from the Plan;
 - (v) effecting amendments necessary to comply with the provisions of applicable laws (including, without limitation, the rules, regulations and policies of the Exchange), or necessary or desirable for any advantages or other purposes of any tax law (including, without limitation, the rules, regulations, and policies of the Canada Revenue Agency or any taxation authority);

- (vi) effecting amendments respecting the administration of the Plan;
- (vii) effecting amendments necessary to suspend or terminate the Plan; and
- (viii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law (including, without limitation, the rules, regulations, and policies of the Exchange).

(b) Shareholder approval will be required for the following types of amendments:

- (i) amendments that increase the number of Shares issuable under the Plan, except such increases by operation of Section 21 of the Plan; and
- (ii) amendments required to be approved by shareholders under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

(c) disinterested shareholder approval will be required for the following types of amendments:

- (i) amendments to the Plan that could result in the number of Shares reserved for issuance under the Plan to Insiders, within a 12 month period, exceeding 10% of the outstanding issue;
- (ii) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the Company's issued Shares;
- (iii) an extension of the term of the Plan;
- (iv) any reduction in the price of an option if the Participant is an Insider at the time of the proposed amendment; and
- (v) amendments requiring disinterested shareholder approval under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

24. NECESSARY APPROVALS

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

25. EFFECTIVE DATE OF PLAN

The Plan has been adopted by the Board subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

26. INTERPRETATION

The Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

APPENDIX C

Amalco Advance Notice By-Law

(See attached)

BY-LAW NO. 2 (ADVANCE NOTICE BY-LAW)
of
VOGOGO INC.
(the “Corporation”)

Article 1
NOMINATION OF DIRECTORS

Section 1.1 Only persons who are nominated in accordance with the procedures set out herein shall be eligible for election as directors to the board of directors (the “**Board**”) of the Corporation. Nominations of persons for election to the Board may be made as follows:

- (a) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (Alberta) (the “**Act**”) or a requisition of shareholders made in accordance with the provisions of the Act; or
- (c) by any person entitled to vote at such meeting (a “**Nominating Shareholder**”), who: (A) is, at the close of business on the date of giving notice provided for in Section 1.2 below and on the record date for notice of such meeting, either entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) has given timely notice in proper written form as set forth herein.

Section 1.2 For a nomination made by a Nominating Shareholder to be a timely notice (a “**Timely Notice**”), the Nominating Shareholder’s notice must be received by the Chief Executive Officer of the Corporation at the principal executive offices of the Corporation:

- (a) in the case of an annual meeting of shareholders, not later than the close of business on the 30th day and not earlier than the opening of business on the 65th day before the date of the meeting; provided, however, if the first announcement made by the Corporation of the date of the annual meeting is less than 50 days prior to the meeting date, not later than the close of business on the 10th day following the day on which the first announcement of the date of such annual meeting is made by the Corporation;
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the Board, not later than the close of business on the 15th day following the day on which the first announcement of the date of the special meeting is made by the Corporation.

Section 1.3 The time periods for giving of a Timely Notice shall in all cases be determined based on the original date of the annual meeting or the first announcement of the annual or special meeting, as applicable. In no event shall an adjournment or postponement of an annual meeting or special meeting of shareholders or any announcement thereof commence a new time period for the giving of a Timely Notice.

Section 1.4 To be in proper written form, a Nominating Shareholder’s notice to the Chief Executive Officer of the Corporation must comply with all the provisions of this Section 1.4 and:

- (a) disclose or include, as applicable, as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a “**Proposed Nominee**”):
 - (i) their name, age, business and residential address, principal occupation or employment for the past five years, status as a “resident Canadian” (as such term is defined in the Act);

- (ii) their direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date (s) on which such securities were acquired;
 - (iii) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Proposed Nominee or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder;
 - (iv) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or applicable securities law; and
 - (v) a duly completed personal information form in respect of the Proposed Nominee in the form prescribed by the principal stock exchange on which the securities of the Corporation are then listed for trading;
- (b) disclose or include, as applicable, as to each Nominating Shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:
- (i) their name, business and residential address, direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;
 - (ii) their interests in, or rights or obligations associated with, an agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation, including any derivative or hedging arrangements;
 - (iii) any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the Board;
 - (iv) a representation that the Nominating Shareholder is a holder of record of securities of the Corporation, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination; and
 - (v) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by applicable securities laws;
- (c) Such notice shall include a written consent duly signed by each Proposed Nominee to being named as a nominee and to serve as a director of the Corporation, if elected.

Section 1.5 All information to be provided in a Timely Notice shall be provided as of the date of such notice. The Nominating Shareholder shall update such information forthwith so that it is true and correct in all material respects as of the date that is ten (10) business days prior to the date of the meeting, or any adjournment or postponement thereof.

Section 1.6 If requested by the Corporation, a Proposed Nominee shall furnish any other information as may reasonably be required by the Corporation to determine the eligibility of such Proposed Nominee to serve as a director of the Corporation or a member of any committee of the Board, with respect to independence or any other relevant criteria for eligibility, or that could be material to a shareholder's understanding of the independence or

eligibility, or lack thereof, of such Proposed Nominee, including but not limited to an affidavit confirming eligibility to serve as a director under the Act.

Section 1.7 Any notice, or other document or information required to be given to the Corporation herein may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Chief Executive Officer at the address of the principal executive offices of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

Section 1.8 Additional Matters

- (a) The chair of any meeting of shareholders of the Corporation shall have the power to determine whether any proposed nomination is made in accordance with the provisions herein, and if any proposed nomination is not in compliance with such provisions, must declare that such defective nomination shall not be considered at any meeting of shareholders.
- (b) Despite any other provision herein, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of shareholders of the Corporation to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.
- (c) Nothing herein shall obligate the Corporation or the Board to include in any proxy statement or other shareholder communication distributed by or on behalf of the Corporation or Board any information with respect to any proposed nomination or any Nominating Shareholder or Proposed Nominee.
- (d) The Board may, in its sole discretion, waive any requirement contained herein.
- (e) This By-Law No. 2 is subject to, and should be read in conjunction with, the Act and the articles of continuance of the Corporation (the “**Articles**”). If there is any conflict or inconsistency between any provision of the Act or the Articles and any provision herein, the provision of the Act or the Articles will govern.

APPENDIX D

Section 191 of the ABCA

(See attached)

SECTION 191 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

191(1) Subject to Sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

- (a) amend its articles under Section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
- (b) amend its articles under Section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
- (b.1) amend its articles under Section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in Section 15.2(1),
- (c) amalgamate with another corporation, otherwise than under Section 184 or 187,
- (d) be continued under the laws of another jurisdiction under Section 189, or
- (e) sell, lease or exchange all or substantially all its property under Section 190.

(2) A holder of shares of any class or series of shares entitled to vote under Section 176, other than Section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
- (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court by originating notice after the adoption of a resolution referred to in subsection (1) or (2),

- (a) by the corporation , or

- (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

- (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
- (b) within 10 days after the corporation is served with a copy of the originating notice, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

- (a) be made on the same terms, and
- (b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

- (a) is not required to give security for costs in respect of an application under subsection (6), and
- (b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

- (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

- (b) the trial of issues and interlocutory matters, including pleadings and examinations for discovery,
- (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
- (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
- (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
- (f) the service of documents, and
- (g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
- (c) fixing the time within which the corporation must pay that amount to a shareholder, and
- (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

- (a) the shareholder may withdraw the shareholder's dissent, or
- (b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

- (a) the pronouncement of an order under subsection (13), or
- (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that:

- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
- (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

APPENDIX E

Financial Statements of Southtech

(See attached)

Interim Financial Statements of

SOUTHTECH CAPITAL CORPORATION

For the three month period ended March 31, 2014

(Unaudited)

SOUTHTECH CAPITAL CORPORATION
Table of Contents
As at March 31, 2014

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SOUTHTECH CAPITAL CORPORATION
STATEMENT OF FINANCIAL POSITION
As at
(expressed in Canadian dollars)

	Notes	March 31, 2014	December 31, 2013
Assets			
Current assets			
Cash	\$	198,803	\$ 222,749
Other receivables		2,154	1,740
Total assets	\$	200,957	\$ 224,489
Liabilities and shareholders' equity			
Current liabilities			
Accrued liabilities	\$	1,059	\$ 21,491
Total liabilities		1,059	21,491
Shareholders' equity			
Share capital	3	257,796	257,796
Contributed Surplus	3	66,940	66,940
Accumulated deficit		(124,838)	(121,738)
Total shareholder's equity		199,898	202,998
Total liabilities and shareholder's equity	\$	200,957	\$ 224,489

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

The financial statements were approved and authorized for issue by the Board of Directors and were signed on its behalf by:

"Wade J. Larson"

Wade J. Larson, Director

"Paul S. Readwin"

Paul S. Readwin, Director

SOUTHTECH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited, expressed in Canadian dollars)

	For the three months ended March 31, 2014	For the three months ended March 31, 2013
Revenue	\$ -	\$ -
Expenses		
Filing Expenses	2,000	5,985
General and Administrative Expenses	50	58
Professional Fees	1,050	3,368
Total expenses	3,100	9,411
Net and comprehensive loss for the period	\$ (3,100)	\$ (9,411)
Loss per share - Basic and Diluted	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding - Basic and Diluted	6,000,000	6,000,000

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

SOUTHTECH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited, expressed in Canadian dollars)

	Share capital	Contributed surplus	Deficit	Total
Balance January 1, 2013	\$ 257,796	\$ 66,940	\$ (77,503)	\$ 247,233
Comprehensive loss	-	-	(9,411)	(9,411)
Balance, March 31, 2013	257,796	66,940	(86,914)	\$237,822
Comprehensive loss	-	-	(34,824)	(34,824)
Balance, January 1, 2014	257,796	66,940	(121,738)	202,998
Comprehensive loss	-	-	(3,100)	(3,100)
Balance, March 31, 2014	\$ 257,796	\$ 66,940	\$ (124,838)	\$ 199,898

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

SOUTHTECH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited, expressed in Canadian dollars)

	For the three months ended March 31, 2014	For the three months ended March 31, 2013
Cash flows from operating activities		
Net comprehensive loss for the period	\$ (3,100)	\$ (9,411)
Net Change in non-cash working capital items:		
Increase in other receivables	(414)	-
Decrease in accrued liabilities	(20,432)	(15,525)
Cash used in operating activities	(23,946)	(24,936)
Net decrease in cash used for the period	(23,946)	(24,936)
Cash – Beginning of period	222,749	262,758
Cash – End of period	\$ 198,803	\$ 237,821

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

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three month periods ending March 31, 2014 and March 31, 2013
(Unaudited, expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Southtech Capital Corporation (the "Corporation") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011 and is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The address of the Corporation's registered office is Suite 1600, 333 7th Avenue S.W., Calgary, Alberta T2P 2Z1.

As at March 31, 2014, the Corporation had no business operations and its only significant asset was cash. As a CPC, the Corporation's principal business is the identification and evaluation of assets, properties or businesses with a view to acquisition or participation therein subject, in certain cases, to shareholder approval and acceptance by the TSX Venture. Where an acquisition or participation is warranted (the "Qualifying Transaction"), additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. There is no assurance that the Corporation will complete a Qualifying Transaction within twenty-four months from the date (May 3, 2012) the Corporation's shares are listed on the TSX Venture, at which time the TSX Venture may suspend or de-list the Corporation's shares from trading.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements for the three month period ended March 31, 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Corporation's 2013 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied by the Company in these Condensed Interim Financial Statements are the same as those applied by the Corporation in its Financial Statements for the year ended December 31, 2013.

Accounting standards issued but not yet applied

The following new standard which has not been applied within these financial statements, will or may have an effect on the Corporation's future financial statements:

- IFRS 9: Financial Instruments (Effective for periods beginning on or after July 1, 2015). This standard addresses the classification and measurement of financial assets and liabilities.
- IFRS 15: Revenue from Contracts with Customers (Effective for periods beginning on January 1, 2017 onwards). This standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

The condensed interim financial statements were authorized for issue by the Board of Directors on June 2, 2014.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three month periods ending March 31, 2014 and March 31, 2013
(Unaudited, expressed in Canadian dollars)

3. SHARE CAPITAL

Authorized

Unlimited number of common shares.

Unlimited number of preferred shares, issuable in series

The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

Issued and outstanding and changes during the year

	Number	\$
Common shares		
As at December 31, 2013	6,000,000	257,796
Issued for cash	-	-
Share issue cost	-	-
As at March 31, 2014	6,000,000	257,796

Stock Option Plan

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non transferrable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares. The options are exercisable for up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

Stock Options

The Corporation has a stock option plan for its key officers, directors, employees and consultants. Up to 10% of the issued and outstanding shares may be reserved for issuance under the Plan.

As at March 31, 2014, the Corporation had outstanding options to acquire 800,000 shares as follows:

	Number	Weighted average exercise price
Outstanding December 31, 2013	800,000	\$0.10
Issued during the period	-	-
Outstanding March 31, 2014	800,000	\$0.10

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three month periods ending March 31, 2014 and March 31, 2013
(Unaudited, expressed in Canadian dollars)

All the options outstanding vest immediately and are all exercisable as at May 3, 2012.

Grant Date	Options Outstanding	Exercise Price	Expiry Date	Remaining contractual life (years)
03-May-12	600,000	\$0.10	03-May-22	9
03-May-12	200,000	\$0.10	03-May-14	1
	800,000	\$0.10		10

The fair value of stock options was estimated at the grant date based on the Black-Scholes option pricing model, using the following assumptions:

	Director's	Agent's
Weighted average risk-free interest rate	2%	1.3%
Weighted average expected life	10 years	2 years
Weighted average expected volatility	110%	110%
Weighted average fair value of options granted	\$0.09	\$0.06
Share price at grant date	\$0.10	\$0.10
Dividend yield rate	0%	0%
Forfeiture rate	0%	0%

Contributed Surplus

Share based compensation expense is based on estimated fair value of the related stock options at the time of grant and is recognized as an expense with a corresponding increase in contributed surplus.

A reconciliation of contributed surplus is provided below:

Balance as at December 31, 2013	\$66,939
Share issue costs-agent options	-
Share based compensation	-
Balance, March 31, 2014	\$66,939

4. SUBSEQUENT EVENTS

Exercise of options

On May 3, 2014, 200,000 options which were outstanding as at March 31, 2014 were exercised for 200,000 common shares at \$0.10 per unit for proceeds of \$20,000.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three month periods ending March 31, 2014 and March 31, 2013
(Unaudited, expressed in Canadian dollars)

Qualifying transaction

On May 7, 2014, the Company entered into an amalgamation agreement (the "Agreement") with Redfall Technologies Inc. ("Redfall"), a private corporation incorporated under the laws of Alberta, to complete a Qualifying Transaction (the "Qualifying Transaction"), as such term is defined by the TSX Venture.

Pursuant to the Agreement, the Company and Redfall have agreed to amalgamate (the "Amalgamation") and continue as one corporation named "Vogogo Inc." (the "Resulting Issuer"). In connection with the Amalgamation, Redfall intends to complete a brokered 'commercially reasonable efforts' private placement for gross proceeds of not less than \$5,400,000 (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Qualifying Transaction.

In connection with the Amalgamation, each Redfall shareholder will receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of Redfall (a "Redfall Share") held by such Redfall shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Redfall Shares issued pursuant to the Private Placement. The Redfall Shares so exchanged will be cancelled without reimbursement of the capital represented by such securities. In addition, each Southtech shareholder will receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder.

Financial Statements of

SOUTHTECH CAPITAL CORPORATION

For the Years Ending December 31, 2013 and December 31, 2012
(Expressed in Canadian Dollars)



Independent Auditor's Report

To the Shareholders of Southtech Capital Corporation

We have audited the accompanying financial statements of Southtech Capital Corporation (the "Corporation"), which comprise the statements of financial position as at December 31, 2013 and December 31, 2012, and the statement of comprehensive income, statements of changes in equity, and the statements of cash flows for the year ended December 31, 2013 and December 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Southtech Capital Corporation as at December 31, 2013 and December 31, 2012, and its financial performance and its cash flows for the years ended December 31, 2013 and December 31, 2012 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of the financial statements which describes the uncertainty about whether the Corporation will complete a Qualifying Transaction within twenty-four months from the date the Corporation shares are listed on the TSX Venture Exchange.

BDO Canada LLP

Chartered Accountants
Calgary, Alberta
February 26, 2014

SOUTHTECH CAPITAL CORPORATION
STATEMENT OF FINANCIAL POSITION
As at December 31
(expressed in Canadian dollars)

ASSETS		
	2013	2012
CURRENT		
Cash (note 2)	\$ 222,749	\$ 262,758
GST receivable	1,740	-
	\$ 224,489	\$ 262,758
LIABILITIES		
CURRENT		
Accrued liabilities	\$ 21,491	\$ 15,525
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (note 3)	257,796	257,796
CONTRIBUTED SURPLUS (note 3)	66,940	66,940
DEFICIT	(121,738)	(77,503)
	202,998	247,233
	\$ 224,489	\$ 262,758

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

The financial statements were approved and authorized for issue by the Board of Directors and were signed on its behalf by:

"Wade J. Larson"

Wade J. Larson, Director

"Paul S. Readwin"

Paul S. Readwin, Director

SOUTHTECH CAPITAL CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
For the Years Ending December 31
(expressed in Canadian dollars)

	2013	2012
EXPENSES		
General and administrative Expenses	\$ 112	\$ 167
Filing Expenses	14,622	5,210
Professional Fees	29,501	16,566
Share Based Compensation	-	55,560
Loss and comprehensive income, for the year	\$ 44,235	\$ 77,503
Loss per share – Basic and Diluted	(\$0.02)	(\$0.06)
Weighted average number of shares outstanding	6,000,000	5,327,869

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

SOUTHTECH CAPITAL CORPORATION
STATEMENT OF CHANGES IN EQUITY
For the Years Ending December 31
(expressed in Canadian dollars)

2012	Share capital	Contributed surplus	Deficit	Total
Balance, beginning of year	\$ 200,000	\$ -	\$ -	\$ 200,000
Issuance of shares	200,000	-	-	200,000
Share Issue Costs	(130,824)	-	-	(130,824)
Options Issued	(11,380)	66,940	-	55,560
Loss and comprehensive income	-	-	(77,503)	(77,503)
Balance, end of year	\$ 257,796	\$ 66,940	\$ (77,503)	\$ 247,233

2013	Share capital	Contributed surplus	Deficit	Total
Balance, beginning of year	\$ 257,796	\$ 66,940	\$ (77,503)	\$ 247,233
Issuance of shares	-	-	-	-
Share Issue Costs	-	-	-	-
Options issued	-	-	-	-
Loss and comprehensive income	-	-	(44,235)	(44,235)
Balance, end of year	\$ 257,796	\$ 66,940	\$ (121,738)	\$ 202,998

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

SOUTHTECH CAPITAL CORPORATION
STATEMENT OF CASH FLOWS
For the Years Ending December 31
(expressed in Canadian dollars)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive income for the year	\$ (44,235)	\$ (77,503)
Items not affecting cash:		
Share based compensation	-	55,560
Net Change in non-cash working capital items:		
GST receivable	(1,740)	-
Trade payables	(525)	-
Increase (decrease) in accrued liabilities	6,491	(5,913)
Cash used in operating activities	(40,009)	(27,856)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital (note 3)	-	200,000
Share issuance costs	-	(95,324)
	-	104,676
NET (DECREASE) INCREASE IN CASH POSITION FOR THE YEAR	(40,009)	76,820
CASH - BEGINNING OF YEAR	262,758	185,938
CASH - END OF YEAR	\$ 222,749	\$ 262,758

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

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

1. **NATURE OF OPERATIONS**

Southtech Capital Corporation (the "Corporation") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011 and is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of the TSX Venture Exchange ("TSX Venture"). The address of the Corporation's registered office is Suite 1600, 333 7th Avenue S.W., Calgary, Alberta T2P 2Z1.

As at December 31, 2013, the Corporation had no business operations and its only significant asset was cash. During the period from incorporation on April 21, 2011 to December 31, 2013, the Corporation did not enter into any agreements to acquire an interest in a business or assets. As a CPC, the Corporation's principal business is the identification and evaluation of assets, properties or businesses with a view to acquisition or participation therein subject, in certain cases, to shareholder approval and acceptance by the TSX Venture. Where an acquisition or participation is warranted (the "Qualifying Transaction"), additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. There is no assurance that the Corporation will complete a Qualifying Transaction within twenty-four months from the date the Corporation's shares are listed on the TSX Venture (May 3, 2012), at which time the TSX Venture may suspend or de-list the Corporation's shares from trading.

2. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of Preparation and Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

These financial statements were authorized for issuance on February 26, 2014.

Basis of Measurement

These financial statements have been prepared on a historical cost basis.

Use of Estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year in these financial statements are accrued liabilities.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

The Corporation's principal accounting policies are outlined below:

Functional and Presentation Currency

The financial statements are presented in Canadian Dollars, which is the Corporation's functional currency and presentation currency.

Cash

Cash includes unrestricted balances on deposit held with financial institutions, and comprises of proceeds from the issuance of share capital.

The proceeds raised from the issuance of share capital and from the initial public offering (the "Offering") may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction by the Corporation as defined under the policies of the TSX Venture.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in the profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Accounting standards issued but not yet applied

Certain new pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning after January 1, 2014 or later periods.

The following new standards, amendments and interpretations that have not been early adopted in these annual financial reports will or may have an effect on the Company's future results and financial position:

International Financial Reporting Standard 9, Financial Instruments ("IFRS 9") was issued in November 2009 and is the first step to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flows characteristics of the financial assets. The IASB recently suspended the originally planned effective date of this new standard of January 1, 2015 and at present the effective date has not been determined. The Company is currently assessing the financial impact of this new standard.

Financial Instruments

Financial assets and liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Corporation classifies its financial assets in the following categories depending on the purpose for which the instruments were acquired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Corporation's loans and receivables are comprised of cash and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through the profit or loss, or other financial liabilities, as appropriate.

The Corporation determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Corporation's other financial liabilities include accrued liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

Share Based Payments

Equity-settled share based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period based on the Corporation's estimate of shares that will eventually vest. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share based instruments.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Corporation had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

Loss Per Share

Basic loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding for the period. Diluted loss per common share is computed by dividing the net loss by the diluted weighted average number of common shares outstanding for the period. In the calculation of diluted per share amounts, options under the stock option plan are assumed to have been converted or exercised on the later of the beginning of the period and the date granted. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. In net loss per share situations, the diluted per share amount is the same as that for basic, as all factors are anti-dilutive. The escrow shares outstanding as at December 31, 2013 have been excluded from the weighted average number of shares outstanding as they are contingently returnable.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

3. **SHARE CAPITAL**

Authorized

Unlimited number of common shares, unlimited number of preferred shares, issuable in series

The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

Issued and outstanding and changes during the year

	Number	\$
Common shares		
As at December 31, 2011	4,000,000	200,000
Issued for cash	2,000,000	200,000
Share issuance costs	-	(130,824)
Agent options - fair value	-	(11,380)
As at December 31, 2012	6,000,000	257,796
Issued for cash	-	-
Share issuance costs	-	-
As at December 31, 2013	6,000,000	257,796

Stock Option Plan

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non transferrable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares. The options are exercisable for up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the TSX Venture.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

Stock Options

The Corporation has a stock option plan for its key officers, directors, employees and consultants. Up to 10% of the issued and outstanding shares may be reserved for issuance under the Plan.

As at December 31, 2013, the Corporation had outstanding options to acquire 800,000 shares as follows:

	Number	Weighted average exercise price
Outstanding December 31, 2011	-	-
Issued during the year	800,000	\$0.10
Outstanding December 31, 2012	800,000	\$0.10
Issued during the year	-	-
Outstanding December 31, 2013	800,000	\$0.10

All the options outstanding vest immediately and are all exercisable at December 31, 2013.

Grant Date	Options Outstanding	Exercise Price	Expiry Date	Remaining contractual life (years)
May 3, 2012	600,000	\$0.10	May 3, 2022	9
May 3, 2012	200,000	\$0.10	May 3, 2014	1
	800,000	\$0.10		10

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

The fair value of stock options was estimated at the grant date based on the Black-Scholes option pricing model, using the following assumptions:

	Director's	Agent's
Weighted average risk-free interest rate	2%	1.3%
Weighted average expected life	10 years	2 years
Weighted average expected volatility	110%	110%
Weighted average fair value of options granted	\$0.09	\$0.06
Share price at grant date	\$0.10	\$0.10
Dividend yield rate	0%	0%
Forfeiture rate	0%	0%

Contributed Surplus

Share based compensation expense is based on estimated fair value of the related stock options at the time of grant and is recognized as an expense with a corresponding increase in contributed surplus.

A reconciliation of contributed surplus is provided below:

	December 31, 2013	December 31, 2012
Balance, beginning of year	\$ 66,940	\$ -
Share issue costs-agent options	-	11,380
Share based compensation	-	55,560
Balance, end of year	\$ 66,940	\$ 66,940

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

Escrowed Shares

Pursuant to an escrow agreement dated as of December 31, 2011 among the Corporation, CIBC Mellon Trust Company ("CIBC Mellon") and certain shareholders of the Corporation, 4,000,000 common shares, being all of the issued and outstanding common shares prior to the completion of the Offering, have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the TSX Venture, common shares held pursuant to the escrow agreement shall be released as to 10% immediately following the issuance of the bulletin of the TSX Venture announcing final acceptance of the Qualifying Transaction (the "Initial Release") and an additional 15% shall be released every six months commencing six months following the Initial Release. Escrowed shares are excluded from the earnings per share calculation.

4. **INCOME TAXES**

The components of the deferred tax balances are as follows:

	2013	2012
Deferred tax asset		
Share issue costs	\$ 18,389	\$ 24,930
Unused loss carryforwards	30,862	13,262
Less: deferred tax assets not recognized	(49,251)	(38,192)
Net deferred tax asset	\$ -	\$ -

The provision for income taxes varies from the amount that would be computed by applying the expected tax rate to income (loss) before income taxes. The principle reason for differences between such "expected" income tax expense and the amount actually recorded are as follows:

	2013	2012
Loss for the before income taxes	\$ 44,235	\$ 77,503
Statutory income tax rate	25%	25%
Anticipated income tax expense	\$ (11,059)	\$ (19,376)
Changes in deferred tax assets not recognized		
Non-deductible expenses	- \$	13,890
Rate change	-	75
Share issuance cost	-	(6,541)
Change in unrecognized deferred tax assets	11,059	11,952
	\$ -	\$ -

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

As at December 31, 2013 the Corporation has estimated non-capital losses for Canadian income tax purposes that may be carried forward to reduce taxable income derived in future years.

The losses expire as follows:

Year	Amount
2031	\$4,941
2032	48,108
2033	70,400
Total	\$123,449

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

5. **FINANCIAL INSTRUMENTS**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs use to estimate the fair values. The three levels of fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of the Corporation's cash and accounts payable and accrued liabilities approximate their carrying values, which are the amounts in the statement of financial position.

Fair Values

At December 31, 2013, the Corporation's financial instruments consist of cash and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments. The Corporation classifies its cash as loans and receivables, and its accrued liabilities as other financial liabilities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Corporation's current obligations consist of accounts payable, which is all due within 30 days.

6. **RELATED PARTY TRANSACTIONS**

During the year the Corporation incurred expenses totaling \$12,282 (2012 - \$44,265) for legal fees to companies with a common officer or director.

Current year legal fees have been expensed as they were incurred in the normal course of business. Prior year legal fees were recorded as a reduction to share capital since these costs were directly related to the issuance of shares.

SOUTHTECH CAPITAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Years ending December 31, 2013 and December 31, 2012

7. **MANAGEMENT OF CAPITAL**

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject other than disclosed in Note 2. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

APPENDIX F

Financial Statements of Redfall

(See attached)

Redfall Technologies Inc.
Condensed Interim Consolidated Financial Statements
(in Canadian dollars)
(unaudited)
For the three months ended March 31, 2014 and 2013

Redfall Technologies Inc.
Condensed Interim Consolidated Statement of Financial Position
(in CAD) (unaudited)
As at

	March 31 2014 \$	December 31 2013 \$
ASSETS		
Current assets:		
Cash and cash equivalents	1,988,566	92,222
Cash held in trust (note 5)	1,250,839	1,324,528
Goods and services tax recoverable	30,230	16,514
Prepaid expenses and deposits	67,930	13,764
	3,337,565	1,447,028
Non-current assets:		
Property and equipment	21,829	24,251
Long-term investment	145,000	145,000
	166,829	169,251
Total assets	3,504,394	1,616,279
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (note 6)	114,522	500,244
Trust liabilities (notes 5)	1,250,839	1,324,528
Convertible debentures (note 7)	-	199,273
Royalty financing liability (note 12)	229,699	218,192
Total liabilities	1,595,060	2,242,237
Shareholders' Equity (Deficiency)		
Share capital (note 8)	3,726,400	1,161,164
Convertible debentures - equity portion (note 7)	-	15,464
Warrants (note 9)	964,709	-
Contributed surplus (note 9)	1,459,748	-
Deficit	(4,241,523)	(1,802,586)
Total shareholders' equity (deficiency)	1,909,334	(625,958)
Total liabilities and shareholders' equity (deficiency)	3,504,394	1,616,279

Going concern (note 2(c))
Commitments (note 12)
Subsequent events (notes 2(c), 12 and 16)

Approved on behalf of the Board

(signed) "Cameron Chell"

Director

(signed) "Geoff Gordon"

Director

Redfall Technologies Inc.
Condensed Interim Consolidated Statement of Loss and Comprehensive Loss
(in CAD) (unaudited)
For the three months ended:

	March 31 2014 \$	March 31 2013 \$
REVENUE	120,129	13,659
EXPENSES		
General and administrative (notes 8(ix) and 11(a))	502,645	52,163
Sales and marketing	90,630	58,111
Research and development	153,335	237,665
Stock-based compensation (note 10)	1,452,020	-
Amortization	2,422	4,868
	2,201,052	352,807
Loss from operating activities	(2,080,923)	(339,148)
Accretion (note 7)	(282,169)	(3,866)
Interest	(14,423)	(339)
Net loss and comprehensive loss	(2,377,515)	(343,353)
Loss per share – basic and diluted (note 8)	(0.16)	(0.02)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Redfall Technologies Inc.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity (Deficiency) (in CAD) (unaudited)

	Share Capital \$	Convertible Debentures - Equity Portion \$	Contributed Surplus \$	Warrants \$	Deficit \$	Total \$
Balance, December 31, 2012	685,903	-	-	-	(754,606)	(68,703)
Equity portion of convertible debentures (note 7)	-	15,464	-	-	-	15,464
Net loss and comprehensive loss	-	-	-	-	(343,353)	(343,353)
Balance, March 31, 2013	685,903	15,464	-	-	(1,097,959)	(396,592)
Balance, December 31, 2013	1,161,164	15,464	-	-	(1,802,586)	(625,958)
Issuance of shares net of share issuance cost (note 8)	260,000	-	-	-	-	260,000
Equity portion of convertible debentures (note 7)	-	316,435	-	-	-	316,435
Issuance of shares on conversion of debentures (note 8)	2,588,814	(227,700)	-	-	-	2,361,114
Share-based compensation (note 10)	-	-	1,452,020	-	-	1,452,020
Issuance of agents warrants (note 10)	-	(96,471)	-	964,709	-	868,238
Transfer of equity portion of convertible debentures on repayment	-	(7,728)	7,728	-	-	-
Repurchase of shares (note 8)	(283,578)	-	-	-	(61,422)	(345,000)
Net loss and comprehensive loss	-	-	-	-	(2,377,515)	(2,377,515)
Balance, March 31, 2014	3,726,400	-	1,459,748	964,709	(4,241,523)	1,909,334

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Redfall Technologies Inc.
Condensed Interim Consolidated Statement of Cash Flows
(in CAD) (unaudited)
For the three months ended:

	March 31 2014 \$	March 31 2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(2,377,515)	(343,353)
Add back (deduct) items not involving cash:		
Amortization	2,422	4,868
Accretion	282,169	3,866
Interest on royalty financing	11,507	-
Stock-based compensation (note 10)	1,667,020	-
	(414,397)	(334,619)
Changes in non-cash working capital items:		
Goods and services tax recoverable	(13,716)	2,190
Trade and other payables	(385,722)	232,607
Prepaid expenses and deposits	(54,166)	10,000
	(453,604)	244,797
Net cash used in operating activities	(868,001)	(89,822)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of convertible debentures (note 7)	3,164,345	200,000
Repayment of convertible debentures (note 7)	(100,000)	-
Re purchase of shares (note 8)	(345,000)	-
Proceeds from the issuance of shares, net of share issue costs (note 8)	45,000	-
Net cash generated by financing activities	2,764,345	200,000
Net increase in cash and cash equivalents for the period	1,896,344	110,178
Cash and cash equivalents, beginning of the period	92,222	37,402
Cash and cash equivalents, end of the period	1,988,566	147,580
Supplemental cash flow information:		
Interest paid	2,916	-

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Redfall Technologies Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2014 and 2013
(in CAD) (unaudited)

1. NATURE OF OPERATIONS

Redfall Technologies Inc. (the "Corporation"), was incorporated under the *Business Corporations Act* (Alberta) on January 23, 2008. Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly-owned subsidiary and Delaware company. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, AB T2S 0J2.

The Corporation is in the payment technology and transaction processing business. The Corporation develops software that administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for both the U.S. and Canadian markets.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared by management in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 5, 2014.

(b) Basis of preparation

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements unless otherwise indicated.

The condensed interim consolidated financial statements have been prepared under the historical cost convention.

(c) Going concern

These condensed interim consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. As at March 31, 2014, the Corporation has cash and cash equivalents of \$1,988,566 (December 31, 2013 - \$92,222), has a positive net working capital position of \$1,742,505 (December 31, 2013 - \$795,209 negative net working capital position). However, the Corporation has an accumulated deficit of \$4,241,523 (December 31, 2013 - \$1,802,586) and had a net loss of \$2,377,515 (2013 - \$343,353). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to March 31, 2014 is uncertain. To address its financing requirements, the Corporation issued secured debentures in an amount of \$3,164,345, which were then converted to common shares (notes 7 and 10).

In addition, on May 7, 2014 the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between Southtech Capital Corporation. ("Southtech") and the Corporation. In accordance with the letter of intent, the Proposed Transaction would take the form of an amalgamation between the Corporation and Southtech to continue as one corporation (the "Resulting Issuer"). In connection with the amalgamation, the Corporation intends to complete a brokered "commercially reasonable efforts" private placement for gross proceeds of not less than \$5.40 million (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Proposed Transaction. The Resulting Issuer intends to use the net proceeds of the Private Placement to fund various testing and certification procedures in relation to the Resulting Issuer's proposed business, to fund potential acquisitions and for general corporate purposes.

Redfall Technologies Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2014 and 2013
(in CAD) (unaudited)

2. BASIS OF PRESENTATION *(continued)*

In connection with the amalgamation, each Corporation shareholder would receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of the Corporation (a "Corporation Share") held by such Corporation shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Corporation Shares issued pursuant to the Private Placement. The Corporation Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities. In addition, each Southtech shareholder would receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder, and the Southtech Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities.

The Proposed Transaction is subject to a number of conditions for the Corporation and Southtech which have not been met as of the date of these condensed interim consolidated financial statements. There is no assurance that the Proposed Transaction will be completed as contemplated, or at all.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

(d) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. is U.S. dollars ("USD").

(e) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these condensed interim consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the condensed interim consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2013, except for the adoption of new IFRS and interpretations as of January 1, 2014 noted below. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual consolidated financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2013.

- IAS 36, "Impairment of Assets" (Amended) which modifies certain disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Corporation adopted the amendments in its condensed interim consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of this standard will impact the Corporation's disclosures in the notes to the condensed interim consolidated financial statements in periods where an impairment loss or impairment reversal is recorded.
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3. NEW ACCOUNTING POLICIES (continued)

- In December 2013, the IASB issued narrow-scope amendments to a total of nine standards as part of its annual improvement process. The improvement process is designed to make non-urgent but necessary amendments to IFRS. Some of the amendments made to the existing standards included: clarifying the definition of “vesting conditions” in IFRS 2, “Share-based payment”; defining the classification and measurement of contingent consideration; scope exclusion for the formation of joint arrangements in IFRS 3, “Business Combinations”, and modifying the definition of a “related party” in IAS 24, “Related Party Disclosures”. The Corporation adopted these amendments in its condensed interim consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of these standards did not have a material impact on the condensed interim consolidated financial statements.

The Corporation will be required to adopt IFRS 9 effective January 1, 2018. IFRS 9, “Financial Instruments” (Amended) incorporates new requirements on accounting for financial liabilities. The new standard eliminates the existing multiple classification and measurement categories under IAS 39 or held-to-maturity, available for sale and loans and receivables and replaces them with a single model that has only two classification categories: amortized cost and fair value. The adoption of the amended standard is not expected to have a material impact on the Corporation’s condensed interim consolidated financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective that would be expected to have a significant impact on the Corporation’s condensed interim consolidated financial statements. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

(a) Areas of judgment

(i) Investments in equity instruments

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. The determination of CGUs is also based on management’s judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the Corporation’s operations.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Royalty financing liability

The royalty financing liability is measured at the present value of management's best estimate of the future repayment at the initial date of entering this contract. Determining future repayment requires estimates of the timing and amount of future revenue earned on the Corporation's products, including revenue on such products earned in current and potential future partnerships. The timing or amount of future revenue can vary from period to period based on the progress of the Corporation's development and commercialization programs. A change in the estimate of the amount or timing of such revenue will impact the valuation of the royalty financing liability.

(iv) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c).

(v) Share-based compensation and agents warrants

Estimates are arrived at through the use of the Black-Scholes option-pricing model. The valuation of both agent warrants and share-based compensation transactions requires the input of highly subjective assumptions including the expected stock price volatility and forfeiture rates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

(b) Assumptions and critical estimates

(i) Useful lives of property and equipment

The Corporation estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the non-current assets.

(ii) Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component. The determination of the amount allocated to the liability and equity components requires management to estimate various components and characteristics of present value calculations used in determining the fair value of the instrument, including the market interest rates of non-convertible debentures.

(iii) Impairment of property and equipment

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

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4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of clients which are held in trust until being paid out to clients.

6. TRADE AND OTHER PAYABLES

	March 31, 2014	December 31, 2013
	\$	\$
Trade accounts payable	71,079	407,595
Accrued payables	9,677	39,302
Payroll	27,635	48,237
Other	6,131	5,110
	114,522	500,244

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms.

7. CONVERTIBLE DEBENTURES

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of \$100,000. The principal bore interest at a rate of 10% per annum and was convertible into Class A common shares, at any time, at the option of the holder at \$0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of \$100,000. The principal bore interest at a rate of 10% per annum and was convertible into Class A common shares, at any time, at the option of the holder at \$0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into Class A common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (note 10(viii)).

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7. CONVERTIBLE DEBENTURES *(continued)*

On February 11, 2014, the Corporation issued a secured convertible debenture in the amount of \$2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. The corporation issued 2,275,000 warrants in connection with the convertible debenture with a fair value of \$964,709 (note 10), of which \$868,238 was allocated to the debt component of the convertible debenture and \$96,471 was allocated to the equity component of the debenture. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full \$3,164,345 convertible debenture. Upon conversion, the debt and equity portions of the convertible debenture, net of the warrant costs and associated accretion of the liability portion of the warrants to the conversion date of \$281,442 were reclassified to share capital (note 8(x)).

The Corporation determined that the convertible debentures meet the definition of a compound financial instrument and determined the fair value of the liability and the resulting equity component by discounting the expected future cash flows of each convertible debenture using an interest rate of 20% representing management's estimate of the fair value interest rate for a similar instrument without the convertibility feature.

8. SHARE CAPITAL

The authorized share capital of the Corporation consists of an unlimited number of Class "A" and Class "B" common voting shares and an unlimited number of Class "C", Class "D" and Class "E" redeemable preferred shares.

The Corporation has the following Class "A" common voting shares issued and outstanding:

	Number of Shares #	Share Capital \$
Balance, December 31, 2012	13,856,000	685,903
Shares issued through re-pricing of existing shares (i)	576,361	-
Shares issued for cash (ii)	1,031,012	478,550
Share-based payments (iii)	203,401	105,769
Share-based payments (iv)	9,836	5,114
Share-based payments (v)	19,697	6,500
Share issue costs (iii)	-	(105,769)
Share issue costs (vi)	-	(14,903)
Balance, December 31, 2013	15,696,307	1,161,164
Buy-back of shares for cash (vii)	(3,833,334)	(345,000)
Fair value adjustment of buy-back of shares (vii)	-	61,422
Shares issued on conversion of convertible debenture (viii)	192,307	100,000
Equity component of conversion of convertible debenture (viii)	-	7,736
Shares issued for cash (ix)	500,000	45,000
Fair value adjustment of shares issued (ix)	-	215,000
Shares issued on conversion of convertible debenture (x)	9,588,924	2,481,078
Balance, March 31, 2014	22,144,204	3,726,400

- (i) On April 9, 2013 the Corporation issued 576,361 shares to all existing shareholders who paid \$0.93 per share during 2012 in order to revalue their share purchase price from \$0.93 per share to \$0.52 per share.
- (ii) The Corporation issued a total of 1,031,012 Class A common shares for cash during the year ended December 31, 2013 at an average price of \$0.46 per share.

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8. SHARE CAPITAL *(continued)*

- (iii) The Corporation issued 203,401 Class A common shares to an employee and a consulting firm during the year ended December 31, 2013 in exchange for assistance in raising the Class A common share financing. The fair value of the Class A common shares of \$0.52 per share, which is equal to the amount paid by arms length parties, was recorded as share issue costs.
- (iv) The Corporation issued 9,836 Class A common shares to a consulting firm during the year ended December 31, 2013 for consulting services performed. The fair value of the Class A common shares of \$0.52 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.
- (v) The Corporation issued 19,697 Class A common shares to a consulting firm during the year ended December 31, 2013 in exchange for services performed related to the royalty financing (note 12). The fair value of the Class A common shares of \$0.33 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.
- (vi) The Corporation incurred \$14,903 in share issue costs during the year ended December 31, 2013 which consist of legal fees.
- (vii) On February 21, 2014 the Corporation repurchased 3,833,334 Class A common shares at \$0.09 per share for total proceeds of \$345,000. The carrying value of share capital as at the date of the buy-back was calculated at \$0.07 per share. The repurchase was determined to be at a premium of \$0.02 per Class A common share. The resulting premium of \$61,422 increased share capital and deficit, accordingly.
- (viii) On March 5, 2014, the Corporation issued 192,307 Class A common shares at \$0.52 upon conversion of a \$100,000 convertible debenture (note 7).
- (ix) On March 17, 2014, the Corporation issued 500,000 Class A common shares at \$0.09 for total cash proceeds of \$45,000. The fair value of these shares at the time was determined to be \$0.52 per common share. These shares were issued below the market value by \$0.43 per share, the total discount of \$215,000 was credited to share capital and recorded as commission expenses and is included in the general and administration expense for the period.
- (x) On February 11, 2014, the Corporation issued a secured convertible debenture in amount of \$2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full \$3,164,345 convertible debenture.

In connection with the issuance of the convertible debenture on February 11, 2014, the Corporation issued an aggregate of 2,275,000 agent warrants to acquire Class A common shares of the Corporation for a period of five years at a price of \$0.33 per Class A common share expiring five years from the date of grant. Fair value of these agent warrants were calculated using the Black-Scholes option-pricing model and recorded as debenture transaction costs. The fair value of the agent warrants was determined to be \$964,709, which was allocated to the debt and equity components of the convertible debenture.

The weighted average number of common shares outstanding used to calculate basic and diluted loss per share is 14,743,839 for the three months ended March 31, 2014 (2013 - 13,856,000).

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9. CONTRIBUTED SURPLUS AND AGENT WARRANTS

The contributed surplus and agent warrants reserve is used to recognize the fair value of stock options and warrants granted. When options are subsequently exercised, the fair value of such options in contributed surplus and agent warrants is credited to share capital. Refer to note 10 for further details on these plans.

Contributed Surplus

	Three months ended March 31, 2014
	\$
Balance, December 31, 2013	-
Share-based compensation expense	1,452,020
Equity component of convertible debenture	7,728
Balance, March 31, 2014	1,459,748

Warrants

	Three months ended March 31, 2014
	\$
Balance, December 31, 2013	-
Agent warrants issued	964,709
Balance, March 31, 2014	964,709

10. STOCK-BASED COMPENSATION AND AGENT WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase common shares, exercisable for a period of up to ten years from the date of grant.

A summary of the Plan transactions for the three months ended March 31, 2014 are as follows:

	For the three months ended March 31, 2014		For the year ended December 31, 2013	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Outstanding at beginning of period	-	-	-	-
Options granted to directors and officers	3,333,334	0.09	-	-
Outstanding at end of period	3,333,334	0.09	-	-

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10. STOCK-BASED COMPENSATION AND AGENT WARRANTS (continued)

The following provides a summary of the Plan as at March 31, 2014:

Options outstanding			Options exercisable	
Outstanding at March 31, 2014	Weighted average remaining contractual life	Weighted average exercise price \$	Number exercisable at March 31, 2014	Weighted average exercise price \$
3,333,334	351 days	\$0.09	3,333,334	\$0.09

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following assumptions:

	For the three months ended March 31, 2014	For the year ended December 31, 2013
Exercise price	\$0.09	-
Share price	\$0.52	-
Dividend yield	0%	-
Forfeiture %	0%	-
Risk-free interest rate	1.04%	-
Expected life of options	1 years	-
Expected volatility factor of the future expected market price of Company shares	109%	-

The Corporation's shares are not publically traded; therefore the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

The Corporation recorded share-based compensation expense for options of \$1,452,020 (2013 - \$Nil) with an offsetting increase to contributed surplus in respect of the share options granted during the period ended March 31, 2014.

The Corporation issued agent warrants as compensation to agents to purchase common shares in conjunction with share issuances. 758,334 of these warrants were issued to an entity related by common officers and directors.

A summary of agent warrant transactions for the three months ended March 31, 2014 are as follows:

	For the three months ended March 31, 2014		For the year ended December 31, 2013	
	Number of warrants	Weighted average exercise price \$	Number of warrants	Weighted average exercise price \$
Outstanding at beginning of period	-	-	-	-
Warrants granted	2,275,000	0.33	-	-
Outstanding at end of period	2,275,000	0.33	-	-

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10. SHARE BASED COMPENSATION AND AGENT WARRANTS (continued)

The following provides a summary of agent warrants as at March 31, 2014:

Agent warrants outstanding			Agent warrants exercisable		
Outstanding at March 31, 2014	Weighted average remaining contractual life	Weighted average exercise price \$	Number exercisable at March 31, 2014	Weighted average exercise price \$	
2,275,000	4.9 years	\$0.33	2,275,000	\$0.33	

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following assumptions:

	For the three months ended March 31, 2014	For the year ended December 31, 2013
Exercise price	\$0.33	-
Share price	\$0.52	-
Dividend yield	0%	-
Forfeiture %	0%	-
Risk-free interest rate	1.04%	-
Expected life of agents warrants	5 years	-
Expected volatility factor of the future expected market price of Company shares	104%	-

The Corporation's shares are not publically traded; therefore the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

The Corporation recorded debenture issue costs for agent warrants of \$964,709 (2013 - \$Nil) with an offsetting increase to warrants during the period ended March 31, 2014.

11. RELATED PARTY TRANSACTIONS

- (a) Key management compensation is composed of consulting fees paid to companies controlled by key management. During the three months ended March 31, 2014, consulting fees paid to key management amounted to \$114,250 (March 31, 2013 - \$100,000).

Total personnel expenses for employees, consultants, directors and management included in expenses in the condensed consolidated statement of loss and comprehensive loss total \$513,227 (2013 - \$312,709) for the three months ended March 31, 2014.

12. ROYALTY FINANCING LIABILITY

The Corporation entered into a \$1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds are available to the Corporation if and when certain pre-determined milestones are achieved. Any amount drawn pursuant to the investment agreement is repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 until twice the gross amount received is remitted or until the Corporation has repaid all advances received plus 20% interest compounded annually from the date each advance is received, less royalties paid. During the year ended December 31, 2013, the Corporation received \$200,000 as part of this arrangement. At March 31, 2014, the liability is comprised of the \$200,000 principal plus \$29,699 in accrued interest. This liability was fully repaid subsequent quarter end on April 24, 2014.

13. COMMITMENTS

The Corporation is committed under a lease on their office space, expiring July 31, 2017 for future minimum rental payments exclusive of occupancy costs as follows:

	\$
2014	56,628
2015	76,934
2016	78,936
2017	46,046
	258,544

14. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital and deficit as equity components, as well as convertible debentures and royalty financing and the Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented, except for the inclusion of the convertible debentures and royalty financing in the capital structure.

The Corporation's approach to capital management has not changed during the quarter ended March 31, 2014.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust and trade and other payables, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost. The fair value of the royalty financing liability and the convertible debentures approximate carrying value because the interest rate implicit in the agreements approximate the market rate of interest.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents and cash held in trust.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada and the United States.

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15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at March 31, 2014, the Corporation has cash and cash equivalents of \$1,988,566 (December 31, 2013 - \$92,222) has a positive net working capital position of \$1,742,505 (December 31, 2013 - \$795,209 negative net working capital position).

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at March 31, 2014, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US \$2,310 (December 31, 2013 - US \$228). A 1% change in the exchange rate between the Canadian and US dollar would have a negligible impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at March 31, 2014, the Corporation is not exposed to any interest rate risk.

16. SUBSEQUENT EVENTS

- (a) On April 1, 2014, the Corporation entered into a financial services advisory agreement (the "Financial Services Agreement"). The Financial Services Agreement has a term of one year, subject to renewal, and a cost of \$15,000 per month to the Corporation. In addition, as further consideration for the services pursuant to the Financial Services Agreement, the Corporation issued 400,000 options to acquire Class A common shares at an exercise price of \$0.52 per Class A common share for up to three years following the issuance date.
 - (b) On April 2, 2014 the Corporation issued 432,692 Class A common shares at \$0.52 per common share for total proceeds of \$225,000.
 - (c) On April 7, 2014 the Corporation issued 400,000 Class A common shares at \$0.52 per common share for total proceeds of \$208,000.
 - (d) On April 28, 2014, the Corporation issued an aggregate of 1,450,000 options to acquire Class A common shares for a period of five years at a price of \$0.33 per Class A common share expiring five years from the date of grant.
 - (e) On April 30, 2014, the Corporation issued 288,462 units at \$0.52 per unit for total proceeds of \$150,000. Each unit is comprised of one Class A common share and 2.6624 share purchase warrants, for a total issuance of 288,462 Class A common shares and 768,002 share purchase warrants. Each share purchase warrant entitles the holder to purchase one Class A common share at an exercise price of \$0.52 per Class A common share for up to three years following the issuance date.
 - (f) Subsequent to March 31, 2014 all of the outstanding 3,333,334 stock options were exercised at \$0.09 for total proceeds of \$300,000.
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(in CAD) (unaudited)

16. SUBSEQUENT EVENTS *(continued)*

- (g) On May 7, 2014 the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between Southtech Capital Corporation. ("Southtech") and the Corporation. In accordance with the letter of intent, the Proposed Transaction would take the form of an amalgamation between the Corporation and Southtech to continue as one corporation (the "Resulting Issuer"). In connection with the Amalgamation, the Corporation intends to complete a brokered "commercially reasonable efforts" private placement for gross proceeds of not less than \$5.40 million (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Proposed Transaction. The Resulting Issuer intends to use the net proceeds of the Private Placement to fund various testing and certification procedures in relation to the Resulting Issuer's proposed business, to fund potential acquisitions and for general corporate purposes.

In connection with the Amalgamation, each Corporation shareholder would receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of the Corporation (a "Corporation Share") held by such Corporation shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Corporation Shares issued pursuant to the Private Placement. The Corporation Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities. In addition, each Southtech shareholder would receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder, and the Southtech Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities.

The Proposed Transaction is subject to a number of conditions for the Corporation and Southtech which have not been met as of the date of these condensed interim consolidated financial statements. There is no assurance that the Proposed Transaction will be completed as contemplated, or at all.

Redfall Technologies Inc.
Consolidated Financial Statements
(in Canadian dollars)
For the years ended December 31, 2013 and 2012

Management's Responsibility

To the Shareholders of Redfall Technologies Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board also has the responsibility of recommending the appointment of the Corporation's external auditors and to meet with external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.

Collins Barrow Calgary LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 14, 2014

(signed) "*Geoff Gordon*"

Chief Executive Officer

(signed) "*Karim Teja*"

Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Redfall Technologies Inc.

We have audited the accompanying consolidated financial statements of Redfall Technologies Inc. and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholders' deficiency and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Redfall Technologies Inc. and its subsidiaries as at December 31, 2013, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to note 2(c) to the consolidated financial statements which describes conditions that indicate the existence of material uncertainties that may cast significant doubt upon the Corporation's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Other Matter

The consolidated financial statements of Redfall Technologies Inc. for the year ended December 31, 2012 were audited by another auditor who expressed an unmodified opinion on those statements on March 3, 2014.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

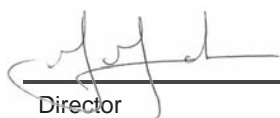
Calgary, Canada
April 14, 2014

Redfall Technologies Inc.
Consolidated Statement of Financial Position
(in CAD)
As at

	December 31 2013 \$	December 31 2012 \$
ASSETS		
Current assets:		
Cash and cash equivalents	92,222	37,402
Cash held in trust (notes 7 and 18)	1,324,528	91,501
Good and services tax recoverable	16,514	17,672
Prepaid expenses and deposits	13,764	23,012
	1,447,028	169,587
Non-current assets:		
Property and equipment (note 6)	24,251	43,720
Long-term investment (note 3(g)(ii))	145,000	145,000
	169,251	188,720
Total assets	1,616,279	358,307
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (note 8)	500,244	335,509
Trust liabilities (notes 7 and 18)	1,324,528	91,501
Convertible debentures (note 10)	199,273	-
Royalty financing liability (note 13)	218,192	-
Total liabilities	2,242,237	427,010
Shareholders' Deficiency		
Share capital (note 11)	1,161,164	685,903
Convertible debentures - equity portion (note 10)	15,464	-
Deficit	(1,802,586)	(754,606)
Total shareholders' deficiency	(625,958)	(68,703)
Total liabilities and shareholders' deficiency	1,616,279	358,307

Going concern (note 2(c))
Commitments (note 14)
Subsequent events (note 17)

Approved on behalf of the Board



Director

Director

Redfall Technologies Inc.
Consolidated Statement of Financial Position
(in CAD)
As at

	December 31 2013 \$	December 31 2012 \$
ASSETS		
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Going concern (note 2(c))
Commitments (note 14)
Subsequent events (note 17)

Approved on behalf of the Board

Director



Director

Redfall Technologies Inc.
Consolidated Statement of Loss and Comprehensive Loss
(in CAD)
For the years ended:

	December 31 2013 \$	December 31 2012 \$
REVENUE	159,527	31,748
EXPENSES		
General and administrative (note 12(a))	695,902	425,109
Sales and marketing	202,295	548,552
Research and development	239,447	893,732
Bad debt	-	25,701
Amortization (note 6)	19,469	429,843
	1,157,113	2,322,937
Loss from operating activities	(997,586)	(2,291,189)
Gain on forgiveness of debt (note 12(b))	-	474,180
Loss on disposal of property and equipment (note 6)	-	(24,100)
Accretion (note 10)	(14,737)	-
Interest	(35,657)	-
Loss before income taxes	(1,047,980)	(1,841,109)
Provision for income taxes		
Deferred tax recovery (note 9)	-	62,287
Net loss and comprehensive loss	(1,047,980)	(1,778,822)
Loss per share – basic and diluted (note 11)	(0.07)	(0.13)

The accompanying notes are an integral part of the consolidated financial statements.

Redfall Technologies Inc.
Consolidated Statement of Changes in Shareholders' Deficiency
(in CAD)
For the years ended December 31, 2013 and 2012

	Share Capital \$	Convertible Debentures - Equity Portion \$	Deficit \$	Total \$
Balance, January 1, 2012	100	-	1,024,216	1,024,316
Issuance of shares net of share issuance cost (note 11)	685,803	-	-	685,803
Net loss and comprehensive loss	-	-	(1,778,822)	(1,778,822)
Balance, December 31, 2012	685,903	-	(754,606)	(68,703)
Issuance of shares net of share issuance cost (note 11)	475,261	-	-	475,261
Equity portion of convertible debentures (note 10)	-	15,464	-	15,464
Net loss and comprehensive loss	-	-	(1,047,980)	(1,047,980)
Balance, December 31, 2013	1,161,164	15,464	(1,802,586)	(625,958)

Redfall Technologies Inc.
Consolidated Statement of Cash Flows
(in CAD)
For the years ended:

	December 31	December 31
	2013	2012
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(1,047,980)	(1,778,822)
Add back (deduct) items not involving cash:		
Amortization (note 6)	19,469	429,843
Accretion (note 10)	14,737	-
Interest on royalty financing	18,192	
Deferred tax recovery (note 9)	-	(62,287)
Stock-based compensation (note 11)	11,614	
Gain on forgiveness of debt (note 12(b))	-	(474,180)
Loss on disposal of property and equipment (note 6)	-	24,100
	(983,968)	(1,861,346)
Changes in non-cash working capital items:		
Goods and services tax recoverable	1,158	(10,619)
Trade and other payables	164,735	142,815
Income taxes recoverable	-	606,267
Prepaid expenses and deposits	9,248	(12,171)
	175,141	726,292
Net cash used in operating activities	(808,827)	(1,135,054)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment (note 6)	-	(9,734)
Proceeds from disposal of property and equipment (note 6)	-	1,168
Net cash used in investing activities	-	(8,566)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from royalty financing (note 13)	200,000	-
Proceeds from the issuance of convertible debentures (note 10)	200,000	-
Proceeds from the issuance of shares, net of share issue costs (note 11)	463,647	685,803
Net cash generated by financing activities	863,647	685,803
Net increase (decrease) in cash and cash equivalents for the year	54,820	(457,817)
Cash and cash equivalents, beginning of the year	37,402	495,219
Cash and cash equivalents, end of the year	92,222	37,402
Supplemental cash flow information:		
Interest paid	5,000	-
Taxes recovered	-	606,267

The accompanying notes are an integral part of the consolidated financial statements.

1. NATURE OF OPERATIONS

Redfall Technologies Inc. (the "Corporation"), was incorporated under the *Business Corporations Act* (Alberta) on January 23, 2008. Vogogo Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, AB T2S 0J2.

The Corporation is in the payment technology and transaction processing business. The Corporation develops software that administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for both the U.S. and Canadian markets.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 14, 2014.

(b) Basis of preparation

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial, unless otherwise indicated.

The consolidated financial statements have been prepared under the historical cost convention.

(c) Going concern

These consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. As at December 31, 2013, the Corporation has cash and cash equivalents of \$92,222 (2012 - \$37,402), is in a net working capital liability position of \$795,209 (2012 - \$257,423) and has an accumulated deficit of \$1,802,586 (2012 – \$754,606). In addition, the Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2013 is uncertain. To address its financing requirements, the Corporation issued secured debentures in an amount of \$3,164,345, which was then converted to common shares (note 17). There is no assurance that these initiatives will be sufficient.

These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Inc. The functional currency of Vogogo USA Inc. is U.S. dollars ("USD").

2. BASIS OF PRESENTATION *(continued)*

(e) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents consist of amounts held in current bank accounts and short-term investments with maturities of less than three months. The Corporation does not have any cash equivalents as at December 31, 2013 or 2012.

(b) Revenue recognition

The Corporation generates revenue through transaction fees on payment transactions processed and through software development and maintenance contracts. In all cases, revenues generated in the normal course of business are measured at the fair value of the consideration received or receivable. Revenues are recognized only when there is persuasive evidence that an arrangement exists, delivery has occurred or the service has been rendered, the price is fixed or determinable, and collection of the related receivable is reasonably assured. Revenues arising from an agreement to render services are recognized based on the stage of completion of the contract. Rebates and similar deductions are deducted from revenues.

In addition to these general revenue recognition policies, the following specific revenue-recognition policies are applied to the Corporation's main sources of revenue:

- (i) Transaction fees are recognized when the transaction occurs.
- (ii) Software development revenues are recognized using the percentage-of-completion method. The degree of completion is determined by dividing the cumulative costs incurred at the closing date by the sum of incurred and estimated costs to complete the contract.
- (iii) Revenues from integration, maintenance and hosting services are recognized on a straight-line basis over the term of the agreement.

(c) Intangible assets

Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation's development group are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life of three years. The Corporation did not have any development costs that met the capitalization criteria for the years ended December 31, 2013 or 2012.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation expense is recognized in profit or loss over the estimated useful lives of property and equipment and is calculated using the depreciable amount, which is the cost of an asset less its residual value.

Property and equipment are depreciated over their estimated useful lives at the following rates and methods:

	Rates	Methods
Computer equipment	45% to 55%	Declining balance
Furniture and fixtures	20%	Declining balance
Leasehold improvements	20%	Declining balance

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if there is a change in the estimated useful life of property and equipment.

Gains or losses arising from the derecognition of an item of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit or loss when the asset is derecognized.

(e) Leases

Leases are classified as either finance or operating leases. Leases that effectively transfer substantially all of the risks and rewards of ownership to the Corporation are finance leases and are accounted for as an acquisition of an asset and an assumption of an obligation at the inception of the lease, measured at the lower of the fair value or the present value of the minimum lease payments. Obligations recorded under finance leases are reduced by the lease payments, net of imputed interest. All other leases are accounted for as operating leases and rental payments are recorded as expenses on a straight-line basis over the term of the related lease.

(f) Foreign currency translation

Foreign currency transactions are initially recorded in the individual company's functional currency at the transaction date exchange rate. At period-end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period-end exchange rate. All foreign currency adjustments are expensed.

Financial statements of subsidiaries for which the functional currency is not the presentation currency are translated into Canadian dollars. All asset and liability accounts are translated at the period-end exchange rate and all earnings and expense accounts and cash flow statement items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in Other Comprehensive Income (OCI) through the *Reserve – Translation of foreign operations* account.

(g) Financial instruments

The Corporation aggregates its financial instruments into classes based on their nature and characteristics. Management determines the classification when the instruments are initially recognized, which is normally on the date of purchase.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

All financial assets except those measured at fair value through profit or loss are subject to review for impairment annually and written down when there is evidence of impairment based on certain specific criteria as detailed further on.

Financial assets and financial liabilities classified as "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through profit or loss" and are measured at fair value, with changes in fair value recognized in the statement of loss and comprehensive loss. Transaction costs are expensed when incurred. The Corporation has designated cash and cash equivalents and cash held in trust as "held for trading".

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets when they will be realized within 12 months of the reporting date, otherwise they are classified as non-current. The Corporation does not have any financial assets in this category.

The financial instruments included in this category are initially recognized at fair value plus transaction costs and subsequent measurement is at amortized cost. Due to the short-term nature of these balances, the carrying values approximate fair value.

Financial assets are derecognized only when the contractual rights to the cash flows from the asset expire.

(ii) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. The Corporation includes long-term investment in this category. The long-term investment is comprised of shares in a private company and is measured at cost.

(iii) Other financial liabilities

The financial instruments included in this category are initially recognized at fair value less transaction costs and subsequent measurement is at amortized cost. They are classified as current liabilities when they are payable within twelve months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other payables, trust liabilities, convertible debentures and royalty financing liability in this category.

The Corporation derecognizes these liabilities when its obligation is discharged or replaced by a new liability with substantially modified terms.

(iv) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Share capital is recorded at the cost of shares issued. Costs related to the issuance of shares are reported in equity, net of tax, as a deduction of the issuance proceeds.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Share-based compensation

The Corporation uses the fair value method for valuing share-based compensation. Under this method, the compensation cost attributed to stock options granted is measured at the fair value at the grant date, compensation cost for options is expensed over the vesting period with a corresponding increase to contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the settlement of the stock options the previously recognized value in contributed surplus is recorded as an increase to shareholders' capital.

The Corporation measures share-based payments to non-employees at the date of receipt of the goods or services. If the fair value cannot be measured reliably, the value of the options or warrants granted will be used.

(i) Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as it occurs.

(j) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliability.

In assessing impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the carrying value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance against receivables.

(ii) Non-financial assets

Management assesses the carrying value of property and equipment and internally-generated intangible assets at each reporting date for indications of impairment. Indications of impairment include an ongoing lack of profitability, significant change in technology as well as economic circumstances. When an indication of impairment is present, a test for impairment is carried out by comparing whether the carrying value of the asset exceeds the greater of its value in use and its fair value less costs to sell. 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. For purpose of impairment testing, cash-generating units ("**CGUs**") are assets that cannot be tested individually but are grouped together into the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Taxation and tax credits

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Deferred taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(l) Compound financial instruments

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the issuance date, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability based on amortized cost until the instrument is converted or matures. The equity component is determined by deducting the liability component from the total fair value of the compound instrument and is recognized as equity, net of income tax effects, with no subsequent re-measurement.

(m) Fair value measurement

A number of the Corporation's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Corporation classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair value of cash and cash equivalents and cash held in trust are based on Level 1 inputs.

(n) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation did not have any dilutive instruments outstanding during the years presented.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(a) Areas of judgment

(i) Investments in equity instruments

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. The determination of CGUs is also based on management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the Corporation's operations.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Royalty financing liability

The royalty financing liability is measured at the present value of management's best estimate of the future repayment at the initial date of entering this contract. Determining future repayment requires estimates of the timing and amount of future revenue earned on the Corporation's products, including revenue on such products earned in current and potential future partnerships. The timing or amount of future revenue can vary from period to period based on the progress of the Corporation's development and commercialization programs. A change in the estimate of the amount or timing of such revenue will impact the valuation of the royalty financing liability.

(iv) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c).

(b) Assumptions and critical estimates

(i) Useful lives of property and equipment

The Corporation estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the non-current assets.

(ii) Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component. The determination of the amount allocated to the liability and equity components requires management to estimate various components and characteristics of present value calculations used in determining the fair value of the instrument, including the market interest rates of non-convertible debentures.

(iii) Impairment of property and equipment

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. CHANGES IN ACCOUNTING STANDARDS

Changes in accounting policies

On January 1, 2013, the Corporation adopted the following new standards and amendments which became effective for annual periods on or after January 1, 2013:

- IFRS 7, "*Financial Instruments*" provides additional information about offsetting of financial assets and liabilities. Additional disclosures are required to enable users of financial statements to evaluate the effect or potential effect of netting arrangements on the entity's financial position. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 10, "*Consolidated Financial Statements*" – IFRS 10 introduces a new control model that focuses on whether the Corporation has power over an investee, exposure or rights to variable returns, from its involvement with the investee and ability to use its power to effect returns. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 11, "*Joint Arrangements*" – IFRS 11 requires a Corporation to classify its interest in joint arrangements as either joint operations or joint ventures. When making this assessment, the Corporation considers the structure of the arrangements, the legal form of any separate vehicles, and contractual terms of the arrangements and other factors and circumstances. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 12, "*Disclosure of Interest in Other Entities*", combines the disclosure requirements for entities that have interest in subsidiaries, joint arrangements, and associates as well as unconsolidated structured entities. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 13, "*Fair Value Measurement*" – IFRS 13 established a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRS. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRS, including IFRS 7. As a result, the Corporation has included additional disclosures in this regard. Notwithstanding, the changes to IFRS 13 had no significant impact on the measurement of the Corporation's assets and liabilities.

Future accounting pronouncements

The Corporation has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Corporation.

5. CHANGES IN ACCOUNTING STANDARDS (continued)

For annual periods beginning on or after January 1, 2014, the Corporation will be required to adopt each of these standards:

- IAS 36, "Impairment of Assets" (Amended) which modifies certain disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Corporation plans to adopt the amendments in its consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of this standard will impact the Corporation's disclosures in the notes to the consolidated financial statements in periods where an impairment loss or impairment reversal is recorded.
- In December 2013, the IASB issued narrow-scope amendments to a total of nine standards as part of its annual improvement process. The improvement process is designed to make non-urgent but necessary amendments to IFRS. Some of the amendments made to the existing standards included: clarifying the definition of "vesting conditions" in IFRS 2, "Share-based payment"; defining the classification and measurement of contingent consideration; scope exclusion for the formation of joint arrangements in IFRS 3, "Business Combinations", and modifying the definition of a "related party" in IAS 24, "Related Party Disclosures". The Corporation intends to adopt these amendments in its consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of these standards is not expected to have a material impact on the consolidated financial statements.

The Corporation will be required to adopt IFRS 9 in the future; however, the IASB has removed the effective date for this IFRS as they finalize and complete their comprehensive project on financial instruments. IFRS 9, "Financial Instruments" (Amended) incorporates new requirements on accounting for financial liabilities. The new standard eliminates the existing multiple classification and measurement categories under IAS 39 or held-to-maturity, available for sale and loans and receivables and replaces them with a single model that has only two classification categories: amortized cost and fair value. The adoption of the amended standard is not expected to have a material impact on the Corporation's consolidated financial statements.

6. PROPERTY AND EQUIPMENT

	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, January 1, 2012	298,017	8,918	46,269	353,204
Additions	-	9,734	-	9,734
Disposals	(3,297)	-	(44,118)	(47,145)
Balance, December 31, 2012	294,720	18,652	2,151	315,523
Additions	-	-	-	-
Disposals	-	-	-	-
Balance, December 31, 2013	294,720	18,652	2,151	315,523

	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, January 1, 2012	228,698	3,704	21,406	253,808
Depreciation	35,973	3,954	215	40,142
Disposals	(740)	-	(21,407)	(22,147)
Balance, December 31, 2012	263,931	7,658	214	271,803
Depreciation	16,883	2,199	387	19,469
Disposals	-	-	-	-
Balance, December 31, 2013	280,814	9,857	601	291,272

Redfall Technologies Inc.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2013 and 2012
(in CAD)

6. PROPERTY AND EQUIPMENT *(continued)*

Net book value	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, December 31, 2011 <i>(unaudited)</i>	69,319	5,214	24,863	99,396
Balance, December 31, 2012	30,789	10,994	1,937	43,720
Balance, December 31, 2013	13,906	8,795	1,550	24,251

During the year ended December 31, 2012, the Corporation sold computer equipment with a net book value of \$2,557 for proceeds of \$1,168 and realized a loss on disposal of \$1,389. In addition, the Corporation moved office premises and wrote off leasehold improvements with a net book value of \$22,711.

Amortization expense for the year ended December 31, 2012 includes amortization of the remaining net book value of intangible assets of \$389,701.

7. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of clients which are held in trust until being paid out to clients.

8. TRADE AND OTHER PAYABLES

	December 31, 2013 \$	December 31, 2012 \$
Trade accounts payable	407,595	153,248
Accrued payables	39,302	41,982
Payroll	48,237	49,169
Share subscription received in advance	-	85,450
Other	5,110	5,660
	500,244	335,509

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms.

9. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

Redfall Technologies Inc.
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For the years ended December 31, 2013 and 2012
(in CAD)

9. INCOME TAXES (continued)

The reconciliation of the differences is as follows:

	December 31, 2013 \$	December 31, 2012 \$
Profit (loss) before income taxes	(1,047,980)	(1,841,109)
Statutory income tax rate	25.00%	25.00%
Expected income tax recovery	(261,995)	(460,277)
Change in enacted rates	-	48,940
Change in valuation allowance	260,236	347,668
Other	1,759	1,382
Income tax recovery	-	(62,287)

The net deferred tax liability is comprised of the following temporary differences:

	December 31, 2013 \$	December 31, 2012 \$
Non-capital losses	(595,242)	(343,560)
Property and equipment	(1,604)	(4,108)
Share issuance costs	(11,058)	-
Valuation allowance	607,904	347,668
Deferred tax liability	-	-

As at December 31, 2013, the Corporation has Canadian non-capital loss carry forwards of approximately \$1,969,482 (2012: \$1,374,240). The Canadian non-capital loss carry forwards expire at various dates from 2030 to 2033.

10. CONVERTIBLE DEBENTURES

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at 52 cents per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on January 25, 2014. Interest is due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014 (note 17(c)).

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at 52 cents per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on March 6, 2014. Interest is due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into Class A common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (note 17(d)).

Redfall Technologies Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2013 and 2012
(in CAD)

The Corporation determined that the convertible debentures meet the definition of a compound financial instrument and determined the fair value of the liability and the resulting equity component by discounting the expected future cash flows of each convertible debenture using an interest rate of 20% representing management's estimate of the fair value interest rate for a similar instrument without the convertibility feature.

	\$
Principal of convertible debt issuance	200,000
Less: Equity component	(15,464)
Fair value of liability component on initial recognition	184,536
Accretion	14,737
Balance, December 31, 2013	199,273

As at December 31, 2013, accrued interest at 10% amounts to \$12,465 and is included in trade and other payables.

11. SHARE CAPITAL

The authorized share capital of the Corporation consists of an unlimited number of Class "A" and Class "B" common voting shares and an unlimited number of Class "C", Class "D" and Class "E" redeemable preferred shares.

The Corporation has the following Class "A" common voting shares issued and outstanding:

	Number of Shares #	Share Capital \$
December 31, 2011 (<i>unaudited</i>)	10,000	100
Share split (i)	12,990,000	-
Shares issued for cash (ii)	856,000	729,830
Share-based payments (iii)	-	66,250
Share issue costs (iii), (iv)	-	(110,277)
December 31, 2012	13,856,000	685,903
Shares issued through re-pricing of existing shares (v)	576,361	-
Shares issued for cash (vi)	1,031,012	478,550
Share-based payments (vii)	203,401	105,769
Share-based payments (viii)	9,836	5,114
Share-based payments (ix)	19,697	6,500
Share issue costs (vii)	-	(105,769)
Share issue costs (x)	-	(14,903)
December 31, 2013	15,696,307	1,161,164

- (i) On February 8, 2012, 10,000 Class A common shares were subdivided into 13,000,000 Class A common shares.
- (ii) The Corporation issued a total of 856,000 Class A common shares for cash during the year ended December 31, 2012 at an average price of \$0.85 per share.
- (iii) Included in (ii) above is 125,000 Class A common shares issued to an employee at a price of \$0.40 per share. These shares were issued at a discount in exchange for the employee's assistance in raising the Class A common share financing. The difference between the fair value of the Class A common shares of \$0.93 per share, which is equal to the amount paid by arms length parties, and the amount paid by the employee was recorded as a share-based payment transaction.

11. SHARE CAPITAL *(continued)*

- (iv) The Corporation incurred \$110,277 in share issue costs during the year ended December 31, 2012 which consist of legal fees, commission and share-based payments.
- (v) On April 9, 2013 the Corporation issued 576,361 shares to all existing shareholders who paid \$0.93 per share during 2012 in order to revalue their share purchase price from \$0.93 per share to \$0.52 per share.
- (vi) The Corporation issued a total of 1,031,012 Class A common shares for cash during the year ended December 31, 2013 at an average price of \$0.46 per share.
- (vii) The Corporation issued 203,401 Class A common shares to an employee and a consulting firm during the year ended December 31, 2013 in exchange for assistance in raising the Class A common share financing. The fair value of the Class A common shares of \$0.52 per share, which is equal to the amount paid by arms length parties, was recorded as share issue costs.
- (viii) The Corporation issued 9,836 Class A common shares to a consulting firm during the year ended December 31, 2013 for consulting services performed. The fair value of the Class A common shares of \$0.52 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.
- (ix) The Corporation issued 19,697 Class A common shares to a consulting firm during the year ended December 31, 2013 in exchange for services performed related to the royalty financing (note 13). The fair value of the Class A common shares of \$0.33 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.
- (x) The Corporation incurred \$14,903 in share issue costs during the year ended December 31, 2013 which consist of legal fees.

The weighted average number of common shares outstanding used to calculate basic and diluted loss per share is 15,231,042 for the year ended December 31, 2013 (2012: 13,212,437). The effect of the share split was accounted for retrospectively for all periods presented.

12. RELATED PARTY TRANSACTIONS

- (a) Key management compensation is composed of consulting fees paid to companies controlled by key management. During the year ended December 31, 2013, consulting fees paid to key management amounted to \$56,000 (December 31, 2012: \$330,000).

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total \$578,453 (2012 - \$1,429,060) for the year ended December 31, 2013.

- (b) During the year ended December 31, 2012 the two existing shareholders at the time agreed to transfer 4,333,333 Class A common shares (2,166,666 each) to a party related by virtue of significant shareholdings as part of an agreement to bring this related party on as an equal partner. As part of the agreement, the related party agreed to release the Corporation from a \$474,180 loan provided by the related party to the Corporation. As a result the Corporation recognized a \$474,180 gain on the forgiveness of debt during the year ended December 31, 2012.
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13. ROYALTY FINANCING LIABILITY

The Corporation entered into a \$1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds are available to the Corporation if and when certain pre-determined milestones are achieved. Any amount drawn pursuant to the investment agreement is repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 until twice the gross amount received is remitted or until the Corporation has repaid all advances received plus 20% interest compounded annually from the date each advance is received, less royalties paid. During the year ended December 31, 2013, the Corporation received \$200,000 as part of this arrangement. At December 31, 2013 the liability is comprised of the \$200,000 principal plus \$18,192 in accrued interest.

14. COMMITMENTS

The Corporation is committed under a lease on their office space, expiring July 31, 2017 for future minimum rental payments exclusive of occupancy costs as follows:

	\$
2014	75,504
2015	76,934
2016	78,936
2017	46,046
	277,420

15. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital and deficit as equity components, as well as convertible debentures and royalty financing and the Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented, except for the inclusion of the convertible debentures and royalty financing in the capital structure.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust and trade and other payables, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost. The fair value of the royalty financing liability and the convertible debentures approximate carrying value because the interest rate implicit in the agreements approximate the market rate of interest.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents and cash held in trust.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada and the United States.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2013, the Corporation is in a net working capital liability position of \$795,209 (2012 - \$257,423). Subsequent to December 31, 2013 the Corporation issued secured debentures in the amount of \$3,164,345 (note 17(a)). The funds raised through the convertible debt financing will assist the Corporation in meeting its liquidity requirements.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2013, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US \$228 (2012 - US \$4,093). A 1% change in the exchange rate between the Canadian and US dollar would have a negligible impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2013, the Corporation is exposed to interest pricing risk on the convertible debentures of \$200,000 total which bear interest at 10% per annum (note 10).

17. SUBSEQUENT EVENTS

- (a) On January 25, 2014 the Corporation repaid a \$100,000 convertible debenture in full along with accrued interest for total consideration of \$110,381 (note 10).
 - (b) On February 10, 2014, the Corporation repurchased 3,833,334 Class A common shares from one of the share holders at \$0.09 per common share for total proceeds of \$345,000. The Class A common shares were subsequently re-allocated by the Corporation on March 17, 2014 as follows: (i) 500,000 Class A common shares were issued by the Corporation at a price of \$0.09 per Class A common share for total gross proceeds of \$45,000; and (ii) the Corporation issued 3,333,334 options to purchase Class A common shares of the Corporation with an exercise price of \$0.09 per Class A common share and an expiry date of March 17, 2015. The options vest immediately.
 - (c) On February 11, 2014, the Corporation issued a secured convertible debenture in amount of \$2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. In connection with the issuance of the convertible debenture, the Corporation issued the aggregate of 2,275,000 agent's options to acquire Class A common shares for a period of five years at a price of \$0.33 per Class A common share expiring five years from the date of grant. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full \$3,164,345 convertible debenture.
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17. SUBSEQUENT EVENTS *(continued)*

- (d) On March 5, 2014, the Corporation issued 192,307 Class A common shares at \$0.52 upon conversion of a \$100,000 convertible debenture (note 10).
- (e) On April 1, 2014, the Corporation entered into a financial services advisory agreement (the "Financial Services Agreement"). The Financial Services Agreement has a term of one year, subject to renewal, and a cost of \$15,000 per month to the Corporation. In addition, as further consideration for the services pursuant to the Financial Services Agreement, the Corporation has agreed to issue 400,000 Class A common share purchase warrants at an exercise price of \$0.52 for a period of three years from the date of issuance.
- (f) On April 2nd, 2014, the Corporation issued 48,077 Class A common shares to a subscriber at a price of \$0.52 per Class A common share.
- (g) On April 7th, 2014, the Corporation issued an aggregate of 784,615 Class A common shares to various subscribers at a price of \$0.52 per Class A common share.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. Management has determined that assets and liabilities related to amounts held in trust should be reported as separate line items on the consolidated statement of financial position as the Corporation holds these funds in trust for its customers. For the year ended December 31, 2012, these assets and liabilities were originally included in cash and cash equivalents and trade and other payables in the amount of \$91,501 each. As a result, these assets and liabilities have been reclassified to cash held in trust and trust liabilities for the year ended December 31, 2012.

Redfall Technologies Inc.
Consolidated Financial Statements
(in Canadian dollars)
For the years ended December 31, 2012, 2011 and 2010

Management's Responsibility

To the Shareholders of Redfall Technologies Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board also has the responsibility of recommending the appointment of the Corporation's external auditors and to meet with external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.

MNP LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

February 25, 2014

(signed) "*Geoff Gordon*"

Chief Executive Officer

(signed) "*Karim Teja*"

Chief Financial Officer

Independent Auditors' Report

To the Shareholders of Redfall Technologies Inc.:

We have audited the accompanying consolidated financial statements of Redfall Technologies Inc. and its subsidiary, which comprise the consolidated statement of financial position as at December 31, 2012 and the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the year ended December 31, 2012, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Redfall Technologies Inc. and its subsidiary as at December 31, 2012, and their financial performance and their cash flows for the year ended December 31, 2012, in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2(c) in the consolidated financial statements, which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about Redfall Technologies Inc.'s ability to continue as a going concern.

Other Matter

The comparative figures included in the consolidated financial statements of Redfall Technologies Inc. as at December 31, 2011, December 31, 2010 and January 1, 2010 and for the years ended December 31, 2011 and 2010 are unaudited.

March 3, 2014
Calgary, Alberta

MNP LLP
Chartered Accountants

Redfall Technologies Inc.
Consolidated Statement of Financial Position
(in CAD)
As at:

	December 31 2012 \$	December 31 2011 (unaudited) \$	December 31 2010 (unaudited) \$	January 1 2010 (unaudited) \$
ASSETS				
Current assets:				
Cash and cash equivalents	128,903	495,219	249,465	520,112
Trade and other receivables <i>(Note 6)</i>	17,672	7,053	168,517	96,387
Income taxes recoverable <i>(Note 12)</i>	-	606,267	-	-
Prepaid expenses and deposits	23,012	10,841	31,556	30,744
	<u>169,587</u>	<u>1,119,380</u>	<u>449,538</u>	<u>647,243</u>
Non-current assets:				
Property and equipment <i>(Note 7)</i>	43,720	99,396	175,187	167,876
Intangible asset <i>(Note 8)</i>	-	389,701	779,402	1,690
Long-term investment	145,000	145,000	-	-
	<u>188,720</u>	<u>634,097</u>	<u>954,589</u>	<u>169,566</u>
Total assets	358,307	1,753,477	1,404,127	816,809
LIABILITIES AND EQUITY				
Liabilities				
Current liabilities:				
Trade and other payables <i>(Note 9)</i>	427,010	192,694	273,281	420,478
Due to related party <i>(Note 10)</i>	-	474,180	-	-
Income taxes payable <i>(Note 11)</i>	-	-	63,532	56,690
	<u>427,010</u>	<u>666,874</u>	<u>336,813</u>	<u>477,168</u>
Non-current liabilities:				
Deferred taxes <i>(Note 11)</i>	-	62,287	29,617	-
Total liabilities	<u>427,010</u>	<u>729,161</u>	<u>366,430</u>	<u>477,168</u>
Equity				
Share capital <i>(Note 13)</i>	685,903	100	100	100
Retained earnings (deficit)	(754,606)	1,024,216	1,037,597	339,541
Total equity	<u>(68,703)</u>	<u>1,024,316</u>	<u>1,037,697</u>	<u>339,641</u>
Total liabilities and equity	358,307	1,753,477	1,404,127	816,809

Going concern *(Note 2)*
Commitments *(Note 15)*
Subsequent events *(Note 18)*

Approved on behalf of the Board

(signed) "Geoff Gordon"

Director

The accompanying notes are an integral part of the consolidated financial statements.

Redfall Technologies Inc.
Consolidated Statement of Comprehensive Income (Loss)
(in CAD)
For the years ended:

	December 31 2012 \$	December 31 2011 (Unaudited) \$	December 2010 (Unaudited) \$
REVENUE	31,748	2,214,269	4,676,001
EXPENSES			
General and administrative	425,109	624,913	1,009,508
Sales and marketing	548,552	537,031	1,190,257
Research and development	893,732	687,931	1,140,137
Bad debt expense	25,701	-	-
Amortization (Note 7 and 8)	429,843	477,319	500,352
	2,322,937	2,327,194	3,840,254
Profit (loss) from operating activities	(2,291,189)	(112,925)	835,747
Gain on forgiveness of debt (Note 10)	474,180	-	-
Loss on disposal of property and equipment (Note 7)	(24,100)	-	-
Profit (loss) before income taxes	(1,841,109)	(112,925)	835,747
Provision for income taxes (Note 11)			
Current (recovery)	-	(132,214)	108,074
Deferred (recovery)	(62,287)	32,670	29,617
	(62,287)	(99,544)	137,691
Net profit (loss) and comprehensive income (loss)	(1,778,822)	(13,381)	698,056
Earnings (loss) per share – basic and diluted (Note 13)	(0.13)	-	0.05

The accompanying notes are an integral part of the consolidated financial statements.

Redfall Technologies Inc.
Consolidated Statement of Cash Flows
(in CAD)
For the years ended:

	December 31 2012 \$	December 31 2011 (Unaudited) \$	December 2010 (Unaudited) \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit (loss)	(1,778,822)	(13,381)	698,056
Add back (deduct) items not involving cash:			
Amortization <i>(Note 7 & 8)</i>	429,843	477,319	500,352
Deferred tax expense (recovery) <i>(Note 11)</i>	(62,287)	32,670	29,617
Gain on forgiveness of debt <i>(Note 10)</i>	(474,180)	-	-
Loss on disposal of property and equipment <i>(Note 7)</i>	24,100	-	-
	(1,861,346)	496,608	1,228,025
Changes in non-cash working capital items:			
Trade and other receivables	(10,619)	161,464	(72,130)
Trade and other payables	234,316	(80,587)	(147,197)
Income taxes payable / recoverable	606,267	(669,799)	6,842
Prepaid expenses and deposits	(12,171)	20,715	(812)
	817,793	(568,207)	(213,297)
Net cash generated by operating activities	(1,043,553)	(71,599)	1,014,728
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment <i>(Note 7)</i>	(9,734)	(11,827)	(116,270)
Development of intangible asset <i>(Note 8)</i>	-	-	(1,169,105)
Proceeds from disposal of property and equipment <i>(Note 7)</i>	1,168	-	-
Purchase of long-term investment	-	(145,000)	-
Net cash used in investing activities	(8,566)	(156,827)	(1,285,375)
CASH FLOWS FROM FINANCING ACTIVITIES			
Advances from shareholders <i>(Note 10)</i>	-	474,180	-
Issuance of shares net of share issue costs <i>(Note 13)</i>	685,803	-	-
Net cash generated by (used in) financing activities	685,803	474,180	-
Net increase in cash and cash equivalents for the year	(366,316)	245,754	(270,647)
Cash and cash equivalents, beginning of the year	495,219	249,465	520,112
Cash and cash equivalents, end of the year	128,903	495,219	249,465
Supplemental cash flow information:			
Interest (paid) received	-	-	-
Taxes (paid) recovered	606,267	(135,588)	(101,234)

The accompanying notes are an integral part of the consolidated financial statements.

Redfall Technologies Inc.
Consolidated Statement of Changes in Equity
(in CAD)

	Share capital \$	Retained earnings (deficit) \$	Total \$
Balance, January 1, 2010 <i>(unaudited)</i>	100	339,541	339,641
Net profit and comprehensive income	-	698,056	698,056
Balance, December 31, 2010 <i>(Unaudited)</i>	100	1,037,597	1,037,697
Net loss and comprehensive loss	-	(13,381)	(13,381)
Balance, December 31, 2011 <i>(Unaudited)</i>	100	1,024,216	1,024,316
Issuance of shares net of share issuance cost	685,803	-	685,803
Net loss and comprehensive loss	-	(1,778,822)	(1,778,822)
Balance, December 31, 2012	685,903	(754,606)	(68,703)

The accompanying notes are an integral part of the consolidated financial statements.

1. NATURE OF OPERATIONS

Redfall Technologies Inc. (the "**Corporation**"), was incorporated under the *Business Corporations Act* (Alberta) on January 23, 2008. Vogogo Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company. The head office is located at 4600, 525 – 8th Avenue SW, Calgary, AB T2P 1G1.

The Corporation is in the payment technology and transaction processing business. The Corporation develops software that administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for both the U.S. and Canadian markets.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

These consolidated financial statements are the Corporation's first financial statements prepared under IFRS. The Corporation adopted IFRS in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("**IFRS 1**") with a transition date to IFRS of January 1, 2010 (the "**Transition Date**"). The Corporation previously prepared financial information for income tax purposes only, and as a consequence the previously prepared financial information was not in accordance with a generally accepted accounting framework. Therefore, the Corporation has not prepared any reconciliation between the financial information previously prepared for tax purposes and IFRS.

The consolidated financial statements were approved and authorized for issue by the Board of Directors on February 25, 2014.

(b) Basis of preparation

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements including the preparation of the opening statement of financial position as at January 1, 2010 for the purpose of the transition to IFRS, unless otherwise indicated.

The consolidated financial statements have been prepared under the historical cost convention.

(c) Going concern

These consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. As at December 31, 2012, the Corporation has cash and cash equivalents of \$128,903, is in a net current liability position of \$257,423 and has an accumulated deficit of \$754,606. In addition, the Corporation's source of revenue has deteriorated significantly compared to previous years and the Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due for the twelve months ended December 31, 2013 is uncertain. To address its financing requirements, the Corporation issued common shares and convertible debentures subsequent to December 31, 2012. There is no assurance that these initiatives will be successful or sufficient.

These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION *(continued)*

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("**CAD**") which is the functional currency of the Corporation and its subsidiaries.

(e) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents consist of amounts held in current bank accounts and short-term investments with maturities of less than three months.

(b) Revenue recognition

The Corporation generates revenue through transaction fees on payment transactions processed and through software development and maintenance contracts. In all cases, revenues generated in the normal course of business are measured at the fair value of the consideration received or receivable. Revenues are recognized only when there is persuasive evidence that an arrangement exists, delivery has occurred or the service has been rendered, the price is fixed or determinable, and collection of the related receivable is reasonably assured. Revenues arising from an agreement to render services are recognized based on the stage of completion of the contract. Rebates and similar deductions are deducted from revenues.

In addition to these general revenue-recognition policies, the following specific revenue-recognition policies are applied to the Corporation's main sources of revenue:

- (i) Transaction fees are recognized when the transaction occurs.
- (ii) Software development revenues are recognized using the percentage-of-completion method. The degree of completion is determined by dividing the cumulative costs incurred at the closing date by the sum of incurred and estimated costs to complete the contract.
- (iii) Revenues from integration, maintenance and hosting services are recognized on a straight-line basis over the term of the agreement.

(c) Intangible assets

The Corporation's intangible asset consists of the internally-generated payment processing software. Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation's development group are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life of three years.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation expense is recognized in profit or loss over the estimated useful lives of property and equipment and is calculated using the depreciable amount, which is the cost of an asset less its residual value.

Property and equipment are depreciated over their estimated useful lives at the following rates and methods:

	Rates	Methods
Computer equipment	55% to 45%	Declining balance
Furniture and fixtures	20%	Declining balance
Leasehold improvements	5 years	Straight-line

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if there is a change in the estimated useful life of property and equipment.

Gains or losses arising from the derecognition of an item of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(f) Leases

Leases are classified as either finance or operating leases. Leases that effectively transfer substantially all of the risks and rewards of ownership to the Corporation are finance leases and are accounted for as an acquisition of an asset and an assumption of an obligation at the inception of the lease, measured at the lower of the fair value or the present value of the minimum lease payments. Obligations recorded under finance leases are reduced by the lease payments, net of imputed interest. All other leases are accounted for as operating leases and rental payments are recorded as expenses on a straight-line basis over the term of the related lease.

(e) Financial instruments

The Corporation aggregates its financial instruments into classes based on their nature and characteristics. Management determines the classification when the instruments are initially recognized, which is normally on the date of purchase.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment annually and written down when there is evidence of impairment based on certain specific criteria as detailed further on.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets when they will be realized within 12 months of the reporting date, otherwise they are classified as non-current. The Corporation includes cash and cash equivalents, and trade and other receivables in this category.

The financial instruments included in this category are initially recognized at fair value plus transaction costs and subsequent measurement is at amortized cost. Due to the short-term nature of these balances, the carrying values approximate fair value.

Financial assets are derecognized only when the contractual rights to the cash flows from the asset expire.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(ii) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. The Corporation includes long-term investment in this category and it is measured at cost.

(iii) Other financial liabilities

The financial instruments included in this category are initially recognized at fair value less transaction costs and subsequent measurement is at amortized cost. They are classified as current liabilities when they are payable within twelve months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other payables and due to related party in this category.

The Corporation derecognizes these liabilities when its obligation is discharged or replaced by a new liability with substantially modified terms.

(iv) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Share capital is recorded at the cost of shares issued. Costs related to the issuance of shares are reported in equity, net of tax, as a deduction of the issuance proceeds.

(g) Share-based payments

Equity settled share-based payment transactions granted to employees are measured at the grant date fair value of the equity instrument granted. Common shares issued to an employee at amounts lower than fair value in exchange for the employee's involvement in raising a common share financing is considered to be an equity settled share-based payment transaction. The share-based payment component is recorded in share capital as the difference between the fair value of the common shares issued and the amount paid by the employee. In addition, since the share-based payment is directly related to the employee's involvement in the common share financing it is included in share issuance cost.

(h) Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as it occurs.

(i) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliability.

In assessing impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the carrying value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance against receivables.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(ii) Non-financial assets

Management assesses the carrying value of property and equipment and internally-generated intangible assets at each reporting date for indications of impairment. Indications of impairment include an ongoing lack of profitability, significant change in technology as well as economic circumstances. When an indication of impairment is present, a test for impairment is carried out by comparing whether the carrying value of the asset exceeds the greater of its value in use and its fair value less costs to sell. 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. For purpose of impairment testing, cash-generating units ("**CGUs**") are assets that cannot be tested individually but are grouped together into the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(j) Taxation and tax credits

Income taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(k) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation did not have any dilutive instruments outstanding during the years presented.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(a) Areas of judgment

(i) Investments in equity instruments

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether there is an active market and whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. The determination of CGUs is also based on management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the Corporation's operations.

(iii) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in Note 2(c).

(b) Assumptions and critical estimates

(i) Useful lives of property and equipment and internally-generated intangible assets

The Corporation estimates the useful lives of property and equipment and internally-generated intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the non-current assets.

(ii) Trade and other receivables and allowance for doubtful accounts:

The Corporation estimates allowances for doubtful accounts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analysed historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of the allowance of doubtful accounts. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(iii) Impairment of property and equipment and internally generated intangible assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. FUTURE CHANGES IN ACCOUNTING STANDARDS

The Corporation has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Corporation:

(a) IAS 1, Presentation of Financial Statements

Amendment to International Accounting Standard ("**IAS**") 1, *Presentation of Financial Statements* ("**IAS 1**") requires entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). IAS 1 is effective for fiscal periods beginning on or after July 1, 2012. The Corporation is assessing the impact of this amendment on its consolidated financial statements.

(b) IFRS 7, Financial Instruments: Disclosures

Amendment to IFRS 7, *Financial Instruments: Disclosures* ("**IFRS 7**") promotes transparency in the reporting of transfer transactions and improves users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position. This amendment is effective for fiscal periods beginning on or after January 1, 2013. In conjunction with the transition from IAS 39, *Financial Instruments: Recognition and Measurement* ("**IAS 39**") to IFRS 9, *Financial Instruments* ("**IFRS 9**") for fiscal years beginning on or after January 1, 2015. IFRS 7 will also be amended to require additional disclosure in the year of transition. The Corporation is assessing the impact of this amendment on its consolidated financial statements.

(c) IFRS 9, Financial Instruments

In October 2010, the IASB issued IFRS 9, which replaces IAS 39 and establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of future cash flows. This new standard is effective for annual periods beginning on or after January 1, 2015. The Corporation is assessing the impact of this new standard on its consolidated financial statements.

5. FUTURE CHANGES IN ACCOUNTING STANDARDS (continued)

(d) IFRS 10, Consolidated Financial Statements

In May 2011, the IASB issued IFRS 10, *Consolidated Financial Statements* ("**IFRS 10**"). IFRS 10, which replaces the consolidation requirements of SIC-12, *Consolidation - Special Purposes Entities* and IAS 27, *Separate Financial Statements* ("**IAS 27**"), establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This new standard is effective for annual periods beginning on or after January 1, 2013. There is no anticipated impact of this standard on the Corporation's consolidated financial statements.

(e) IFRS 12, Disclosure of Interests in Other Entities

In May 2011, the IASB issued IFRS 12, *Disclosure of Interests in Other Entities* ("**IFRS 12**"). IFRS 12 establishes new and comprehensive disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and uncombined structured entities. This new standard is effective for annual periods beginning on or after January 1, 2013. There is no anticipated impact of this standard on the Corporation's consolidated financial statements.

(f) IFRS 13, Fair Value Measurement

In May 2011, the IASB issued IFRS 13, *Fair Value Measurement* ("**IFRS 13**"). IFRS 13 replaces the fair value guidance contained in individual IFRS's with a single source of fair value guidance. The standard completes the IASB's project to converge fair value measurement in IFRS and the United States generally accepted accounting principles. This new standard is effective for annual periods beginning on or after January 1, 2013. The Corporation is assessing the impact of this new standard on its consolidated financial statements.

6. TRADE AND OTHER RECEIVABLES

	December 31, 2012	December 31, 2011 (Unaudited)	December 31, 2010 (Unaudited)	January 1, 2010 (Unaudited)
	\$	\$	\$	\$
Trade accounts receivable, net of provision	-	-	125,808	1,700
Other receivables	17,672	7,053	42,709	94,687
	17,672	7,053	168,517	96,387

Trade receivables are non-interest bearing, due on 30 day terms and are shown net of a provision for impairment. As at December 31, 2012 the Corporation has an allowance for doubtful accounts of \$25,701. Other receivables are non-interest bearing and do not contain impaired assets.

The aging analysis of trade and other receivables is as follows:

	December 31, 2012	December 31, 2011 (Unaudited)	December 31, 2010 (Unaudited)	January 1, 2010 (Unaudited)
	\$	\$	\$	\$
< 31 days	17,672	7,053	168,470	94,687
31 – 60 days	-	-	-	1,600
61 – 90 days	-	-	-	-
> 90 days	-	-	47	100
	17,672	7,053	168,517	96,387

7. PROPERTY AND EQUIPMENT

Cost	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, January 1, 2010 <i>(unaudited)</i>	179,096	8,386	37,625	225,107
Additions	107,094	532	8,644	116,270
Balance, December 31, 2010 <i>(unaudited)</i>	286,190	8,918	46,269	341,377
Additions	11,827	-	-	11,827
Balance, December 31, 2011 <i>(unaudited)</i>	298,017	8,918	46,269	353,204
Additions	-	9,734	-	9,734
Disposals	(3,297)	-	(44,118)	(47,145)
Balance, December 31, 2012	294,720	18,652	2,151	315,523

Accumulated depreciation	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, January 1, 2010 <i>(unaudited)</i>	52,629	839	3,763	57,231
Depreciation	99,008	2,315	7,636	108,959
Balance, December 31, 2010 <i>(unaudited)</i>	151,637	3,154	11,399	166,190
Depreciation	77,061	550	10,007	87,618
Balance, December 31, 2011 <i>(unaudited)</i>	228,698	3,704	21,406	253,808
Depreciation	35,973	3,954	215	40,142
Disposals	(740)	-	(21,407)	(22,147)
Balance, December 31, 2012	263,931	7,658	214	271,803

Net book value	Computer Equipment \$	Furniture and Fixtures \$	Leasehold Improvements \$	Total \$
Balance, January 1, 2010 <i>(unaudited)</i>	126,467	7,547	33,862	167,876
Balance, December 31, 2010 <i>(unaudited)</i>	134,553	5,764	34,870	175,187
Balance, December 31, 2011 <i>(unaudited)</i>	69,319	5,214	24,863	99,396
Balance, December 31, 2012	30,789	10,994	1,937	43,720

During the year ended December 31, 2012, the Corporation sold computer equipment with a net book value of \$2,557 for proceeds of \$1,168 and realized a loss on disposal of \$1,389. In addition, the Corporation moved office premises and wrote off leasehold improvements with a net book value of \$22,711.

8. INTANGIBLE ASSET

	Cost \$	Accumulated amortization \$	Net book value \$
Balance, January 1, 2010 (Unaudited)	3,380	(1,690)	1,690
Additions (amortization)	1,169,105	(391,393)	777,712
Balance, December 31, 2010 (Unaudited)	1,172,485	(393,083)	779,402
Additions (amortization)	-	(389,701)	(389,701)
Balance, December 31, 2011 (Unaudited)	1,172,485	(782,784)	389,701
Additions (amortization)	-	(389,701)	(389,701)
Balance, December 31, 2012	1,172,485	(1,172,485)	-

9. TRADE AND OTHER PAYABLES

	December 31, 2012 \$	December 31, 2011 (Unaudited) \$	December 31, 2010 (Unaudited) \$	January 1, 2010 (Unaudited) \$
Trade accounts payable	244,749	177,454	268,782	406,555
Accrued payables	41,982	2,500	2,500	2,500
Payroll	49,169	7,080	-	11,423
Share subscription received in advance	85,450	-	-	-
Other	5,660	5,660	1,999	-
	427,010	192,694	273,281	420,478

The aging analysis of trade and other payables is as follows:

	December 31, 2012 \$	December 31, 2011 (Unaudited) \$	December 31, 2010 (Unaudited) \$	January 1, 2010 (Unaudited) \$
< 31 days	276,212	137,612	252,055	357,080
31 – 60 days	805	6,125	-	27,774
61 – 90 days	22,692	11,850	-	27,772
> 90 days	127,301	37,107	21,226	7,852
	427,010	192,694	273,281	420,478

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms.

10. DUE TO RELATED PARTY

The amount due to related party is non-interest bearing and was advanced by the related party with the intention of acquiring Class A common shares. During the year ended December 31, 2012 the two existing shareholders at the time agreed to transfer 4,333,333 Class A common shares (2,166,666 each) to the related party as part of an agreement to bring the related party on as an equal partner. As part of the agreement the related party agreed to release the Corporation from its liability. As a result the Corporation recognized a \$474,180 gain on forgiveness of debt.

11. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

The reconciliation of the differences is as follows:

	December 31, 2012	December 31, 2011 (Unaudited)	December 31, 2010 (Unaudited)
	\$	\$	\$
Profit (loss) before income taxes	(1,841,109)	(112,925)	835,747
Statutory income tax rate	25.00%	26.50%	28.00%
Expected income tax provision (recovery)	(460,277)	(29,925)	234,009
Small business deduction	-	-	(70,000)
Rate difference on loss carried back	-	50,616	-
Non-deductible items	1,382	4,525	1,134
Change in enacted rates	48,940	(34,595)	(24,029)
Change in deferred tax asset not recognized	347,668	-	(224)
Adjustments for current tax of prior periods	-	(75,524)	-
Other	-	(14,641)	(3,199)
Income tax provision (recovery)	(62,287)	(99,544)	137,691

The net deferred tax liability is comprised of the following temporary differences:

	December 31, 2012	December 31, 2011 (Unaudited)	December 31, 2010 (Unaudited)	January 1, 2010 (Unaudited)
	\$	\$	\$	\$
Non-capital losses	343,560	7,899	339	-
Property and equipment & intangible assets	4,108	(54,388)	(29,956)	224
Investment tax credit	-	(15,798)	-	-
Deferred tax asset not recognized	(347,668)	-	-	(224)
Deferred tax liability	-	(62,287)	(29,617)	-

As at December 31, 2012, the Corporation has Canadian non-capital loss carry forwards of approximately \$1,374,240 (December 31, 2011: \$56,421, December 31, 2010: \$2,186). The Canadian non-capital loss carry forwards expire at various dates from 2030 to 2032.

12. INVESTMENT TAX CREDITS

During the years ended December 31, 2011 and 2010 the Corporation incurred eligible research and development consulting fees in the amounts of \$326,905 and \$873,919 respectively. The Corporation qualified for an investment tax credit of \$117,350 and \$284,647 associated with the eligible research and development expenses incurred in 2011 and 2010. The investment tax credits receivable is included in income tax recoverable as at December 31, 2011 and has been recorded as a reduction in consulting fees for the year ended December 31, 2011.

13. SHARE CAPITAL

The authorized share capital of the Corporation consists of an unlimited number of Class "A" and Class "B" common voting shares and an unlimited number of Class "C", Class "D" and Class "E" redeemable preferred shares.

The Corporation has the following Class "A" common voting shares issued and outstanding:

	Number of Shares #	Share Capital \$
January 1, 2010, December 31, 2010 and 2011 (Unaudited)	10,000	100
Share split (i)	12,990,000	-
Shares issued for cash (ii)	856,000	729,830
Share-based payments (iii)	-	66,250
Share issue costs (iv)	-	(110,277)
December 31, 2012	13,856,000	685,903

- (i) On February 8, 2012, 10,000 Class A common shares were subdivided into 13,000,000 Class A common shares for no consideration.
- (ii) The Corporation issued a total of 856,000 Class A common shares at an average price of 85.26 cents per share.
- (iii) Included in (ii) above is 125,000 Class A common shares issued to an employee at a price of 40 cents per share. These shares were issued at a discount in exchange for the employee's assistance in raising the Class A common share financing. The difference between the fair value of the Class A common shares of 93 cents per share, which is equal to the amount paid by arms length parties, and the amount paid by the employee was recorded as a share-based payment transaction.
- (iv) The Corporation incurred \$110,277 in share issue costs which consist of legal fees, commission and share-based payments.

The weighted average number of common shares outstanding used to calculate basic and diluted earnings (loss) per share is 13,212,437 for the year ended December 31, 2012 (December 31, 2011 and 2010 – 13,000,000). The effect of the share split was accounted for retrospectively for all periods presented.

14. RELATED PARTY TRANSACTIONS

Key management compensation is composed of consulting fees paid to companies controlled by key management. During the year ended December 31, 2012, consulting fees paid to key management amounted to \$330,000 (December 31, 2011 – \$550,000 and December 31, 2010 – \$1,260,000).

15. COMMITMENTS

The Corporation has entered into a premises lease agreement with the following minimum future lease payments:

	\$
Less than 1 year	75,504
More than 1 year, less than 5 years	231,374
More than 5 years	46,046
	352,924

16. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital and retained earnings (deficit) as equity components and the Corporation strives to maximize the value associated with share capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the periods presented.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of cash and cash equivalents, trade and other receivables, trade and other payables and due to related party the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and from outstanding trade and other receivables. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents and trade and other receivables.

The Corporation minimizes credit risk associated with its cash and cash equivalents balance substantially by dealing with major financial institutions in Canada and the United States.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2012, the Corporation is in a net current liability position of \$257,423. Subsequent to December 31, 2012 the Corporation issued \$200,000 in unsecured convertible debentures (Note 18). The funds raised through the convertible debt financing will assist the Corporation in meeting its liquidity requirements.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2012, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US\$4,093.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates.

As at December 31, 2012, the Corporation did not have a significant exposure to interest rate risk, given that all of the Corporation's financial instruments are non-interest bearing.

18. SUBSEQUENT EVENTS

On January 25, 2013, the Corporation issued an unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at \$0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on January 25, 2014. Interest is due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014.

On March 6, 2013, the Corporation issued a second unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at \$0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on March 6, 2014. Interest is due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014.

On April 9, 2013, the Corporation issued 576,361 shares to all existing shareholders who paid \$0.93 per share during 2012 in order to adjust their share purchase price from \$0.93 per share to \$0.52 per share. In addition, the Corporation issued 941,217 Class A common shares at \$0.52 per share.

On July 10, 2013, the Corporation completed an offering for proceeds of \$56,500 through the issuance of 171,213 Class A common shares at a price of \$0.33 per common share.

On October 17, 2013, the Corporation completed an offering for proceeds of \$50,000 through the issuance of 151,516 Class A common shares at a price of \$0.33 per common share.

On February 11, 2014, the Corporation issued a secured convertible debenture in an amount of \$2,000,000. The debenture is secured by a first charge against all of the Corporation's present and after-acquired property. The principal bears interest at a rate of 10% per annum. The debenture along with the accrued interest is convertible into Class A common shares at the option of the holder at \$0.33 cents per share. Principal and interest are due on August 11, 2014. The lender is permitted to demand repayment of the loan should certain events occur such as a change in control of the corporation, an initial public offering, a significant equity financing, or a reverse takeover.

APPENDIX G

Amalco *Pro Forma* Financial Statements

(See attached)

Southtech Capital Corporation
Pro Forma Consolidated Statement of Financial Position
(in Canadian dollars)
(unaudited)
As at March 31, 2014

Southtech Capital Corporation
Pro Forma Consolidated Statement of Financial Position
(in CAD) (unaudited)
As at March 31, 2014

	Southtech Capital Corporation	Redfall Technologies Inc.	Pro Forma Adjustments	Notes	Pro Forma Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 198,803	\$ 1,988,566	\$ 5,022,000	4(d)	
			1,132,361	4(e)	
			(420,000)	4(b)	\$ 7,921,730
Cash held in trust	-	1,250,839	-		1,250,839
Goods and services tax recoverable	-	30,230	-		30,230
Other receivables	2,154	-	-		2,154
Prepaid expenses and deposits	-	67,930	-		67,930
	200,957	3,337,565	5,734,361		9,272,883
Non-current assets:					
Property and equipment	-	21,829	-		21,829
Long-term investment	-	145,000	-		145,000
	-	166,829	-		166,829
Total assets	\$ 200,957	\$ 3,504,394	\$ 5,734,361		\$ 9,439,712
LIABILITIES AND EQUITY					
Liabilities					
Current liabilities:					
Trade and other payables	\$ 1,059	\$ 114,522	\$ 40,163	4(e)	
			300,000	4(f)	\$ 455,744
Trust liabilities	-	1,250,839	-		1,250,839
Royalty financing liability	-	229,699	-		229,699
Total liabilities	1,059	1,595,060	\$ 40,163		1,936,282
Shareholders' Equity					
Share capital	257,796	3,726,400	(257,796)	4(c)	
			900,000	4(a)	
			30,000	4(e)	
			5,022,000	4(d)	
			(215,000)	4(d)	
			2,508,671	4(e)	11,972,071
Warrants	-	964,709	215,000	4(d)	
			35,527	4(e)	1,215,236
Contributed surplus	66,940	1,459,748	(66,940)	4(c)	
			(1,452,000)	4(e)	
			48,500	4(a)	56,248
Deficit	(124,838)	(4,241,523)	124,838	4(c)	
			-	4(a)	
			(778,602)	4(a)	
			-	4(b)	
			(420,000)	4(b)	
			(300,000)	4(f)	(5,740,125)
Total shareholders' equity	199,898	1,909,334	5,694,198		7,503,430
Total liabilities and shareholders' equity	\$ 200,957	\$ 3,504,394	\$ 5,734,361		\$ 9,439,712

1. BASIS OF PRESENTATION

Southtech Capital Corporation ("SCC" or the "Corporation") was incorporated under the Business Corporations Act (Alberta) on April 21, 2011. The Corporation is classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Corporation is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities to qualify as the Corporation's Qualifying Transaction ("QT") (as defined in the policies of the TSX-V).

The unaudited pro forma consolidated statement of financial position has been prepared by management for inclusion in the joint management information circular relating to the Corporation's proposed QT with Redfall Technologies Inc. ("RTI") as described in note 3 below.

The unaudited pro forma consolidated statement of financial position has been prepared from information derived from and should be read in conjunction with the following:

- (a) The audited financial statements of SCC as at and for the year ended December 31, 2013;
- (b) The unaudited condensed interim financial statements of SCC as at and for the three months ended March 31, 2014;
- (c) The audited consolidated financial statements of RTI as at and for the year ended December 31, 2013; and
- (d) The unaudited condensed interim financial statements of RTI as at and for the three months ended March 31, 2014.

The unaudited pro forma consolidated statement of financial position of SCC as at March 31, 2014 has been presented assuming the QT had been completed on March 31, 2014.

An unaudited pro forma consolidated statement of loss for the period ending March 31, 2014 has not been presented on the basis that, as a CPC, SCC has no operations other than pursuing a qualifying transaction and RTI has not made a significant acquisition or disposition and does not propose to make a significant acquisition or disposition.

The unaudited pro forma consolidated statement of financial position has been prepared for the joint management information circular only and may not be indicative of the financial position that would have occurred if the proposed transaction had been in effect at the date indicated as set out in notes 3 and 4. The pro forma adjustments and allocations of the purchase price are based in part on an estimate of the fair value of assets acquired and liabilities to be assumed. The final purchase price allocation will be completed after asset and liability valuations are finalized as of the date of completion of the acquisition. The actual fair values of the assets and liabilities will be determined as of the date of acquisition and may differ materially from the amounts disclosed in the assumed pro forma price allocation because of changes in fair value of the assets and liabilities up to the date of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited pro forma consolidated statement of financial position has been compiled using the significant accounting policies as set out in the audited consolidated financial statements of RTI and the audited financial statements of the Corporation as described in note 3 to their respective financial statements for the year ended December 31, 2013.

3. QUALIFYING TRANSACTION

On May 7, 2014, the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between SCC and RTI. In accordance with the letter of intent, the Proposed Transaction would take the form of an amalgamation between the RTI and SCC to continue as one corporation (the "Resulting Issuer"). In connection with the Proposed Transaction, the Corporation intends to complete a brokered "commercially reasonable efforts" private placement of a minimum of 7,200,000 common shares and a maximum of 11,333,333 common shares for gross proceeds of a minimum of \$5.4 million and a maximum of \$8.5 million (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Proposed Transaction. The Resulting Issuer intends to use the net proceeds of the Private Placement to fund various testing and certification procedures in relation to the Resulting Issuer's proposed business, to fund potential acquisitions and for general corporate purposes.

In connection with the Proposed Transaction, each RTI shareholder will receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of RTI ("RTI Shares") held by such RTI shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for RTI Shares issued pursuant to the Private Placement. The RTI Shares so exchanged will be cancelled without reimbursement of the capital represented by such securities. In addition, each SCC shareholder will receive one (1) Resulting Issuer Share for every five (5) common shares of SCC ("SCC Shares") held by such SCC shareholder, and the SCC Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities.

In connection with the amalgamation, each RTI option holder will receive one (1) Resulting Issuer option for every one (1) option held by such RTI option holder. The options vest immediately, have exercise prices ranging from \$0.33 to \$0.52 per Resulting Issuer share, and have a term of 1 year. Each SCC option holder will receive one (1) Resulting Issuer option for every five (5) options of SCC held by such SCC option holder. The options vest immediately, have an exercise price of \$0.50 per Resulting Issuer share, and a term of 1 year.

As a result of the Proposed Transaction, the former shareholders of RTI will acquire control of SCC. The Proposed Transaction will be accounted for as a reverse take-over for accounting purposes with RTI being the acquirer and the net assets of SCC recorded at fair value at the date of the Proposed Transaction. The Proposed Transaction has been accounted for in accordance with *IFRS 2, Share-based Payments*. Accordingly, the Proposed Transaction will be recorded at the fair value of the equity instruments granted by the shareholders of RTI to the shareholders and stock-based compensation holders of SCC. The difference between the net assets acquired and the fair value of the consideration granted will be treated as a listing expense. The Proposed Transaction has been accounted for in the unaudited pro forma consolidated statement of financial position as a continuation of the financial statements of RTI.

The unaudited pro forma consolidated statement of financial position includes all adjustments necessary for the fair presentation of the Proposed Transaction described herein.

Completion of the Proposed transaction is subject to a number of conditions, including but not limited to, completion of satisfactory due diligence, execution of a definitive agreement, receipt of all applicable consents to and approvals of the Proposed Transaction including approval of the TSX-V, approval of the respective boards of the directors of SCC and RTI and the applicable shareholder approvals necessary to complete the Proposed Transaction. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

4. PRO FORMA ADJUSTMENTS

The pro forma consolidated statement of financial position includes the following pro forma adjustments:

(a) Share issuance

Although the Proposed Transaction results in RTI becoming a wholly-owned subsidiary of SCC, the Proposed Transaction constitutes a reverse takeover of SCC and has been accounted for as a reverse takeover transaction in accordance with guidance provided in IFRS 2. RTI has been identified as the acquirer of SCC and equity consideration is measured at the estimated fair value of the SCC shares.

Southtech Capital Corporation

Notes to the Pro Forma Consolidated Statement of Financial Position
(in CAD) (unaudited)
As at March 31, 2014

Upon completion of the QT, assuming 22,144,204 Resulting Issuer shares will be issued, the fair value of all identifiable assets and liabilities acquired will be determined. The difference between the purchase price consideration and the fair value of net assets acquired will be recorded as listing expense.

Purchase price allocation is as follows:	
Fair value of common shares (1,200,000 shares at \$0.75 per share)	\$ 900,000
Fair value of stock options of directors (120,000 options exercisable at \$0.50 per share)	48,500
Fair value of common shares issued subsequent to March 31, 2014 (40,000 shares at \$0.75 per share)	30,000
	<hr/> 978,500
Less, net assets of the Corporation	
Cash	198,803
Other receivables	2,154
Trade and other payables	(1,059)
	<hr/> 199,898
Listing expense	\$ 778,602

The fair value of the directors and agent options have been estimated using the Black-Scholes option-pricing model with the following assumptions:

	Directors	Agent
Risk-free interest rate	1.07%	1.07%
Expected volatility	110%	110%
Expected dividend yield	0%	0%
Expected forfeiture rate	0%	0%
Share price	\$0.75	\$0.75
Exercise price	\$0.50	\$0.50
Expected term	1.00 year	0.09 years

(b) Transaction costs

Additional closing costs associated with the QT are estimated to be \$420,000.

(c) Share capital

Under reverse acquisition accounting, share capital, contributed surplus and deficit accounts of SCC are eliminated.

(d) Private placement

RTI has undertaken, on a best efforts basis, to complete a brokered private placement to raise minimum gross proceeds of \$5,400,000 (\$5,022,000, net of issue costs) and maximum gross proceeds of \$8,500,000 (\$7,905,000, net of issue costs) prior to the completion of the amalgamation. Under the minimum offering, RTI will issue 7,200,000 common share subscription receipts at a price of \$0.75 per subscription receipt. Under the maximum offering RTI will issue 11,333,333 common share subscription receipts at a price of \$0.75 per subscription receipt. RTI has agreed to pay commission(s) of up to 7% of the gross proceeds of the offering and 7% of the issued common shares in broker warrants.

The gross proceeds from the financing will be held in escrow until the following escrow release conditions are met: i) the completion of all conditions precedent to the amalgamation; ii) the receipt of required regulatory approvals; and iii) receipt of any third party consents necessary to consummate the amalgamation. Upon satisfaction of the escrow release conditions, the subscriptions will automatically entitle the subscriber to common shares. While the closing of the RTI private placement is conditional upon the escrow release conditions being met, the closing of the RTI private placement is not a condition to the completion of the qualifying transaction and there is no assurance the RTI will complete the minimum offering or the maximum offering.

The pro forma has assumed that the minimum private placement had been completed resulting in \$5,400,000 gross proceeds prior to the payment of commissions of \$378,000, and issuance of 504,000 broker warrants with a fair value of \$215,000.

The fair value of the broker warrants have been estimated using the Black-Scholes option-pricing model with the following assumptions:

Risk-free interest rate	1.07%
Expected volatility	110%
Expected dividend yield	0%
Expected forfeiture rate	0%
Share price	\$0.75
Exercise price	\$0.75
Expected term	2.00 years

(e) Subsequent equity activity

Subsequent to March 31, 2014, SCC issued 200,000 common shares, which are expected to be cancelled in line with the proposed transaction and reissued at a 5:1 ratio, resulting in 40,000 shares issued with a fair value of \$30,000 (notes 4(a) and 5).

Subsequent to March 31, 2014, RTI issued, or is expecting to issue, 4,880,477 common shares, net of common shares acquired and cancelled (note 5). The issuances consist of the following:

- 832,692 common shares were issued for cash at \$0.52 per common share for total proceeds of \$433,000.
- 288,462 units were issued for cash at \$0.52 per unit for total proceeds of \$150,000. These units included 288,462 common shares and 768,002 common share purchase warrants. The common shares and common share purchase warrants were valued proportionately, resulting in a value of \$0.12 per common share purchase warrant and a value of \$0.19 per common share. The total fair value assigned to the common share purchase warrants was \$94,588, with a value of \$55,412 assigned to common shares.
- 3,333,334 common shares were issued upon the exercise of stock options at \$0.09 per common share for total proceeds of \$300,000. The value of the stock options of \$1,452,000 was transferred from contributed surplus to share capital on exercise of the options.
- 479,540 shares were issued upon the exercise of common share purchase warrants at \$0.52 per common share for total proceeds of \$249,361. The value of the common share purchase warrants of \$59,061 was transferred from warrants to share capital on exercise of the common share purchase warrants.
- a decrease of 53,551 common shares is expected, concurrent with the RTI private placement (note 4(d)), due to the net acquisition and cancellation of common shares on acquisition of an entity which currently own 9,588,924 RTI common shares and has \$40,163 in liabilities, for 9,535,373 RTI common shares. The 53,551 net common shares to be acquired and cancelled are valued at \$0.75 per common share, resulting in a total decrease of \$40,163 to share capital.

Southtech Capital Corporation
 Unaudited Pro Forma Consolidated Statement of Financial Position
(in CAD) (unaudited)
 As at March 31, 2014

(f) Consulting fees

Consulting fees consist of amounts due under a consulting contract to a party which is related by means of common directorship, to the date of the Information Circular, that are contingent upon completion of the proposed transaction.

5. PRO FORMA SHARE CAPITAL

The pro forma share capital of the Corporation will be as follows:

	Number of Shares	Stated Value
SCC common shares issued and outstanding at March 31, 2014	6,000,000	\$ 257,796
Shares issued with brokered financing (net of issuance costs)	7,200,000	4,807,000
RTI common shares issued and outstanding at March 31, 2014	22,144,204	3,726,400
	29,344,204	8,533,400
Adjustment for transaction	(29,344,204)	(257,796)
Shares issued to RTI in connection with the transaction	29,344,204	-
SCC common shares cancelled on proposed transaction	(6,000,000)	-
SCC common shares issued (5:1)	1,200,000	900,000
	(4,800,000)	642,204
	30,544,204	\$ 9,433,400
RTI common shares issued subsequent to March 31, 2014	4,880,477	2,508,671
SCC common shares issued subsequent to March 31, 2014	200,000	30,500
SCC common shares cancelled on proposed transaction	(200,000)	(30,500)
SCC common shares issued (5:1)	40,000	-
	35,464,681	11,942,071

6. INCOME TAXES

The pro forma effective income tax rate applicable to the operations for the foreseeable future is 0%, due to the existence of income tax loss carry-forwards.

APPENDIX H

Management's Discussion and Analysis of Southtech

(See attached)

**Suite 1600, Dome Tower,
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Calgary, Alberta T2P 2Z1
Tel : 403.781.6671
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SOUTHTECH CAPITAL CORPORATION

MANAGEMENT DISCUSSION & ANALYSIS

For the Three Months Ended March 31, 2014

JUNE 2, 2014

MANAGEMENT DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2014

The following Management Discussion & Analysis ("**MD&A**") of the financial condition and results of operations of SouthTech Capital Corporation (the "**Corporation**" or "**SouthTech** ") is dated as of DATE, 2014, and should be read in conjunction with the Company's unaudited interim condensed financial statements and accompanying notes for the three months ended March 31, 2014, which have been prepared in accordance with International Financial Reporting Standards are incorporated by reference herein and form an integral part of this MD&A. All dollar amounts are in Canadian Dollars unless stated otherwise.

The accompanying Financial Statements for the three months ended March 31, 2014, have been prepared on the going concern basis which assumes that the Company will be able to meet its obligations and continue its operations in the foreseeable future. The company's recurring losses from operations, accumulated deficit, and inability to generate sufficient cash flow to meet its obligations raise substantial doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is primarily dependent upon its ability to manage its capital reserves which currently consist of common shares. Its principal source of cash is from the issuance of common shares. As at March 31, 2014, the Company has sufficient cash resources to cover its operational needs for the next 12 months. On May 7, 2014, the Company entered into an amalgamation agreement (the "Agreement") with Redfall Technologies Inc. ("Redfall"), a private corporation incorporated under the laws of Alberta, to complete a Qualifying Transaction (the "Qualifying Transaction"), as such term is defined by the TSX Venture. Pursuant to the Agreement, the Company and Redfall have agreed to amalgamate (the "Amalgamation") and continue as one corporation named "Vogogo Inc." (the "Resulting Issuer"). In connection with the Amalgamation, Redfall intends to complete a brokered 'commercially reasonable efforts' private placement for gross proceeds of not less than \$5,400,000 (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Qualifying Transaction.

Our MD&A is intended to enable readers to gain an understanding of the Company's current results and financial position. To do so, we provide information and analysis comparing the results of operations and financial position for the current period to those of the preceding year. We also provide analysis and commentary that we believe is required to assess the Company's future prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on future prospects. Readers are cautioned that actual results could vary.

CAUTIONS REGARDING FORWARD-LOOKING STATEMENTS

Except for historical financial information contained herein, certain matters discussed in this document may be considered forward- looking statements. Such statements include declarations regarding management's intent, belief or current expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties; actual results could differ materially from those indicated by such forward-looking statements. Some of the important factors, but certainly not all, that could cause actual results to differ materially from those indicated by such forward-looking statements are: (i) that the information is of a preliminary nature and may be subject to further adjustment, (ii) the possible unavailability of financing, (iii) start-up risks, (iv) general operating risks, (v) dependence on third parties, (vi) changes in government regulation, (vii) the effects of competition, (viii) dependence on senior management, (ix), impact of the Canadian economic conditions, (x) fluctuations in currency exchange rates and interest rates.

DESCRIPTION OF BUSINESS

Southtech was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on April 21, 2011. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The Corporation's business is to identify and evaluate corporations, businesses or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval.

The Corporation has 6,000,000 Common Shares outstanding, and the directors and officers of the Corporation own or control, directly or indirectly, 4,000,000 Common Shares.

The Common Shares of the Corporation commenced trading under the stock symbol "STU.P" on May 3, 2012.

OPERATIONAL REVIEW

Operating expenses

	March 31 2014	March 31 2013
General and administrative	50	58
Stock filling fees	2,000	5,985
Audit fees	1,050	3,368
Total operating expenses	3,100	9,411

Net Income and Cash Flow from Operations

The Corporation has not yet conducted any operations. A cumulative deficit of \$124,838 resulted for the period ended March 31, 2014.

Financial Resources and Liquidity

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2014 the Corporation had a cash balance of \$198,803 to settle current liabilities of \$1,059. All of the Corporation's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

SHARE CAPITAL

(a) Issued

No shares were issued during the three month period ended March 31, 2014.

Subsequent to period end, on May 3, 2014, 200,000 options which were outstanding as at March 31, 2014 were exercised for 200,000 common shares at \$0.10 per unit for proceeds of \$20,000.

(b) Outstanding Stock Options

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non transferable options to purchase common shares, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares. The options are exercisable for the period of up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares. The Board of Directors determines the price per Common Share and the number of Common Shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

No options have been issued during the three month period ended March 31, 2014.

(c) Escrow

Pursuant to an escrow agreement dated as of December 31, 2011 among the Corporation, CIBC Mellon Trust Company and certain shareholders of the Corporation, 4,000,000 of the issued and outstanding Common Shares have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the TSX Venture, the Common Shares held pursuant to the escrow agreement shall be released as to 10% immediately following the issuance of the bulletin of TSX Venture announcing final acceptance of the Qualifying Transaction (the "Initial Release") and an additional 15% every six months following the Initial Release. As at March 31, 2014, no Common Shares have been released from escrow.

RISKS AND UNCERTAINTIES

As of March 31, 2014, the Company had no material assets other than cash. The company does not have a history of earnings. There is no assurance that the Company will be able to obtain additional funding.

RELATED PARTY TRANSACTIONS

During the period the Corporation did not incur legal expenses through Burstall Winger LLP.

SELECTED ANNUAL INFORMATION

	March 31, 2014	December 31, 2013
Revenue	\$ -	\$ -
Net loss	\$ (3,100)	\$ (44,235)
Net loss per share - basic & diluted	\$ (0.00)	\$ (0.00)

The Corporation has not yet conducted any operations.

SELECTED QUARTERLY FINANCIAL INFORMATION

	Q1'14	Q1'13	Q1'12
Revenue	\$ -	\$ -	\$ -
Net comprehensive loss for the period	(3,100)	(9,411)	(0.00)
Per share - basic & diluted	(0.00)	(0.00)	(0.00)
Total assets	200,957	237,821	200,000
Weighted average shares	6,000,000	6,000,000	5,327,869
Ending shares	\$ 6,000,000	\$ 6,000,000	\$ 5,327,869

CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET ARRANGEMENTS

The Corporation is not a party to any industry contracts or obligations and there are no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

There are no critical or material accounting estimates.

BUSINESS RISKS

The Corporation is a Capital Pool Company under the policies of the TSX Venture. If the Corporation fails to complete a Qualifying Transactions within 24 months of listing, which has not yet occurred, the TSX Venture could suspend or delist the common shares of the Corporation. The Alberta Securities Commission may issue an interim cease trade order against the Corporation's securities and the common shares if the common shares of the Corporation are suspended from trading on the TSX Venture. In addition, certain of the currently issued and outstanding securities of the Corporation held by insiders may be cancelled.

Although management of the Corporation will work diligently to identify a Qualifying Transaction, there is no assurance that a Qualifying Transaction will be entered into or be completed.

The Corporation believes it has no significant credit risk.

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2014 the Corporation had cash on hand in excess of its liabilities. All of the Corporation's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

The Corporation has cash balances and no interest-bearing debt.

The Corporation does not have assets or liabilities in foreign currency.

SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial statements for the three month period ended March 31, 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Corporation's 2013 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied by the Company in these Condensed Interim Financial Statements are the same as those applied by the Corporation in its Financial Statements for the year ended December 31, 2013.

Accounting standards issued but not yet applied

The following new standard which has not been applied within these financial statements, will or may have an effect on the Corporation's future financial statements:

- IFRS 9: Financial Instruments (Effective for periods beginning on or after July 1, 2015). This standard addresses the classification and measurement of financial assets and liabilities.
- IFRS 15: Revenue from Contracts with Customers (Effective for periods beginning on January 1, 2017 onwards). This standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs use to estimate the fair values. The three levels of fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of the Corporation's cash and accounts payable and accrued liabilities approximate their carrying values, which are the amounts in the statement of financial position.

Fair Values

At December 31, 2013, the Corporation's financial instruments consist of cash and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments. The Corporation classifies its cash as loans and receivables, and its accrued liabilities as other financial liabilities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Corporation's current obligations consist of accounts payable, which is all due within 30 days.

SUBSEQUENT EVENTS

Exercise of options

On May 3, 2014, 200,000 options which were outstanding as at March 31, 2014 were exercised for 200,000 common shares at \$0.10 per unit for proceeds of \$20,000.

Qualifying transaction

On May 7, 2014, the Company entered into an amalgamation agreement (the "Agreement") with Redfall Technologies Inc. ("Redfall"), a private corporation incorporated under the laws of Alberta, to complete a Qualifying Transaction (the "Qualifying Transaction"), as such term is defined by the TSX Venture.

Pursuant to the Agreement, the Company and Redfall have agreed to amalgamate (the "Amalgamation") and continue as one corporation named "Vogogo Inc." (the "Resulting Issuer"). In connection with the Amalgamation, Redfall intends to complete a brokered 'commercially reasonable efforts' private placement for gross proceeds of not less than \$5,400,000 (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Qualifying Transaction.

In connection with the Amalgamation, each Redfall shareholder will receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of Redfall (a "Redfall Share") held by such Redfall shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Redfall Shares issued pursuant to the Private Placement. The Redfall Shares so exchanged will be cancelled without reimbursement of the capital represented by such securities. In addition, each Southtech shareholder will receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder.

First Quarter Review

No significant activity or transactions occurred during the three months ended March 31, 2014.

OUTLOOK

The Company will continue to engage in activities to identify and evaluate businesses and assets with a view to completing an acquisition of businesses or assets.

Additional Information

Additional information relating to the company is available on SEDAR at www.sedar.com

Dated

This MD&A is dated June 2, 2014

CORPORATE INFORMATION

CONTACT

Southtech Capital Corporation
Suite 200, 5970 Centre Street SE
Calgary, Alberta T2H 0C7

Attention: Paul Readwin

Tel: (403) 605-2336

AUDITORS

BDO Canada LLP
Calgary, Alberta

DIRECTORS

Wade Larson

Paul Readwin

Michael Kraft

Dale Johnson

Donald Whalen

SOUTHTECH CAPITAL CORPORATION

Management Discussion and Analysis

This Management Discussion and Analysis for Southtech Capital Corporation is for the year ended December 31, 2013 and should be read in conjunction with the financial statements for the year ended December 31, 2013.

DESCRIPTION OF BUSINESS

Southtech Capital Corporation the ("Corporation") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The Corporation's business is to identify and evaluate corporations, businesses or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval.

The Corporation now has 6,000,000 Common Shares outstanding, and the directors and officers of the Corporation own or control, directly or indirectly, 4,000,000 Common Shares.

The Common Shares of the Corporation commenced trading under the stock symbol "STU.P" on May 3, 2012.

OPERATIONAL REVIEW

General and Administrative

General and administrative expense ("G&A") for the year ended December 31, 2013 was \$112, stock exchange filing fees totaled \$14,622, legal fees from Burstall Winger totaled \$8,368, and audit fees from BDO Canada LLP totaled \$21,133.

Net Income and Cash Flow from Operations

The Corporation has not yet conducted any operations. A cumulative net loss of \$121,738 resulted for the year ended December 31, 2013.

Financial Resources and Liquidity

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2013 the Corporation had a cash balance of \$222,749 to settle current liabilities of \$21,491. All of the Corporation's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

SHARE CAPITAL

(a) Issued

No shares were issued during the period ended December 31, 2013.

(b) Outstanding Stock Options

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non transferable options to purchase common shares, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares. The options are exercisable for the period of up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares. The Board of Directors determines the price per Common Share and the number of Common Shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

No options have been issued during the period ended December 31, 2013.

(c) Escrow

Pursuant to an escrow agreement dated as of December 31, 2011 among the Corporation, CIBC Mellon Trust Company and certain shareholders of the Corporation, 4,000,000 of the issued and outstanding Common Shares have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the TSX Venture, the Common Shares held pursuant to the escrow agreement shall be released as to 10% immediately following the issuance of the bulletin of TSX Venture announcing final acceptance of the Qualifying Transaction (the "Initial Release") and an additional 15% every six months following the Initial Release. As at September 30, 2012 no Common Shares have been released from escrow.

RELATED PARTY TRANSACTIONS

During the year the Corporation incurred expenses totaling \$8,368 for legal fees and \$3,914 for filing fees through Burstall Winger LLP.

SELECTED ANNUAL INFORMATION

Period Ended	December 31, 2013
Net revenue	\$ -
Net loss	\$ (40,009)
Net loss per share - basic & diluted	\$ (0.00)

The Corporation has not yet conducted any operations.

CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET ARRANGEMENTS

The Corporation is not a party to any industry contracts or obligations and there are no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

There are no critical or material accounting estimates.

BUSINESS RISKS

The Corporation is a Capital Pool Company under the policies of the TSX Venture. If the Corporation fails to complete a Qualifying Transactions within 24 months of listing, which has not yet occurred, the TSX Venture could suspend or delist the common shares of the Corporation. The Alberta Securities Commission may issue an interim cease trade order against the Corporation's securities and the common shares if the common shares of the Corporation are suspended from trading on the TSX Venture. In addition, certain of the currently issued and outstanding securities of the Corporation held by insiders may be cancelled.

Although management of the Corporation will work diligently to identify a Qualifying Transaction, there is no assurance that a Qualifying Transaction will be entered into or be completed.

The Corporation believes it has no significant credit risk.

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2013 the Corporation had cash on hand in excess of its liabilities. All of the Corporation's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

The Corporation has cash balances and no interest-bearing debt.

The Corporation does not have assets or liabilities in foreign currency.

NEW ACCOUNTING PRONOUNCEMENTS

Adoption of New Accounting Policies

These financial statements represent the Corporation's financial results of operations and financial position under IFRS for the period ended December 31, 2013.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). These are the Corporation's first financial statements prepared in accordance with IFRSs and IFRS 1, First-time Adoption of International Financial Reporting Standards, has been applied.

Estimates

Certain accounting policies are identified as critical accounting policies because they require management to make judgments and estimates based on conditions and assumptions that are inherently uncertain. These accounting policies could result in materially different results should the underlying assumptions or conditions change. Management assumptions are based on factors that, in management's opinion are relevant and appropriate at the time such assumptions are made, and may change over time as operating conditions change. There are no critical accounting estimates at this time.

FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning after January 1, 2011 or later periods. The Corporation has

not applied these within these financial statements.

- IFRS 9: Financial Instruments (Effective for periods beginning on or after July 1, 2015). This standard addresses the classification and measurement of financial assets and liabilities
- IFRS 10: Consolidation which replaces SIC-12, Consolidation - Special Purpose Entities and parts of IAS 27, Consolidated and Separate Financial Statements (Effective for periods beginning on or after January 1, 2013). This standard builds on existing principles by indentifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company, it provides additional guidance to assist in the determination of control where this is difficult to assess.
- IFRS 11: Joint Arrangements which supersedes IAS 31, Interest in Joint Ventures, and SIC-13, Jointly Controlled Entities - Non-monetary Contributions by Ventures (Effective for periods beginning on or after January 1, 2013). This standard describes the accounting treatment for arrangements in which there is joint control, proportionate consolidation is not permitted for joint ventures (as newly defined).
- IFRS 13: Fair Value Measurement (Effective for periods beginning on or after January 1, 2013). This standard defines fair value, sets out a single IFRS framework for measuring fair value and outlines disclosures requirements about fair value measurements. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity specific measurement, so assumptions that market participants would use should be applied in measuring fair value.

The Corporation has not yet assessed the impact of these standards or determined whether they will adopt the standards early.

CORPORATE INFORMATION

CONTACT

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Attention: Paul Readwin
Tel: (403) 605-2336

AUDITORS

BDO Canada LLP
Calgary, Alberta

DIRECTORS

Wade Larson
Paul Readwin
Michael Kraft
Dale Johnson
Donald Whalen

Forward Looking Statements

Except for historical financial information contained herein, certain of the matters discussed in this document may be considered forward- looking statements. Such statements include declarations regarding management's intent, belief or current expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties; actual results could differ materially from those indicated by such forward-looking statements. Some of the important factors, but certainly not all, that could cause actual results to differ materially from those indicated by such forward-looking statements are: (i) that the information is of a preliminary nature and may be subject to further adjustment, (ii) the possible unavailability of financing, (iii) start-up risks, (iv) general operating risks, (v) dependence on third parties, (vi) changes in government regulation, (vii) the effects of competition, (viii) dependence on senior management, (ix), impact of the Canadian economic conditions, (x) fluctuations in currency exchange rates and interest rates.

APPENDIX I

Management's Discussion and Analysis of Redfall

(See attached)

Redfall Technologies Inc.

Management Discussion and Analysis

For The Three Months Ended March 31, 2014

Redfall Technologies Inc.

Management's Discussion and Analysis

For the three months ended March 31, 2014

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Redfall Technologies Inc. ("Redfall" or the "Corporation") believes is required to gain an understanding of the financial results of the Corporation for the three months ended March 31, 2014 and 2013 and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain "forward-looking statements" and "forward-looking information" (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, that are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information".

This MD&A, presented and dated as of July 9, 2014, should be read in conjunction with the unaudited condensed interim consolidated financial statements and related notes for the three months ended March 31, 2014 and the audited consolidated financial statements for the year ended December 31, 2013.

The Corporations' unaudited condensed interim consolidated financial statements have been prepared on the "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The operations of the Corporation have been primarily funded through private placements of equity. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future and receive continued financial support from related parties and shareholders and complete sufficient equity financings.

The unaudited condensed interim consolidated financial statements do not reflect the adjustments, if any, or changes in presentation that may be necessary should the Corporation not be able to continue on a going concern basis.

All currency amounts in the accompanying the financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the joint management information circular of Southtech Capital Corporation ("Southtech") and Redfall dated July 9, 2014. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates

and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change.

Core Business and Strategy

Redfall is a payment processing business that has spent recent years developing and launching a new payment gateway technology called Vogogo (vogogo.com) ("Vogogo") that serves as the central point for transaction processing between business, customers and banks. Vogogo includes comprehensive risk management and Know Your Customer (KYC) processes, meets the highest security standards and is combined with a bundled suite of payment services. As well, the Vogogo platform runs entirely on a cloud-based hosting platform. This unique combination gives Redfall the security, flexibility and scalability to meet the demands of a market place driven by technology. Vogogo has been well tested in close coordination with its early adopters (beta users), having successfully processed hundreds of millions of dollars of electronic transactions to date. Redfall is moving forward with its plan to commercially market the Vogogo platform to businesses in the United States ("US") and in Canada.

A primary service provided by Redfall is commercial bank payment services. Redfall believes the US and Canada lag behind other mature economies in the adoption of electronic payments. Adoption is happening but paper cheques continue to be a significant factor in the overall US and Canadian payment landscape. This trend is primarily due to the banks inability to offer effective solutions to the market, particularly for business to business payments and receivables.

Paper cheques are time-consuming and expensive for a business to process. They require a manual process of printing, signing, fulfilling, delivering, depositing and reconciliation. Vogogo's payment solutions streamline the accounts payable process. There is considerable opportunity for the conversion of paper to electronic payments for providers that can meet the demands of business owners.

Redfall also provides card based payment services. Recently, Visa & MasterCard created a new card based payment processing structure referred to as a payment services provider("PSP"). A PSP is a third party service provider with the technical and operational capabilities to take on the responsibilities traditionally held by the bank. PSPs can instantly approve and setup new clients, meeting the high demands of a marketplace driven by technology.

Despite its potential, securing PSP status is very difficult and there are significant barriers to entry. A PSP must have the endorsement and sponsorship of a bank capable of supporting a PSP structure. This initial step requires significant industry credibility, experience and good will. From there, securing PSP status requires the skill, where-with-all and know-how necessary to effectively manage the associated risks and to be able to do so in an automated fashion with software. It takes a significant amount of resources to build and prove-out the software. It must meet and exceed all regulatory requirements as well as pass the initial and on-going scrutiny of the sponsoring bank and payment card industry ("PCI"). PSP platforms that meet these requirements with software are new and relatively few in the payments industry.

Traditional card payment service providers do not compete well against the many efficiencies of a PSP. However, traditional card payment service providers want to align and work with PSPs.

With only a handful of active PSP platforms in the market and thousands of traditional providers, there is a significant opportunity to acquire or affiliate with traditional providers, allowing for quick growth.

Redfall successfully secured PSP sponsorship with Vantiv Inc. ("Vantiv") and Fifth Third Bank ("Fifth Third") and has implemented full service PSP functionality into the Vogogo platform.

A key part of the Corporation's business plan includes marketing and selling services to the US market. Redfall's technology is ready for the US market however the following milestones must first be achieved to go live in the US:

- 1) *Payment Card Industry Data Security Standard ("PCI-DSS") Testing and Audit* -As a payment processor, Amalco will be subject to a yearly audit and testing by the PCI-DSS. Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank) the most recent PCI-DSS testing and audit must be finalized. Redfall has previous experience with PCI-DSS compliance. The process of testing and audit for PCI-DSS essentially tests to confirm that Redfall properly handles sensitive payment card related data. An independent third party applies the testing and checks to insure that all PCI-DSS standards and guidelines are met before providing certification. Redfall believes that it has sufficient capability to finalize the audit and complete the testing. The PCI-DSS testing and audit process is not a pass or fail process. Redfall can be certified with deficiencies as long as those deficiencies are known and there is a plan of action in place to rectify them. PCI-DSS is an ongoing process. PCI-DSS updates and adjustments are consistent and a part of doing business as a PSP. This milestone is subject to availability of a third party auditor. It is expected that it will take no longer than sixty days to engage a third-party auditor. PCI-DSS testing and audit is expected to be complete within 6-12 weeks of engagement with a third party auditor and to cost approximately \$50,000. PCI-DSS is administered by the PCI Security Standards Council, which was founded by American Express, Discover Financial Services, JCB International, Mastercard Worldwide and VISA Inc. PCI-DSS auditing is done on an annual basis by a third party auditor. Redfall has completed such audit in the past, however, it has not completed such audit for the current year in order to conserve funds as it pursued the Amalgamation.
- 2) *Vantiv Inc. Testing and Certification* - Upon completion of the PCI-DSS certification, Amalco then qualifies to test and certify its technology integration to Vantiv Inc. Redfall, to date, has no direct operational experience with Vantiv Inc. so it is possible that Vantiv Inc. may have technical limitations. The analysis based on the integration specs is that Vantiv Inc. is very capable and will pose no technical limitations on Redfall. In the event that there are technical limitations, they will be rectified by either Amalco building further technology to address any limitations, or Vantiv Inc. building further technology to address any limitations, or both parties working together to address any limitations. Banking integration updates and adjustments are consistent and a part of doing business as a payment service provider. Redfall has successfully implemented similar integrations with several other banks and processors in Canada and the U.S. This task is believed to be within Amalco's core expertise. This milestone is subject to PCI-DSS completion and availability of Vantiv Inc.'s certification and testing team. It is expected that it will take no longer than sixty days to schedule testing and certification procedures. Vantiv Inc. testing and certification is expected to be complete in 2-4 weeks from

engagement with Vantiv Inc.'s certification and testing team and cost approximately \$15,000.

- 3) *Security Deposit with Vantiv Inc. and Fifth Third Bank* - Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank), Redfall must place funds with Fifth Third Bank as a security deposit against Amalco's processing portfolio. Estimated time for completion is one day and management expects this to be finalized in the third quarter of 2015 at an estimated total cost of \$1,000,000 assuming a minimum Redfall Financing to \$1,500,000 assuming a maximum Redfall Financing. Note that this is not a hard cost but rather a security deposit that will earn interest.

About Redfall

Redfall is a private Corporation incorporated on January 23, 2008 under the *Business Corporations Act* (Alberta) under the name "Redfall Financial Inc.". On December 30, 2009, Redfall amended its articles to change its name to "Redfall Technologies Inc."

Vogogo Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. On February 27, 2014, Vogogo Inc. changed its name to Vogogo Canada Inc.

On August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary a Delaware Company.

The head office of Redfall is located at 400, 320 – 23 Avenue S.W., Calgary, Alberta, T2S 0J2. The registered office of Redfall is located at 4600, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1.

BASIS OF PRESENTATION

The Corporation's unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 5, 2014.

In this MD&A we describe certain income and expense items that are unusual or non-recurring. These terms are not defined by International Financial Reporting Standards (IFRS). Our usage of these terms may vary from the usage adopted by other companies. We provide this detail so that readers have a better understanding of the significant events and transactions that have had an impact on our results. Specifically *Gross profit* and *Cash flow from operations* are undefined terms by IFRS. Where relevant, we provide tables in this document that reconcile non-IFRS measures used to amounts reported on the face of the consolidated financial statements.

Summary of Financial and Operational Results

The following table set forth unaudited interim financial data prepared in accordance with IFRS for our the three months ended March 31, 2014 and 2013

Financial snapshot

(\$ unless otherwise indicated)	Three Months Ended	
	March 31, 2014	March 31, 2013
Revenues	120,129	13,659
Net loss and comprehensive loss	(2,377,515)	(343,353)
	March 31, 2014	March 31, 2013
Working capital (current assets less current liabilities)	1,742,505	(459,118)
Total assets	3,504,394	359,927
Total liabilities	1,595,060	635,192

Summary Results Of Operations

(\$)	Three Months Ended	
	March 31, 2014	March 31, 2013
Loss from operating activities	(2,080,923)	(339,148)
General and administrative	502,645	52,163
Sales and marketing	90,630	58,111
Research and development	153,335	237,665
Net cash used in operating activities	(868,001)	(89,822)
<i>Non-cash operating items:</i>		
Amortization and depreciation	2,422	4,868
Accretion	282,169	(3,866)
Share-based compensation	1,452,020	-
EBITDA	(2,078,501)	(334,280)
Adjusted EBITDA (EBITDA less Share-based compensation)	(626,481)	(334,280)

Net loss for the three months ended March 31, 2014 increased to \$2.1 million compared to \$0.3 million for the same period in 2013. The majority of the increase was the result of a \$1.5 million non-cash stock based compensation charge booked in Q1 2014 as a result of issuance of options. In addition the Corporation incurred higher general and administrative and sales and marketing related expenses in Q1 2014 as compared to the same period in 2013. These increased expenditures were partially offset by lower research and development expenses. Q1 2014 saw a marked increase in revenues as compared to Q1 2013 due to the Corporation opening up a new market in providing the back-end payment processing to crypto-currency exchanges (i.e. Bit Coin and other electronic currency exchanges). A more detailed discussion is included below.

Results of Operations

Revenues

(\$)	March 31, 2014	March 31, 2013
Revenues	120,129	13,659

Redfall's business is that of being a payment processor. As a payment processor, Redfall earns a fee for each transaction processed through its proprietary technology. The fee varies from customer to customer and is based on a number of factors including the value of the transaction, the aggregate value of transactions processed by a customer and the strategic value Redfall perceives of the customer. Revenue is recognized when the transaction is processed and the fee is earned.

For the first quarter of 2014, the Corporation's revenues increased by \$106,470 or 779% when compared to the same period last year. The significant increase in revenues occurred mainly as the Corporation commenced supporting transactions derived from crypto-currency exchanges.

Redfall is focused on growing its revenue base by providing payment processing services to underserved and emerging markets driven by web based technologies. Specifically, Management believes that Redfall's technology has several competitive advantages in supporting risk management and payments for various currency exchanges and web based businesses as well as supporting electronic accounts payable for large corporations that still rely heavily on paper cheque based transactions.

General and Administrative

(\$)	March 31, 2014	March 31, 2013
General and administrative expenses	502,645	52,163

General and administrative expenses consist primarily of personnel costs, transaction related fees and overhead expenses relating to the Corporation's human resources, finance, legal, regulatory and administrative functions. General and administrative expenses increased from \$52,163 in Q1 2013 to \$502,645 in Q1 2014. Included in the current quarter general and administrative expenses is a non-cash commission expense of \$215,000 related to the issue of the Corporation's Class A common shares below average market price. 500,000 Class A common shares of the Corporation were issued at \$0.09 per share. The fair value adjustment on this issue of \$215,000 which was calculated as the difference between \$0.09 (issue price) and \$0.52 (fair value market price) was recorded as commission expense during the period. Without this one-time non-cash charge, general and administrative expenses for the current quarter would have been \$287,645 an increase of \$235,482 compared to the same period last year. The increase is the result of the Corporation incurring higher consulting and legal fees as the Corporation pursues several strategic options to enhance its future growth opportunities. In addition, last year the Corporation had significantly reduced its operations as it focused on transitioning its technology and business activities away from the gaming industry.

Sales and Marketing

(\$)	March 31, 2014	March 31, 2013
Sales and marketing expenses	90,630	58,111

Sales and marketing expenses consist principally of salaries, commissions and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, travel, sales training and trade shows and pre and post sales technical support. Sales and marketing expenses for the first quarter of 2014 were higher by \$32,519 or 55% compared to the same period in 2013 as the Corporation expands its opportunities and develops new revenue streams.

Research and Development

(\$)	March 31, 2014	March 31, 2013
Research and development expenses	153,335	237,665

Research and Development (R&D) expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by IFRS. The Corporation has not capitalized any development costs during the first quarter of 2014. The Corporation believes that investments in research and development are required to remain competitive. Expenditures for the first quarter of 2014 were based on further developing the payment processing technology to support currency and commodity exchanges and differentiate itself from its competitors specifically from an ease of use and simplicity of adoption perspective. The higher expenditure during the same period last year was due to the Corporation dedicating resources to re-purpose its payment platform from supporting strictly gaming companies to supporting broader electronic payment applications. The Corporation has other product functions and features under development and will continue to expend resources to build these out.

Amortization

(\$)	March 31, 2014	March 31, 2013
Amortization expenses	2,422	4,868

Amortization expense relates to the property and equipment owned by the Corporation. Specifically the Corporation owns computer equipment, furniture and fixtures and leasehold improvements. These assets are depreciated over their useful life and impairment, if any, is assessed at every reporting period. The first quarter of 2014 expense is primarily the result of depreciating office equipment and furniture and fixtures which is similar to the previous period.

Share-based Compensation

(\$)	March 31, 2014	March 31, 2013
Share-based compensation	1,452,020	-

On March 17, 2014, the Corporation issued 3,333,334 stock options to officers and directors of the Corporation at \$0.09. These stock options vest immediately and have a one year life expiring on March 17, 2015. The Corporation shares are not publically traded; therefore the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model. Using these parameters, the Corporation booked a large non-cash charge as a result. No such transactions occurred in Q1 2013.

Net Loss and Comprehensive Loss

(\$)	March 31, 2014	March 31, 2013
Net loss and comprehensive loss	(2,377,515)	(343,353)

Included in net loss and comprehensive loss for the first quarter of 2014 are significant non-cash charges including \$1,452,020 in share based compensation, \$282,169 in accretion expense and \$215,000 in a fair value adjustment of common shares issued during the quarter; the latter being included in general and administrative expenses. Net loss and comprehensive loss without these two items amounts to \$428,326 which is higher by \$84,973 or 24% compared to the same period last year.

Redfall is focused on growing its revenue base by providing payment processing services to underserved and emerging markets driven by web based technologies. Specifically, Management believes that Redfall's technology has several competitive advantages in supporting risk management and payments for various currency exchanges and web based businesses as well as supporting electronic account payables for large corporations that still rely heavily on paper cheque based transactions, as is the case in the oil and gas sector .

With respect to the financial condition of the Corporation, the Corporation's gross cash and cash equivalents at March 31, 2014 totaled \$1,988,566 (December 31, 2013 - \$92,222) and a positive net working capital position of \$1,742,505 (December 31, 2013 - \$795,209 negative net working capital position). The Corporation has an accumulated deficit of \$4,241,523 (December 31, 2013 - \$1,802,586). The Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to March 31, 2014 is uncertain. To address its financing requirements, the Corporation issued secured debentures in an amount of \$3,164,345, which was then converted to common shares (see note 10 of the unaudited condensed interim consolidated financial statements).

In addition, on May 7, 2014 the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between Southtech and the Corporation. See under the heading "*Subsequent Events*".

Liquidity and Capital Resources

Royalty Financing Liability

The Corporation entered into a \$1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds are available to the Corporation if and when certain pre-determined milestones are achieved. Any amount drawn pursuant to the investment agreement is repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 until twice the gross amount received is remitted or until the Corporation has repaid all advances received plus 20% interest compounded annually from the date each advance is received, less royalties paid. During the year ended December 31, 2013, the Corporation received \$200,000 as part of this arrangement. At March 31, 2014, the liability is comprised of the \$200,000 principal plus \$29,699 in accrued interest. This liability was fully re-paid subsequent quarter end on April 24, 2014.

Convertible Debentures

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at \$0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on January 25, 2014. Interest is due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of \$100,000. The principal bears interest at a rate of 10% per annum and is convertible into Class A common shares, at any time, at the option of the holder at \$0.52 cents per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal will be due and payable in full on March 6, 2014. Interest is due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into Class A common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (note 10(viii)).

On February 11, 2014, the Corporation issued a secured convertible debenture in amount of \$2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full \$3,164,345 convertible debenture.

Management closely monitors cash flow requirements and does not have sufficient cash to meet all of its operational and financial obligations if demanded to do so. The Corporation is actively pursuing sales and commercialization efforts including targeting currently underserved markets and expanding its offering to include foreign exchange transactions. Management believes that if successful, these opportunities will significantly contribute in improving the Corporation's liquidity position.

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern in order to pursue the development and sales of its payment service platform and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. However it should be noted that the Corporation is at an early stage of its redefined commercialization program and will continue to be dependent on its ability to manage cash on hand, increase its revenues and raise additional debt or equity to meet its obligations and repay its liabilities arising from normal business operations when they become due.

In the management of capital, the Corporation includes the components of shareholders' equity. The Corporation's share capital structure is made up of share capital and retained earnings (deficit) as equity components. The Corporation strives to maximize the value associated with share capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

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

In order to facilitate the management of its capital requirements, the Corporation prepares annual budgets that are updated as necessary depending on the various factors, including general industry conditions. The annual budget is approved by the Board of Directors.

The Corporation manages its working capital through quick collection of its receivables while minimizing its exposure to future commitments and managing its suppliers to as favorable terms as possible. The Corporation regularly follows up with accounts to ensure collections and timely receipt of invoices. In order to maintain and maximize ongoing development and sales efforts, the Corporation does not pay out dividends.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing development and operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

In the management of capital, the Corporation includes shareholders' equity in the definition of capital. In order to maintain or adjust the capital structure, the Corporation (upon approval from its Board of Directors, as required) may issue additional capital primarily through equity financings.

Related party transactions

Key management compensation is composed of consulting fees paid to companies controlled by key management. During the three months ended March 31, 2014, consulting fees paid to key management amounted to \$114,250 (March 31, 2013 - \$100,000).

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total \$513,227 (2013 - \$312,709) for the three months ended March 31, 2014.

Proposed Transactions

See under the heading "*Subsequent Events*".

Commitments

The Corporation has entered into a premise lease agreement with the following minimum future lease payments:

	\$
Less than 1 year	75,504
More than 1 year, less than 5 years	183,040
Total	\$ 258,544

Contingencies

At the date of this report, the Corporation had no material contingencies.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Redfall is authorized to issue an unlimited number of Class A and Class B common shares and an unlimited number of Class C, D and E preferred shares. The Corporation had 22,144,204 common shares, 3,333,334 stock options and 2,275,000 finder's warrants outstanding as of March 31, 2014.

As at the date of this MD&A the Corporation had 27,078,232 common shares; 1,850,000 stock options, 2,275,000 finder's warrants and 288,462 warrants convertible into common shares and no preferred shares.

Critical Accounting Estimates

General

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

Areas of judgment

(i) Investments in equity instruments

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a cash generating unit ("CGU") is impaired. The determination of CGUs is also based on Management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an

active market exists for the output produced by the asset or group of assets as well as how Management monitors and makes decisions about the Corporation's operations.

(iii) Going concern

The Corporation's ability to continue as a going concern is dependent on its ability raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern.

Assumptions and critical estimates

(i) Useful lives of property and equipment and internally-generated intangible assets

The Corporation estimates the useful lives of property and equipment and internally-generated intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the noncurrent assets.

(ii) Trade and other receivables and allowance for doubtful accounts:

The Corporation estimates allowances for doubtful accounts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyzed historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of the allowance of doubtful accounts. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables and the resulting losses are recognized in the statement of comprehensive income and reflected in an allowance against receivables.

(iii) Impairment of property and equipment and internally generated intangible assets

Impairment exists when the carrying value of an asset or a CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made. Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

Impact of New Accounting Policies

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2013, except for the adoption of new IFRS and interpretations as of January 1, 2014, noted below and the use of compound financial instruments. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2013.

- IAS 36, "*Impairment of Assets*" (Amended) which modifies certain disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Corporation adopted the amendments in its consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of this standard will impact the Corporation's disclosures in the notes to the condensed interim consolidated financial statements in periods where an impairment loss or impairment reversal is recorded.
- In December 2013, the IASB issued narrow-scope amendments to a total of nine standards as part of its annual improvement process. The improvement process is designed to make non-urgent but necessary amendments to IFRS. Some of the amendments made to the existing standards included: clarifying the definition of "vesting conditions" in IFRS 2, "Share-based payment"; defining the classification and measurement of contingent consideration; scope exclusion for the formation of joint arrangements in IFRS 3, "*Business Combinations*", and modifying the definition of a "related party" in IAS 24, "*Related Party Disclosures*". The Corporation adopted these amendments in its consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of these standards did not have a material impact on the condensed interim consolidated financial statements.

The Corporation will be required to adopt IFRS 9 effective January 1, 2018. IFRS 9, "*Financial Instruments*" (Amended) incorporates new requirements on accounting for financial liabilities. The new standard eliminates the existing multiple classification and measurement categories under IAS 39 or held-to-maturity, available for sale and loans and receivables and replaces

them with a single model that has only two classification categories: amortized cost and fair value. The adoption of the amended standard is not expected to have a material impact on the Corporation's consolidated financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective that would be expected to have a significant impact on the Corporation. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Financial Instruments and Risk Management

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability. In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust, trade and other receivables, trade and other payables and due to shareholders the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private Corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost. The fair value of the royalty financing liability and the convertible debenture approximate carrying value because the interest rate implicit in the agreements approximate the market rate of interest.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and from outstanding trade and other receivables. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents and trade and other receivables. The Corporation minimizes credit risk associated with its cash and cash equivalents balance substantially by dealing with major financial institutions in Canada and the US.

Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at March 31, 2014, the Corporation has cash and cash equivalents of \$1,988,566 (December 31, 2013 - \$92,222) has a positive net working capital position of \$1,742,505 (December 31, 2013 - \$795,209 negative net working capital position) and has an accumulated deficit of \$4,241,523 (December 31, 2013 - \$1,802,586). Subsequent to quarter end, the Corporation has embarked on a number of financing initiatives to fund its future growth. See under the heading "*Subsequent Events*".

Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in

foreign currency exchange rates. As at March 31, 2014, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US \$2,310 (December 31, 2013 - US \$228). A 1% change in the exchange rate between the Canadian and US dollar would have a negligible impact on the net income and cash flows of the Corporation.

Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at March 31, 2014, the Corporation is not exposed to any interest pricing risk.

Risks and Uncertainties

Due to the nature of the business, the legal and economic climate in which the Corporation is operating in and the present stage of development of the operations, the Corporation is subject to risks. The Corporation's future development and actual operating results may be different from those expected as at the date of this MD&A. There can be no certainty that the Corporation will be able to implement successfully its corporate strategy. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Corporation (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

New Technology

The Corporation's success will depend in part on its ability to develop its software and products that keep pace with the continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Corporation's software and products embody complex technology that may not meet those standards, changes and preferences. The Corporation may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Corporation's revenue.

Dependence on Key Personnel and Consultants

The success of the Corporation will be largely dependent upon the performance of its Management and key employees. Failure by the Corporation to retain or to attract and retain additional key employees with necessary skills could have a materially adverse impact upon the Corporation's growth and profitability. The Corporation intends to have, no key person insurance for their Management or for other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Corporation. The unexpected loss or departure of any of the key officers, employees or consultants of the Corporation could be detrimental to the Corporation's future operations. The Corporation's success will depend in part on its ability to attract and retain qualified personnel, as they are needed. The competition for highly skilled technical, management, sales and other employees is high in the Corporation's industry. There can be no assurance that the Corporation will be able to engage the services of such personnel or retain the Corporation's current personnel.

Foreign Currency, Payment Processing and Fiscal Matters

The Corporation's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences can have a material adverse impact on the Corporation's results of operations.

Competition

The Corporation competes in a competitive industry that is constantly evolving and changing. The Corporation expects this competition to increase as new competitors enter the market. Many of the Corporation's competitors may have greater financial, technical, sales, and production and marketing resources. The Corporation may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins or increased operating expenses.

Customer Base and Market Acceptance

While Management believes it can grow its client base, the inability of the Corporation to grow such a client base could have a material adverse effect on the Corporation. Although the Corporation believes that its products offer advantages over competitive companies and products, no assurance can be given that the Corporation's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations. Given the Corporation's current revenue source is highly dependent on electronic currency exchanges (specifically Bit Coins), the regulatory and acceptance risks of such electronic currencies could have a material impact on the Corporation's business.

Consumer Privacy, Data Use and Security

The Corporation is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns and scrutiny of the Corporation's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect the Corporation's results of operations and overall business, as well as have an impact on our reputation. Any additional, or changes to, regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase the Corporation's costs to comply with such regulations. Changes to these laws could also impact the Corporation's business operations by requiring changes to the Corporation's data practices and could impact aspects of the Corporation's business such as fraud monitoring. Any of these changes could materially and adversely affect our overall business and results of operations.

Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent Management is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the

issuance of Corporation Shares, securities convertible into Corporation Shares, debt financing, or a combination thereof. In such cases, the issuance of Corporation Shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

Losses from Operations

As at March 31, 2014, the Corporation has cash and cash equivalents of \$1,988,566 (December 31, 2013 - \$92,222), has a positive net working capital position of \$1,742,506 (December 31, 2013 - \$795,209 negative net working capital position) and has an accumulated deficit of \$4,241,523 (December 31, 2013 - \$1,802,586). In addition, the Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to March 31, 2014 is uncertain. The Corporation has embarked on a number of initiatives to address this. See under the heading "*Subsequent Events*".

Stage of Development

The Corporation may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of the Corporation's development. The ability of the Corporation to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Transaction Processing Systems

The Corporation's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although the Corporation continually monitors and assesses risks, potential impacts, and develops effective response strategies, the Corporation cannot ensure that its business would be immune to these risks.

Additionally, the Corporation relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact the Corporation's ability to do business in those markets. If one of our service providers fails to provide the communications capacity or services the Corporation requires, as a result of natural disaster, operational disruptions, terrorism, hacking or any other reason, the failure could interrupt the Corporation's services. Because of the intrinsic importance of the Corporation's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying the Corporation's brand and materially reduce the Corporation's results of operations.

Additional Capital Requirements

The Corporation intends to continue to make investments to support its business growth and will require additional funds to respond to business challenges, including the need to expand sales and marketing activities; develop new software, products or features; enhance its current operating infrastructure; and acquire complementary businesses and technologies. The Corporation's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of holders of the Corporation Shares. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, the Corporation's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise under which the Corporation may be served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement costs and other costs as well as significant time and distraction of management and employees.

Money Laundering and Terrorism

The Corporation is subject to regulations that affect the payments industry. In particular, many of the Corporation's customers are subject to regulations applicable to banks and other financial institutions in Canada and abroad, and, consequently, the Corporation is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to the Corporation and its customers, has increased significantly in the last several years. The Corporation is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its internet payment gateway. Money laundering or terrorist financing involving the Corporation's payment gateway could result in an enforcement action and/or damage the Corporation's reputation, which could result in a material adverse impact on the Corporation's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

The Corporation's operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation Shares to fluctuate. If the Corporation's operating results do not meet the expectations of securities analysts or investors, who may derive their expectations by extrapolating data from recent historical operating results, the market price of the Corporation Shares will likely decline.

Due to all of the foregoing factors and the other risks discussed in this “Risk and Uncertainties” section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation’s operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective purchasers are cautioned not to place undue reliance on forward looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading “*Special Note Regarding Forward-Looking Information*”.

Conflicts of Interest

Certain directors of the Corporation may engage in businesses similar to the Corporation and situations may arise where the directors may be in direct competition with the Corporation’s business. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the Act which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with us to disclose his interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common stock and there are no plans for such dividend payments in the foreseeable future.

Subsequent Events

On April 1, 2014, the Corporation entered into a financial services advisory agreement (the “Financial Services Agreement”). The Financial Services Agreement has a term of one year, subject to renewal, and a cost of \$15,000 per month to the Corporation. In addition, as further consideration for the services pursuant to the Financial Services Agreement, the Corporation has agreed to issue 400,000 Class A common share purchase warrants at an exercise price of \$0.52 for a period of three years from the date of issuance.

On April 2, 2014 the Corporation issued 432,692 Class A common shares at \$0.52 per common share for total proceeds of \$225,000.

On April 7, 2014 the Corporation issued 400,000 Class A common shares at \$0.52 per common share for total proceeds of \$208,000.

On April 28, 2014, the Corporation issued an aggregate of 1,450,000 options to acquire Class A common shares for a period of five years at a price of \$0.33 per Class A common share expiring five years from the date of grant.

On April 30, 2014, the Corporation issued 288,462 units at \$0.52 per unit for total proceeds of \$150,000. Each unit is comprised of one Class A common share and 2.6624 share purchase warrants, for a total issuance of 288,462 Class A common shares and 768,002 share purchase warrants. Each share purchase warrant entitles the holder to purchase one Class A common share at an exercise price of \$0.52 per Class A common share for up to three years following

the issuance date. On June 30, 2014, 479,540 of the 768,002 share purchase warrants were exercised for total gross proceeds of \$249,361.

Subsequent to March 31, 2014 all of the outstanding 3,333,334 stock options were exercised at \$0.09 for total proceeds of \$300,000.

On May 7, 2014 the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between Southtech and the Corporation. In accordance with the letter of intent, the Proposed Transaction would take the form of an amalgamation between the Corporation and Southtech to continue as one corporation (the "Resulting Issuer"). In connection with the Amalgamation, the Corporation intends to complete a brokered "commercially reasonable efforts" private placement for gross proceeds of not less than \$5.40 million (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Proposed Transaction. The Resulting Issuer intends to use the net proceeds of the Private Placement to fund various testing and certification procedures in relation to the Resulting Issuer's proposed business, to fund potential acquisitions and for general corporate purposes.

On June 30, 2014, the Corporation closed on the first tranche of the Private Placement for gross proceeds of \$5.6 million on receipt of 7,528,333 subscription receipts.

In connection with the Amalgamation, each Corporation shareholder would receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of the Corporation (a "Corporation Share") held by such Corporation shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Corporation Shares issued pursuant to the Private Placement. The Corporation Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities. In addition, each Southtech shareholder would receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder, and the Southtech Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities.

The Proposed transaction is subject to a number of conditions for the Corporation and Southtech which have not been met as of the date of these condensed interim consolidated financial statements. There is no assurance that the Proposed Transaction will be completed as contemplated, or at all.

Redfall Technologies Inc.

Management Discussion and Analysis

For The Years Ended December 31, 2013, 2012 and 2011

Redfall Technologies Inc.

Management's Discussion and Analysis

For the years ended December 31, 2013, 2012 and 2011

Special Note Regarding Forward Looking Information

This Management Discussion & Analysis ("MD&A") is intended to provide readers with the information that management believes is required to gain an understanding of Redfall Technologies Inc.'s ("Redfall" or the "Corporation") results for the years ended December 31, 2013, 2012 and 2011 and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on future prospects. Readers are cautioned that actual events and results will vary.

Certain statements in the MD&A, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the Filing Statement. These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. The reader is cautioned not to rely on these forward-looking statements. The Corporation assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

The following MD&A, presented and dated as of July 9, 2014 and should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2013 and 2012 as well as the audited consolidated financial statements for the year ended December 31, 2011.

Core Business and Strategy

Redfall is a payment processing business that has spent recent years developing and launching a new payment gateway technology called Vogogo (vogogo.com) (“Vogogo”) that serves as the central point for transaction processing between business, customers and banks. Vogogo includes comprehensive risk management and Know Your Customer (KYC) processes, meets the highest security standards and is combined with a bundled suite of payment services. As well, the Vogogo platform runs entirely on a cloud-based hosting platform. This unique combination gives Redfall the security, flexibility and scalability to meet the demands of a market place driven by technology. Vogogo has been well tested in close coordination with its early adopters (beta users), having successfully processed hundreds of millions of dollars of electronic transactions to date. Redfall is moving forward with its plan to commercially market the Vogogo platform to businesses in the United States and in Canada.

A primary service provided by Redfall is commercial bank payment services. The US and Canada continue to lag behind other mature economies in the adoption of electronic payments. Adoption is happening but paper cheques continue to be a significant factor in the overall US and Canadian payment landscape. This trend is primarily due to the banks inability to offer effective solutions to the market, particularly for B2B payments and receivables.

Paper Cheques are time-consuming and expensive for a business to process. They require a manual process of printing, signing, fulfilling, delivering, depositing and reconciliation.

Vogogo’s payment solutions streamline the accounts payable process. There is considerable opportunity for the conversion of paper to electronic payments for providers that can meet the demands of business owners.

Another primary service provided by Redfall is card based payment services. Recently, Visa & MasterCard created a new card based payment processing structure commonly referred to as a PSP (Payment Service Provider). A PSP is a third party service provider with the technical and operational capabilities to take on the responsibilities traditionally held by the bank. PSP’s can instantly approve and setup new clients, meeting the high demands of a marketplace driven by technology.

Securing PSP status is very difficult; there are significant barriers to entry. To start, a PSP must have the endorsement and sponsorship of a bank capable of supporting a PSP structure. This initial step requires significant industry credibility, experience and good will. From there, securing PSP status requires the skill, where-with-all and know-how necessary to effectively manage the associated risks and to be able to do so in an automated fashion with software. It takes a significant amount of resources to build and prove-out the software. It must meet and exceed all regulatory requirements as well as pass the initial and on-going scrutiny of the sponsoring bank and payment card industry (PCI). PSP platforms that meet these requirements with software are new and relatively few in the payments industry.

Traditional card payment service providers do not compete well against the many efficiencies of a PSP. Subsequently, traditional card payment service providers want to align and work with PSP’s. With only a handful of active PSP platforms in the market and thousands of traditional providers, there is a significant opportunity to acquire or affiliate with traditional providers, allowing for quick growth.

Redfall successfully secured PSP sponsorship with Vantiv Inc. (Fifth Third Bank) and has implemented full service PSP functionality into the Vogogo platform.

A key part of the Corporation’s business plan includes marketing and selling services to the U.S. market. Redfall’s technology is ready for the U.S. market, leaving two primary milestones left to complete in order to achieve this objective. They are listed in order of priority.

- 1) *Payment Card Industry Data Security Standard (“PCI-DSS”) Testing and Audit* -As a payment processor, Amalco will be subject to a yearly audit and testing by the PCI-DSS. Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank) the most recent PCI-DSS testing and audit must be finalized. Redfall has previous experience with PCI-DSS compliance. The process of testing and audit for PCI-DSS essentially tests to confirm that Redfall properly handles sensitive payment card related data. An independent third party applies the testing and checks to insure that all PCI-DSS standards and guidelines are met before providing certification. Redfall believes that it has sufficient capability to finalize the audit and complete the testing. The PCI-DSS testing and audit process is not a pass or fail process. Redfall can be certified with deficiencies as long as those deficiencies are known and there is a plan of action in place to rectify them. PCI-DSS is an ongoing process. PCI-DSS updates and adjustments are consistent and a part of doing business as a PSP. This milestone is subject to availability of a third party auditor. It is expected that it will take no longer than sixty days to engage a third-party auditor. PCI-DSS testing and audit is expected to be complete within 6-12 weeks of engagement with a third party auditor and to cost approximately \$50,000. PCI-DSS is administered by the PCI Security Standards Council, which was founded by American Express, Discover Financial Services, JCB International, Mastercard Worldwide and VISA Inc. PCI-DSS auditing is done on an annual basis by a third party auditor. Redfall has completed such audit in the past, however, it has not completed such audit for the current year in order to conserve funds as it pursued the Amalgamation.
- 2) *Vantiv Inc. Testing and Certification* - Upon completion of the PCI-DSS certification, Amalco then qualifies to test and certify its technology integration to Vantiv Inc. Redfall, to date, has no direct operational experience with Vantiv Inc. so it is possible that Vantiv Inc. may have technical limitations. The analysis based on the integration specs is that Vantiv Inc. is very capable and will pose no technical limitations on Redfall. In the event that there are technical limitations, they will be rectified by either Amalco building further technology to address any limitations, or Vantiv Inc. building further technology to address any limitations, or both parties working together to address any limitations. Banking integration updates and adjustments are consistent and a part of doing business as a payment service provider. Redfall has successfully implemented similar integrations with several other banks and processors in Canada and the U.S. This task is believed to be within Amalco’s core expertise. This milestone is subject to PCI-DSS completion and availability of Vantiv Inc.’s certification and testing team. It is expected that it will take no longer than sixty days to schedule testing and certification procedures. Vantiv Inc. testing and certification is expected to be complete in 2-4 weeks from engagement with Vantiv Inc.’s certification and testing team and cost approximately \$15,000.
- 3) *Security Deposit with Vantiv Inc. and Fifth Third Bank* - Prior to going live with the new banking partner in the U.S. (Vantiv Inc. and Fifth Third Bank), Redfall must place funds with Fifth Third Bank as a security deposit against Amalco’s processing portfolio. Estimated time for completion is one day and management expects this to be finalized in the third quarter of 2015 at an estimated total cost of \$1,000,000 assuming a minimum Redfall Financing to \$1,500,000 assuming a maximum Redfall Financing. Note that this is not a hard cost but rather a security deposit that will earn interest.

Redfall is a private Corporation incorporated on January 23, 2008 under the *Business Corporations Act (Alberta)* under the name “Redfall Financial Inc.”. On December 30, 2009, Redfall amended its articles to change its name to “Redfall Technologies Inc.” Vogogo Inc. was incorporated under the *Business*

Corporations Act (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. On February 27, 2014, Vogogo Inc. changed its name to Vogogo Canada Inc. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary a Delaware Company.

The head office of Redfall is located at 400, 320 – 23 Avenue S.W., Calgary, Alberta, T2S 0J2. The registered office of Redfall is located at 4600, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1.

BASIS OF PRESENTATION

The Corporations consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 14, 2014.

In this MD&A we describe certain income and expense items that are unusual or non-recurring. These terms are not defined by International Financial Reporting Standards (IFRS). Our usage of these terms may vary from the usage adopted by other companies. We provide this detail so that readers have a better understanding of the significant events and transactions that have had an impact on our results. Specifically *Gross profit* and *Cash flow from operations* are undefined terms by IFRS. Where relevant, we provide tables in this document that reconcile non-IFRS measures used to amounts reported on the face of the consolidated financial statements.

All dollar amounts are in Canadian dollars unless otherwise stated.

Quarterly information has not been provided as the Corporation is not a reporting issuer and has not prepared financial statements on a quarterly basis.

Summary of Financial and Operational Results

The following table set forth financial data prepared in accordance with IFRS for our last three fiscal years:

Financial snapshot

(\$ unless otherwise indicated)	December 31, 2013	December 31, 2012	December 31, 2011
Revenues	159,527	31,748	2,214,269
Net loss and comprehensive loss	(1,047,980)	(1,778,822)	(13,381)
Working capital (current assets less current liabilities)	(795,209)	(257,423)	452,506
Total assets	1,616,279	358,307	1,753,477
Total liabilities	2,242,237	427,010	729,161

Results Of Operations

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Loss from operating activities	(997,585)	(2,291,189)	(112,925)

General and administrative	695,902	425,109	624,913
Sales and marketing	202,295	548,552	537,031
Research and development	239,447	893,732	687,931
Net cash used in operating activities	(808,827)	(1,135,054)	(71,599)
<i>Non-cash operating items:</i>			
Amortization and depreciation	19,469	429,843	477,319
Deferred income tax recovery	-	(62,287)	32,670

Net loss for fiscal 2013 decreased compared to fiscal 2012 due to higher revenues, lower sales and marketing and research and development costs partially offset by higher general and administrative costs. 2011 revenues were mostly derived from two on line poker companies that ceased operations in the US in the second half of 2011 as a result of legal issues and regulatory changes imposed on the gaming industry in 2011. 2012 revenues were significantly lower as the Corporation transitioned away from gaming related revenues to small and medium businesses and web based businesses. There was a marked increase in 2013 revenues as compared to 2012 due to the Corporation opening up a new market in providing the back-end payment infrastructure to crypto-currency exchanges (i.e. Bit Coin and other electronic currency exchanges). A more detailed discussion is included below.

Results of Operations

Revenues

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Revenues	159,527	31,748	2,214,269

Redfall's business model is that of being a payment processor. As a payment processor, Redfall earns a fee for each transaction processed. The fee varies from customer to customer and is based on the value of the transaction, the aggregate value of transactions processed by a customer and the strategic value Redfall perceives of the customer. Revenue is recognized when the transaction is processed and the fee is earned.

The 2011 revenues were primarily from processing transactions for two online poker companies operating in the U.S. These companies discontinued operations in the second half of 2011 as a result of legal challenges and regulatory changes imposed on the gaming industry operating in the U.S.

In 2013, the Corporation saw a more than 400% increase in revenues when compared to 2012. The marked increase in revenues occurred mostly in the second half of 2013 as the Corporation commenced supporting transactions derived from crypto-currency exchanges.

Redfall is focused on growing its revenue base by providing payment processing services to underserved and emerging markets driven by web based technologies. Specifically, Management believes that Redfall's technology has several competitive advantages in supporting risk management

and payments for various currency exchanges and web based businesses as well as supporting electronic accounts payable for large corporations that still rely heavily on paper cheque based transactions, as is the case in the oil and gas sector .

General and Administrative

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
General and administrative expenses	695,902	425,109	624,913

General and administrative expenses consist primarily of personnel costs, transaction related fees and overhead expenses relating to the Corporation's human resources, finance, legal, regulatory and administrative functions. General and administrative expenses were higher in 2013 compared to 2012 due to higher consulting and legal fees as the Corporation is pursuing several strategic options to enhance its future growth opportunities. The decrease in 2012 compared to 2011 is the result of higher legal costs in 2011 to successfully navigate primary clients' legal challenges as discussed previously, combined with lower transaction related costs due to lower volumes processed in 2012.

Sales and Marketing

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Sales and marketing expenses	202,295	548,552	537,031

Sales and marketing expenses consist principally of salaries, commissions and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, travel, sales training and trade shows and pre and post sales technical support. Sales and marketing expenses in 2013 were significantly lower as the Corporation focused its resources on a few strategic industries including crypto currency exchanges and the oil and gas opportunities. The 2012 focus was primarily on building brand recognition and attracting new customers primarily in the small and medium sized on line businesses. 2011 expenses were primarily focused on the US gaming industry.

Research and Development

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Research and development expenses	239,447	893,732	687,931

Research and Development (R&D) expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by IFRS. The Corporation has not capitalized any development costs during the year ended December 31, 2013. The Corporation believes that investments in research and development are required to remain competitive. Expenditures in 2013 were based on further developing the payment processing technology to support currency and commodity exchanges and differentiate itself from its competitors specifically from an ease of use and simplicity of adoption perspective. The higher expenditure in 2012 was due to the Corporation dedicating resources to re-purpose its payment platform from supporting strictly gaming

companies to supporting broader electronic payment applications. The Corporation has other product functions and features under development and will continue to build these out.

Amortization

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Amortization expenses	19,469	429,843	477,319

Amortization expense relates to the property and equipment owned by the Corporation. Specifically the Corporation owns computer equipment, furniture and fixtures and leasehold improvements. These assets are depreciated over their useful life and impairment, if any, is assessed at every reporting period. Amortization costs are the result of amortizing the Corporation's intangible assets which consists of the internally-developed payment processing software. The capitalized amount of the development of this software has been amortized over a three year straight line basis and has been fully amortized as at December 31, 2012, resulting in a significantly lower amortization expense in 2013. The 2013 expense is primarily the result of depreciating office equipment and furniture and fixtures.

Bad Debts

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Bad debts expense	-	25,701	-

The 2012 expense was the result of exposure to insolvent customers within Redfall's payment processing portfolio. By its very nature payment processing operates similar to a credit facility and a small amount of bad debt will normally be incurred. As the Corporation shifts into supporting more exchanges, the risk of bad debts is somewhat reduced as the majority of the risk is borne by the exchange.

Gain on forgiveness of debt

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Gain on forgiveness of debt	-	474,180	-

The 2012 amount that was forgiven was due to a related party, was non-interest bearing and was advanced by the related party with the intention of acquiring Class A common shares. During the year ended December 31, 2012 the two existing shareholders at the time agreed to transfer 4,333,333 Class A common shares (2,166,666 each) to the related party as part of an agreement to bring the related party on as an equal partner. As part of the agreement the related party agreed to release the Corporation from a \$474,180 loan provided by the related party to the Corporation. As a result the Corporation recognized a \$474,180 gain on forgiveness of debt during the year ended December 31, 2012. No such transaction occurred in 2013 or 2011.

Loss on Disposal of Assets

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Loss on disposal of assets	-	(24,100)	-

During the year ended December 31, 2012, the Corporation sold computer equipment with a net book value of \$2,557 for proceeds of \$1,168 and realized a loss on disposal of \$1,389. In addition, the Corporation moved office premises and wrote off leasehold improvements with a net book value of \$22,711. No such transactions occurred in 2013 or 2011.

Net Loss and Comprehensive Loss

(\$)	December 31, 2013	December 31, 2012	December 31, 2011
Loss and comprehensive income loss	(1,047,980)	(1,778,822)	(13,381)

The decrease in net loss over the previous year is primarily due to increase in revenues and decrease in expenses. However the increase in losses in 2012 was due to loss of revenues from customers in the online poker market that discontinued operations as a result of legal challenges in the U.S. In addition to the loss in revenue, the Corporation incurred costs to successfully navigate primary clients' legal challenges. The 2012 increase in loss was partially offset by recognition of a gain on forgiveness of debt.

Redfall is focused on growing its revenue base by providing payment processing services to underserved and emerging markets driven by web based technologies. Specifically, Management believes that Redfall's technology has several competitive advantages in supporting risk management and payments for various currency exchanges and web based businesses as well as supporting electronic account payables for large corporations that still rely heavily on paper cheque based transactions, as is the case in the oil and gas sector .

With respect to the financial condition of the Corporation, the Corporation's gross cash and cash equivalents totaled \$92,222 at December 31, 2013, an increase of \$54,820 from the \$37,4702 available at December 31, 2012. The Corporation had a working capital deficit of \$(795,209) at December 31, 2013 compared to a working capital deficit of \$(257,423) at December 31, 2012. Subsequent to December 31, 2013, the Corporation closed a number of financing transactions for gross proceeds of \$3,642,345. See Subsequent Events (note 17 of the audited consolidated financial statements) for further details.

Royalty Financing Liability

The Corporation has entered into a \$1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds are available to the Corporation if and when certain pre-determined milestones are achieved. Any amount drawn pursuant to the investment agreement is repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ended December 31, 2014 until twice the gross amount received is remitted or until the Corporation has repaid all advances plus 20% interest compounded annually from the date each advance is received, less royalties paid. During the year ended December 31, 2013 the Corporation received \$200,000 as part of this arrangement.

Convertible Debentures

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of \$100,000. The principal bore interest at a rate of 10% per annum and was convertible into Class A common shares, at any time, at the option of the holder at 52 cents per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of \$100,000. The principal bore interest at a rate of 10% per annum and was convertible into Class A common shares at any time, at the option of the holder at 52 cents per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on March 6, 2014. Interest is due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into Class A common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury.

Subsequent to December 31, 2013, on February 11, 2014, the Corporation issued a secured convertible debenture in the amount of \$2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property. The principal bears interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full \$3,164,345 convertible debenture.

The Corporation determined that the convertible debentures meet the definition of a compound financial instrument and determined the fair value of the liability and the resulting equity component by discounting the expected future cash flows of each convertible debenture using an interest rate of 20% representing management's estimate of the fair value interest rate for a similar instrument without the convertibility feature.

Management closely monitors cash flow requirements and does not have sufficient cash to meet all of its operational and financial obligations if demanded to do so. The Corporation is actively pursuing sales and commercialization efforts including targeting currently underserved markets and expanding its offering to include foreign exchange transactions. Management believes that if successful, these opportunities will significantly contribute in improving the Corporation's liquidity position.

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern in order to pursue the development and sales of its payment service platform and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. However it should be noted that the Corporation is at an early stage of its redefined commercialization program and will continue to be dependent on its ability to manage cash on hand, increase its revenues and raise additional debt or equity to meet its obligations and repay its liabilities arising from normal business operations when they become due.

In the management of capital, the Corporation includes the components of shareholders' equity. The Corporation's share capital structure is made up of share capital and retained earnings (deficit) as equity components. The Corporation strives to maximize the value associated with share capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

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

In order to facilitate the management of its capital requirements, the Corporation prepares annual budgets that are updated as necessary depending on the various factors, including general industry conditions. The annual budget is approved by the Board of Directors.

The Corporation manages its working capital through quick collection of its receivables while minimizing its exposure to future commitments and managing its suppliers to as favorable terms as possible. The Corporation regularly follows up with accounts to ensure collections and timely receipt of invoices. In order to maintain and maximize ongoing development and sales efforts, the Corporation does not pay out dividends.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing development and operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

In the management of capital, the Corporation includes shareholders' equity in the definition of capital. In order to maintain or adjust the capital structure, the Corporation (upon approval from its Board of Directors, as required) may issue additional capital primarily through equity financings.

Related party transactions

Key management compensation is composed of consulting fees paid to companies controlled by key management. During the year ended December 31, 2013, consulting fees paid to key management amounted to \$56,000 (December 31, 2012 – \$330,000 and December 31, 2011 – \$550,000).

During the year ended December 31, 2012 the two existing shareholders at the time agreed to transfer 4,333,333 Class A common shares (2,166,666 each) to the related party as part of an agreement to bring the related party on as an equal partner. As part of the agreement the related party agreed to release the Corporation from a \$474,180 loan provided by the related party to the Corporation. As a result the Corporation recognized a \$474,180 gain on the forgiveness of debt during the year ended December 31, 2012.

Fourth Quarter

Revenues for the fourth quarter of 2013 were \$112,481 compared to \$7,133 in the fourth quarter of 2012, an increase of 1,477 percent compared to the same quarter last year. Total loss from operating

activities for the fourth quarter of 2013 was \$287,033 compared to \$653,943 for the same quarter last year an improvement of \$366,910. As explained in the above discussion, revenues have started improving during the second half of 2013 and general and administration expenses, sales and marketing expenses and research and development expenses have been lower resulting in overall lower loss from operating activities for the fourth quarter of 2013.

The Corporation expects this revenue growth to improve going into 2014 as the Corporation focuses on bringing new customers into the crypto-currency space. The Corporation will continue to focus on more opportunities with crypto-currency businesses as the number of transactions processed through these companies is significant and the market seems to be underserved.

Proposed Transactions

On March 31, 2014, the Corporation entered into a non-binding letter of intent with Southtech Capital Corporation (“Southtech”) with respect to a proposed business combination of the Corporation and Southtech (the “Transaction”). Pursuant to the Transaction, Southtech will amalgamate with the Corporation to form a new company (“Amalco”) and each issued and outstanding class A common share of the Corporation will be exchanged for one common share of Amalco and each five issued and outstanding common shares of Southtech will be exchange for one common share of Amalco. The Transaction is intended to constitute Southtech’s Qualifying Transaction (as such term is defined by the TSX Venture Exchange).

Commitments

The Corporation has entered into a premise lease agreement with the following minimum future lease payments:

	\$
Less than 1 year	75,504
More than 1 year, less than 5 years	201,916
Total	\$ 277,420

Contingencies

At the date of this report, the Corporation had no material contingencies.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Redfall is authorized to issue an unlimited number of Class A and Class B common shares and an unlimited number of Class C, D and E preferred shares. The Corporation had 22,144,204 common shares, 3,333,334 stock options and 2,275,000 finder's warrants outstanding as of March 31, 2014.

As at the date of this MD&A the Corporation had 27,078,232 common shares; 1,850,000 stock options, 2,275,000 finder's warrants and 288,462 warrants convertible into common shares and no preferred shares.

Critical Accounting Estimates

(a) General

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(b) Areas of judgment

(i) Investments in equity instruments

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a cash generating unit ("CGU") is impaired. The determination of CGUs is also based on management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the Corporation's operations.

(iii) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern.

(c) Assumptions and critical estimates

(i) Useful lives of property and equipment and internally-generated intangible assets

The Corporation estimates the useful lives of property and equipment and internally-generated intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the noncurrent assets.

(ii) Trade and other receivables and allowance for doubtful accounts:

The Corporation estimates allowances for doubtful accounts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyzed historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of the allowance of doubtful accounts. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables and the resulting losses are recognized in the statement of comprehensive income and reflected in an allowance against receivables.

(iii) Impairment of property and equipment and internally generated intangible assets

Impairment exists when the carrying value of an asset or a CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made. Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

Impact of New Accounting Policies

On January 1, 2013, the Corporation adopted the following new standards and amendments which became effective for annual periods on or after January 1, 2013:

New accounting policies

- IFRS 7, "*Financial Instruments*" provides additional information about offsetting of financial assets and liabilities. Additional disclosures are required to enable users of financial statements to evaluate the effect or potential effect of netting arrangements on the entity's financial position. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 10, "*Consolidated Financial Statements*" introduces a new control model that focuses on whether the Corporation has power over an investee, exposure or rights to variable returns,

from its involvement with the investee and ability to use its power to effect returns. The adoption of this standard had no impact on the Corporation's consolidated financial statements.

- IFRS 11, "*Joint Arrangements*" requires a Corporation to classify its interest in joint arrangements as either joint operations or joint ventures. When making this assessment, the Corporation considers the structure of the arrangements, the legal form of any separate vehicles, and contractual terms of the arrangements and other factors and circumstances. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 12, "*Disclosure of Interest in Other Entities*", combines the disclosure requirements for entities that have interest in subsidiaries, joint arrangements, and associates as well as unconsolidated structures entities. The adoption of this standard had no impact on the Corporation's consolidated financial statements.
- IFRS 13, "*Fair Value Measurement*" established a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRS. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRS, including IFRS 7. As a result, the Corporation has included additional disclosures in this regard. Notwithstanding, the changes to IFRS 13 had no significant impact on the measurement of the Corporation's assets and liabilities.

Future accounting pronouncements

The Corporation has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Corporation.

For annual periods beginning on or after January 1, 2014, the Corporation will be required to adopt each of these standards:

- IAS 36, "*Impairment of Assets*" (Amended) which modifies certain disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair values less costs of disposal. the amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Corporation plans to adopt the amendments in its consolidated financial statements for the annual period beginning on January 1, 2014. The adoption of this standard will impact the Corporation's disclosures in the notes to the consolidated financial statements in periods where an impairment loss or impairment reversal is recorded.
- In December 2013, the IASB issued narrow-scope amendments to a total of nine standards as part of its annual improvement process. The improvement process is designed to make non-urgent but necessary amendments to IFRS. Some of the amendments made to the existing standards include: clarifying the definition of "vesting conditions" in IFRS 2, "Share-based payment", defining the classification and measurement of contingent consideration; scope exclusion for the formation of joint arrangements in IFRS 3, "*Business Combinations*", and modifying the definition of a "related party" in IAS 24, "*Related Party Disclosures*". The Corporation intends to adopt these amendments in its consolidated financial statements for the

annual period beginning on January 1, 2014. The adoption of these standards is not expected to have a material impact on the consolidated financial statements.

- The Corporation will be required to adopt IFRS 9 in the future; however, the IASB has removed the effective date for this IFRS as they finalize and complete their comprehensive project on financial instruments. IFRS 9, "*Financial Instruments*" (Amended) incorporates new requirements and measurement categories under IAS 39 or held-to-maturity, available for sale and loans and receivables and replaces them with a single model that has only two classification categories; amortized cost and fair value. The adoption of the amended standard is not expected to have a material impact on the Corporation's consolidated financial statements.

Financial Instruments and Risk Management

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability. In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of; cash and cash equivalents, cash held in trust, trade and other receivables, trade and other payables and due to shareholders the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private Corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost. The fair value of the royalty financing liability and the convertible debenture approximate carrying value because the interest rate implicit in the agreements approximate the market rate of interest.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and from outstanding trade and other receivables. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents and trade and other receivables. The Corporation minimizes credit risk associated with its cash and cash equivalents balance substantially by dealing with major financial institutions in Canada and the United States.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2013, the Corporation is in a net current liability position of \$795,209 (2012 - \$257,423). Subsequent to December 31, 2013 the Corporation issued secured convertible debentures in the amount of \$3,164,345 (note 17(a)). The funds raised through the convertible debt financing will assist the Corporation in meeting its liquidity requirements.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency

exchange rates. As at December 31, 2013, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US\$228 (2012 - US\$4,093). A 1% change in the exchange rate between the Canadian and US dollar would have a negligible impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2013, the Corporation is exposed to interest pricing risk on the convertible debentures of \$200,000 total which bear interest of 10% per annum.

Risks and Uncertainties

Due to the nature of the business, the legal and economic climate in which the Corporation is operating in and the present stage of development of the operations, the Corporation is subject to risks. The Corporation's future development and actual operating results may be different from those expected as at the date of this Management Discussion and Analysis (MD&A). There can be no certainty that the Corporation will be able to implement successfully its corporate strategy. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Corporation (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

New Technology

The Corporation's success will depend in part on its ability to develop its software and products that keep pace with the continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Corporation's software and products embody complex technology that may not meet those standards, changes and preferences. The Corporation may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Corporation's revenue.

Dependence on Key Personnel and Consultants

The success of the Corporation will be largely dependent upon the performance of its management and key employees. Failure by the Corporation to retain or to attract and retain additional key employees with necessary skills could have a materially adverse impact upon the Corporation's growth and profitability. The Corporation intends to have, no key person insurance for their management or for other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Corporation. The unexpected loss or departure of any of the key officers, employees or consultants of the Corporation could be detrimental to the Corporation's future operations. The Corporation's success will depend in part on its ability to attract and retain qualified personnel, as they are needed. The competition for highly skilled technical, management, sales and other employees is high in the Corporation's industry. There can be no assurance that the Corporation will be able to engage the services of such personnel or retain the Corporation's current personnel.

Foreign Currency, Payment Processing and Fiscal Matters

The Corporation's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences can have a material adverse impact on the Corporation's results of operations.

Competition

The Corporation competes in a competitive industry that is constantly evolving and changing. The Corporation expects this competition to increase as new competitors enter the market. Many of the Corporation's competitors may have greater financial, technical, sales, and production and marketing resources. The Corporation may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins or increased operating expenses.

Customer Base and Market Acceptance

While management of the Corporation believes it can grow its client base, the inability of the Corporation to grow such a client base could have a material adverse effect on the Corporation. Although the Corporation believes that its products offer advantages over competitive companies and products, no assurance can be given that the Corporation's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations. Given the Corporation's current revenue source is highly dependent on electronic currency exchanges (specifically Bit Coins), the regulatory and acceptance risks of such electronic currencies could have a material impact on the Corporation's business.

Consumer Privacy, Data Use and Security

The Corporation is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns and scrutiny of the Corporation's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect the Corporation's results of operations and overall business, as well as have an impact on our reputation. Any additional, or changes to, regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase the Corporation's costs to comply with such regulations. Changes to these laws could also impact the Corporation's business operations by requiring changes to the Corporation's data practices and could impact aspects of the Corporation's business such as fraud monitoring. Any of these changes could materially and adversely affect our overall business and results of operations.

Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent management of the Corporation is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of Corporation Shares,

securities convertible into Corporation Shares, debt financing, or a combination thereof. In such cases, the issuance of Corporation Shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

Losses from Operations

As at December 31, 2013, the Corporation has cash and cash equivalents of \$92,222 (2012 - \$37,402), is in a net working capital liability position of \$795,209 (2012 - \$257,423) and has an accumulated deficit of \$1,802,586 (2012 - 754,606). In addition, the Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2013 is uncertain.

Stage of Development

The Corporation may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of the Corporation's development. The ability of the Corporation to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Transaction Processing Systems

The Corporation's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although the Corporation continually monitors and assesses risks, potential impacts, and develops effective response strategies, the Corporation cannot ensure that its business would be immune to these risks.

Additionally, the Corporation relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact the Corporation's ability to do business in those markets. If one of our service providers fails to provide the communications capacity or services the Corporation requires, as a result of natural disaster, operational disruptions, terrorism, hacking or any other reason, the failure could interrupt the Corporation's services. Because of the intrinsic importance of the Corporation's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying the Corporation's brand and materially reduce the Corporation's results of operations.

Additional Capital Requirements

The Corporation intends to continue to make investments to support its business growth and will require additional funds to respond to business challenges, including the need to expand sales and marketing activities; develop new software, products or features; enhance its current operating infrastructure; and acquire complementary businesses and technologies. The Corporation's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the

Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of holders of the Corporation Shares. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, the Corporation's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise under which the Corporation may be served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement costs and other costs as well as significant time and distraction of management and employees.

Money Laundering and Terrorism

The Corporation is subject to regulations that affect the payments industry. In particular, many of the Corporation's customers are subject to regulations applicable to banks and other financial institutions in Canada and abroad, and, consequently, the Corporation is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to the Corporation and its customers, has increased significantly in the last several years. The Corporation is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its internet payment gateway. Money laundering or terrorist financing involving the Corporation's payment gateway could result in an enforcement action and/or damage the Corporation's reputation, which could result in a material adverse impact on the Corporation's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

The Corporation's operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation Shares to fluctuate. If the Corporation's operating results do not meet the expectations of securities analysts or investors, who may derive their expectations by extrapolating data from recent historical operating results, the market price of the Corporation Shares will likely decline.

Due to all of the foregoing factors and the other risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective purchasers are cautioned not to place undue reliance on forward looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that

predictions, forecasts or projections will prove to be materially inaccurate. See “Forward Looking Statements”.

Conflicts of Interest

Certain directors of the Corporation may engage in businesses similar to the Corporation and situations may arise where the directors may be in direct competition with the Corporation’s business. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the Act which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with us to disclose his interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common stock and there are no plans for such dividend payments in the foreseeable future.

Subsequent Events

- On January 25, 2014 the Corporation repaid a \$100,000 convertible debenture in full along with accrued interest for total consideration of \$110,381.
- On February 10, 2014, the Corporation repurchased 3,833,334 Class A common shares from one of the share holders at \$0.09 per common share for total proceeds of \$345,000. The Class A common shares were subsequently re-allocated by the Corporation on March 17, 2014 as follows: (i) 500,000 Class A common shares were issued by the Corporation at a price of \$0.09 per Class A common share for total gross proceeds of \$45,000; and (ii) the Corporation issued 3,333,334 options to purchase Class A common shares of the Corporation with an exercise price of \$0.09 per Class A common share and an expiry date of March 17, 2015. The options vest immediately.
- On February 11, 2014, the Corporation issued a secured convertible debenture in amount of \$2,000,000.
- On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to \$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at the option of the holder at \$0.33 per share. In connection with the issuance of the convertible debenture, the Corporation issued the aggregate of 2,275,000 finder's warrants to acquire Class A common shares for a period of five years at a price of \$0.33 per Class A common share. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full \$3,164,345 convertible debenture.
- On March 5, 2014, the Corporation issued 192,307 Class A common shares at \$0.52 upon conversion of a \$100,000 convertible debenture.

- On April 1, 2014, the Corporation entered into a financial services advisory agreement (the "Financial Services Agreement"). The Financial Services Agreement has a term of one year, subject to renewal, and a cost of \$15,000 per month to the Corporation. In addition, as further consideration for the services pursuant to the Financial Services Agreement, the Corporation has agreed to issue 400,000 Class A common share purchase warrants at an exercise price of \$0.52 for a period of three years from the date of issuance.
- On April 2nd, 2014, the Corporation issued 48,077 Class A common shares to a subscriber at a price of \$0.52 per Class A common share.
- On April 7th, 2014, the Corporation issued an aggregate of 784,615 Class A common shares to various subscribers at a price of \$0.52 per Class A common share.
- On April 28, 2014, the Corporation issued an aggregate of 1,450,000 options to acquire Class A common shares for a period of five years at a price of \$0.33 per Class A common share expiring five years from the date of grant.
- On April 30, 2014, the Corporation issued 288,462 units at \$0.52 per unit for total proceeds of \$150,000. Each unit is comprised of one Class A common share and 2.6624 share purchase warrants, for a total issuance of 288,462 Class A common shares and 768,002 share purchase warrants. Each share purchase warrant entitles the holder to purchase one Class A common share at an exercise price of \$0.52 per Class A common share for up to three years following the issuance date. On June 30, 2014, 479,540 of the 768,002 share purchase warrants were exercised for total gross proceeds of \$249,361.
- Subsequent to March 31, 2014 all of the outstanding 3,333,334 stock options were exercised at \$0.09 for total proceeds of \$300,000.
- On May 7, 2014 the Corporation entered into a letter of intent for a proposed business combination (the "Proposed Transaction") between Southtech and the Corporation. In accordance with the letter of intent, the Proposed Transaction would take the form of an amalgamation between the Corporation and Southtech to continue as one corporation (the "Resulting Issuer"). In connection with the Amalgamation, the Corporation intends to complete a brokered "commercially reasonable efforts" private placement for gross proceeds of not less than \$5.40 million (the "Private Placement"). Completion of the Private Placement is a condition to completion of the Proposed Transaction. The Resulting Issuer intends to use the net proceeds of the Private Placement to fund various testing and certification procedures in relation to the Resulting Issuer's proposed business, to fund potential acquisitions and for general corporate purposes.
- On June 30, 2014, the Corporation closed on the first tranche of the Private Placement for gross proceeds of \$5.6 million on receipt of 7,528,333 subscription receipts.
- In connection with the Amalgamation, each Corporation shareholder would receive one (1) common share in the Resulting Issuer ("Resulting Issuer Share") at a deemed price of \$0.75 per Resulting Issuer Share for every one (1) common share of the Corporation (a "Corporation Share") held by such Corporation shareholder for deemed aggregate consideration of approximately \$20 million exclusive of Resulting Issuer Shares exchanged for Corporation Shares issued pursuant to the Private Placement. The Corporation Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities. In addition,

each Southtech shareholder would receive one (1) Resulting Issuer Share for every five (5) common shares in the capital of Southtech ("Southtech Shares") held by such Southtech shareholder, and the Southtech Shares so exchanged would be cancelled without reimbursement of the capital represented by such securities.

- The Proposed transaction is subject to a number of conditions for the Corporation and Southtech which have not been met as of the date of these condensed interim consolidated financial statements. There is no assurance that the Proposed Transaction will be completed as contemplated, or at all.

APPENDIX J

Southtech Audit Committee Charter

(See attached)

SOUTHTECH CAPITAL CORPORATION
(the "Corporation")

AUDIT COMMITTEE MANDATE

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

1.1 Assist the Board of Directors in its oversight role with respect to:

- (a) the quality and integrity of financial information;
- (b) the independent auditor's performance, qualifications and independence;
- (c) the performance of the Corporation's internal audit function, if applicable; and
- (d) the Corporation's compliance with legal and regulatory requirements; and

1.2 Prepare such reports of the Audit Committee required to be included in the information/proxy circular of the Corporation in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three (3) or more Directors appointed by the Board of Directors, none of whom shall be officers or employees of the Corporation or any of the Corporation's affiliates. Each of the members of the Audit Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities.

The Board of Directors shall designate one (1) member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment. The Board of Directors shall determine whether and how many members of the Audit Committee qualify as a financial expert as defined by applicable law.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the board for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual information/proxy circular, as required by applicable law.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every five years).

Financial Reporting

- Review and discuss with management and the independent auditor:
 - prior to the annual audit the scope, planning and staffing of the annual audit,
 - the annual audited financial statements,
 - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
 - approve any reports for inclusion in the Corporation's Annual Report, if any, as required by applicable legislation,
 - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
 - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
 - any significant changes in the Corporation's selection or application of accounting principles,
 - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and

- other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

APPENDIX K

Southtech Option Plan

(See attached)

STOCK OPTION PLAN

1. Purpose

The purpose of the Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

2. Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **“Board of Directors”** means the Board of Directors of the Corporation;
- (b) **“Common Shares”** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (c) **“Corporation”** means Southtech Capital Corporation and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (d) **“Discounted Market Price”** means the last per share closing price for the Common Shares on the Exchange before the date of grant of an Option, less any applicable discount under Exchange Policies;
- (e) **“Exchange”** means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;
- (f) **“Exchange Policies”** means the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange;
- (g) **“Insider”** has the meaning ascribed thereto in Exchange Policies;
- (h) **“Option”** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;
- (i) **“Option Period”** means the period determined by the Board of Directors during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, which maximum period is ten (10) years from the date the Option is granted;
- (j) **“Optionee”** means a person who is a director, officer, employee, consultant or other personnel of the Corporation or a subsidiary of the Corporation; a corporation wholly-

owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan; and

- (k) **“Plan”** shall mean the Corporation’s incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policy, including without limitation “Consultant”, “Employee”, “Insider”, “Investor Relations Activities”, “Management Company Employee”, “Tier 1 Issuer” and “Tier 2 Issuer”.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3. **Administration**

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to shareholder approval if required by the Exchange. Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

4. **Eligibility**

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Subject to Exchange Policies, the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee (as such terms are defined in Exchange Policies) in respect of Options granted to such Optionees.

5. **Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee’s relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or full-time employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

6. Common Shares Subject to Options

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time, and such aggregate number of Common Shares shall automatically increase or decrease as the number of issued and outstanding Common Shares changes. The Options granted under the Plan together with all of the Corporation's other previously established stock option plans or grants, shall not result at any time in:

- (a) the number of Common Shares reserved for issuance pursuant to Options granted to Insiders exceeding 10% of the issued and outstanding Common Shares; and
- (b) the grant to Insiders within a 12 month period, of a number of Options exceeding 10% of the outstanding Common Shares.

Subject to Exchange Policies, the aggregate number of Common Shares reserved for issuance to any one (1) Optionee under Options granted in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant (or 2% of the issued and outstanding Common Shares in the case of an Optionee who is a Consultant or an Employee conducting Investor Relations Activities (as such terms are defined in Exchange Policies)).

Appropriate adjustments shall be made as set forth in Section 14 hereof, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares subject thereto shall again be available for the purpose of the Plan.

7. Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the "Stock Option Agreement"). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from

time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

8. Option Period and Exercise Price

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the "Expiry Date"), subject to earlier termination as provided in Sections 10 and 11 hereof.

Subject to Exchange Policies and any limitations imposed by any relevant regulatory authority, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares.

9. Exercise of Options

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the expiry of the Option Period, subject to Sections 10 and 11 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, without limitation, the 1933 Act, the *United States Securities and Exchange Act of 1934, as amended*, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are being purchased only for investment and without any present intention to sell or distribute such Common Shares if, in the opinion of counsel for the Corporation, such a representation is required by law.

10. Ceasing to be a Director, Officer, Employee or Consultant

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Optionee may, but only within the later of: (i) 12 months after the completion of the Qualifying Transaction (as defined in TSX Venture Exchange Inc. Policy 2.4) by the Corporation; and (ii) ninety (90) days after the Optionee's ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in Investor Relations Activities) or prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

11. Death of Optionee

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

12. Optionee's Rights Not Transferable

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

13. Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

14. Anti-Dilution of the Option

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;

- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

15. Costs

The Corporation shall pay all costs of administering the Plan.

16. Termination and Amendment

- (a) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority.
- (b) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 16(a) hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of the Corporation if required by the Exchange or such regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.

- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

17. Withholding Tax

Upon exercise of an Option, the Optionee will, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Common Shares, pay to the Corporation amounts necessary to satisfy applicable withholding tax requirements or will otherwise make arrangements satisfactory to the Corporation for such requirements. In order to implement this provision, the Corporation or any related corporation will have the right to retain and withhold from any payment of cash or Common Shares under the Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such exercise. At its discretion, the Corporation may require an Optionee receiving Common Shares upon the exercise of an Option to reimburse the Corporation for any such taxes required to be withheld by the Corporation and withhold any distribution to the Optionee in whole or in part until the Corporation is so reimbursed. In lieu thereof, the Corporation will have the right to withhold from any cash amount due or to become due from the Corporation to the Optionee an amount equal to such taxes. The Corporation may also retain and withhold or the Optionee may elect, subject to approval by the Corporation at its sole discretion, to have the Corporation retain and withhold a number of Common Shares having a market value not less than the amount of such taxes required to be withheld by the Corporation to reimburse the Corporation for any such taxes and cancel (in whole or in part) any such Common Shares issuable upon exercise of an Option so withheld.

18. Applicable Law

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

19. Prior Plans

On the effective date (as set out in Section 19 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

20. Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan shall be October 10, 2011 upon receipt of all necessary shareholder and regulatory approvals.

21. Legends on Hold Periods

If required by the Exchange policies or applicable securities laws, the Common Shares issued on exercise of the Options will be legended.

