This prospectus does not constitute a public offering of any securities. No securities regulatory authority has expressed an opinion about any information contained herein and it is an offence to claim otherwise.

PROSPECTUS

Non-Offering **May 23, 2013**

AYLEN CAPITAL INC.

16,856,632 Common Shares

No securities are being offered pursuant to this prospectus. Aylen Capital Inc. ("**Aylen**") is filing this prospectus in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador in order to qualify the distribution of its common shares to shareholders of Centiva Capital Inc. ("**Centiva**"), now Spackman Equities Group Inc., following the reorganization of Centiva by way of Plan of Arrangement (the "**Arrangement**"). Since no securities are being sold pursuant to this prospectus, no proceeds will be raised. All expenses in connection with the preparation and filing of this prospectus will be borne by Aylen from its general funds.

At a special meeting of shareholders held on September 23, 2011, Centiva shareholders approved a special resolution approving the Arrangement, pursuant to which all of Centiva's existing assets and liabilities were transferred to Aylen, in exchange for Aylen's newly issued common shares. As part of the Arrangement, Aylen's common shares were distributed to Centiva common shareholders of record as at July 5, 2011 (the "**Distribution Record Date**"). Centiva shareholders of record received one Aylen common share for every one common share of Centiva held on the Distribution Record Date. Centiva shareholders were not required to pay for the Aylen common shares received by them in the distribution, or to tender or surrender their Centiva common shares in order to receive the Aylen common shares or to take any other action in connection with the distribution. This prospectus is being sent to Centiva shareholders of record concurrently with the mailing of certificates representing the Aylen common shares.

If Aylen becomes a "reporting issuer" in Ontario it may apply to list its common shares on a stock exchange. Listing will be subject to Aylen's fulfillment of all of the listing requirements of any exchange it applies to be listed on.

Centiva shareholders with inquiries related to the Arrangement or the distribution should review Centiva's management information circular dated August 29, 2011, which is available on the SEDAR website at www.sedar.com.

No underwriter has been involved in the preparation of the prospectus or performed any review of the contents of the prospectus.

Aylen's head and registered office is located at 200 Bay Street, Suite 3800, Toronto, Ontario M5J 2Z4.

EXPLANATORY INFORMATION

In this prospectus, unless otherwise specified, the terms "Company" and "Aylen" refer to Aylen Capital Inc., a company incorporated in Canada under the *Canada Business Corporations Act*, (the "**CBCA**") and include the business transferred to it by Centiva pursuant to the Arrangement described in this prospectus.

Aylen shareholders should carefully consider the matters discussed under "Risk Factors" beginning on page 44 of this prospectus.

FORWARD-LOOKING STATEMENTS AND FORWARD-LOOKING INFORMATION

This prospectus contains forward-looking statements that are based on current expectations, estimates, forecasts, projections, beliefs and assumptions made by Aylen's management about the industry in which Aylen operates. Such statements include, in particular, statements about Aylen's plans, strategies and prospects under the headings "Summary", "Risk Factors", and "Management's Discussion and Analysis". Words such as "expect", "anticipate", "intend", "plan", "believe", "seek", "estimate", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Aylen does not intend, and disclaims any obligation, to update any forward-looking statements after it files this prospectus, whether as a result of new information, future events or otherwise, except as required by the securities laws. These forward-looking statements are made as of the date of this prospectus.

TABLE OF CONTENTS

SUMMARY

The following is a summary of some of the information contained in this prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Company

Aylen was incorporated on October 28, 2010 under the *Canada Business Corporations Act*, as a wholly-owned subsidiary of Centiva.

The Business

In late 2010 an opportunity was presented to Centiva to raise new equity from a group of investors who were interested in investing in small/medium sized businesses with growth potential in Asia, principally in China and the Republic of Korea. The board of directors of Centiva approved this new strategy. After negotiations with the new investors, the board concluded that the existing assets of Centiva were of limited interest to them and that they were not prepared to fully recognize their value. Therefore, the board determined to spin Centiva's existing assets out to shareholders by way of a Plan of Arrangement (the "Arrangement") and to continue to manage Centiva's assets through a new corporation, namely Aylen.

The Arrangement became effective on October 31, 2011 when all the conditions precedent to the Arrangement were satisfied. Since that time Aylen has continued to carry on Centiva's business, with a focus on its Grapevine Solutions business, its portfolio of marketable securities and its investment in VFM Leonardo Inc.

The Company's business consists of carrying on the business of Grapevine Solutions, which is operated as a division of the Company, and managing its portfolio of marketable securities. The Company also owns a 4.4 % equity interest (11.6% fully diluted) in VFM Leonardo Inc., a private company, but due to the small equity interest, the Company has no ability to influence the operations or management of VFM Leonardo Inc. The Company does not have sufficient cash to make any new investments.

No Proceeds Raised

No proceeds will be raised pursuant to this prospectus.

Risk Factors

Each of Grapevine Solutions and VFM Leonardo Inc. is subject to the risks inherent in the industry in which it operates. Grapevine Solutions' business is very dependent on the continued demand for on-line surveys and polls by businesses. VFM Leonardo Inc.'s business is very dependent on the strength of the hotel segment of the travel industry. Each business would be adversely affected by a significant downturn in its particular industry segment. The businesses are not fully developed and may continue to require additional funding to continue operations or to develop their business plans until they become self-funding. The Company has limited cash resources and is unable to provide any significant amount of additional funding to Grapevine or VFM if it should be required. In such an event, if no other source of funding is available, the operations would have to terminate and it would not be possible for the Company to recover its investment. If an additional source of funding is found, it may result in significant dilution of the Company's investment.

Historically, the Company and Centiva have had negative cash flow from operating activities and have had to fund their operations with cash on hand and the sale of marketable securities. For the year ended December 31, 2012 Aylen's cash flow from operations was ($155,237) and overall cash flow was $39,421. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at December 31, 2012 was $137,000. This amount may prove to be inadequate to continue to fund the Company's operations beyond the next 12 months in which case the Company would have to sell assets such as the Grapevine business, or raise funds through the sale of additional equity or a combination of those two things, failing which it would have to discontinue its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

The Company filed a preliminary prospectus in Ontario and certain other Canadian provinces on March 6, 2012 in order to obtain “reporting issuer” status. If it attains “reporting issuer” status in Ontario the Company may apply to have its common shares listed on a stock exchange such as the Canadian National Stock Exchange (the “**CNSX**”). There can be no assurance that the Company will attain “reporting issuer” status or if it does that it will apply to have its shares be listed or be able to fulfill all of the listing requirements of any stock exchange and that its shares will be listed on any stock exchange. Even if the Company is successful in obtaining a listing on a stock exchange, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company’s business and assets.

A more comprehensive discussion of the Company’s risk factors can be found beginning on page 44 of this Prospectus.

Summary Financial Information

As Aylen has acquired the assets comprising the business previously carried on by Centiva, set out below is selected summary historical financial information for Centiva prior to the October 31, 2011 acquisition by Aylen, and by Aylen subsequent to such acquisition. The information for the year ended December 31, 2011 combines the financial information of Centiva from January 1 to October 31, 2011 and of Aylen from November 1 to December 31, 2011. The combined results of 2011 were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being two separate legal entities after October 31, 2011 without any cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Similarly the consolidated results of Centiva for the year ended December 31, 2010 have also been presented. Note 2 to the December 31, 2012 financial statements of Aylen which are included elsewhere in this prospectus provides additional information on the basis of presentation of the information in the December 31, 2012 financial statements including the combined results of Centiva and Aylen for 2011 and the consolidated results of Centiva and Aylen for 2010.

Selected Annual Information

	Year ended December 31		
	2012 (audited)	2011 (audited)	2010 (audited)
TOTAL REVENUES	$645,797	$480,656	$450,337
NET (LOSS)			
Total	(142,096)	(858,025)	(219,414)
Per share	(0.01)	(0.05)	(0.01)
Per share (diluted)	(0.01)	(0.05)	(0.01)
TOTAL ASSETS	2,366,610	2,463,760	2,737,810
TOTAL LONG-TERM FINANCIAL LIABILITIES	690,000	690,000	Nil
COMMON SHARES	16,856,632	16,856,632	16,856,632

Summary of Quarterly Information

	12 Q4	12 Q3	12 Q2	12 Q1	11 Q4	11 Q3	10 Q2	11 Q1
Total Revenue	$143,886	$156,985	$134,410	$210,516	$105,536	$131,337	$103,143	$140,640
Net Loss								
Total	(89,347)	(9,912)	(69,673)	26,836	(383,829)	(349,816)	(89,965)	(34,415)
Per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Per share (diluted)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other						269,889	(8,000)	(18,000)

Comprehensive Income								
Comprehensive Loss	$(89,347)	$(9,912)	$(69,673)	$26,836	$(383,829)	$(79,927)	$(97,965)	$(52,415)

CORPORATE STRUCTURE

Name and Incorporation

Aylen was incorporated on October 28, 2010 pursuant to the *Canada Business Corporations Act*, as a wholly-owned subsidiary of Centiva. Aylen's registered and head office is located at 200 Bay Street, Suite 3800, Toronto, Ontario.

Prior to the Arrangement, Aylen did not carry on any business operations and did not have any assets or liabilities.

Intercorporate Relationships

Aylen has no subsidiaries.

Background to the Arrangement

In late 2010, an opportunity was presented to Centiva to raise new equity from a group of investors who are interested in investing in small/medium-sized businesses with growth potential in Asia, principally in China and the Republic of Korea. After due consideration, the board of Centiva approved this new strategy to broaden and refocus the investment scope of Centiva to Asia.

After negotiations with the group of investors, the board of Centiva concluded that the current assets of Centiva, outlined in the Prospectus, were of limited interest to them and that they were not prepared to fully recognize their value. Therefore, it was also determined by the board of Centiva to spin the existing assets out to Centiva Shareholders by way of a Plan of Arrangement. In the opinion of Aylen's management, there has since been growth in the value of the assets that were transferred.

The Arrangement: (1) ensured that the ownership of Centiva's shareholders was not diluted by the money coming in from the new investors; (2) ensured that Centiva shareholders in the US were able to receive Aylen shares without Centiva or Aylen having to file a registration statement with the SEC in the US; and (3) ensured that, in the opinion of Aylen and its legal counsel, Aylen would become a reporting issuer following the completion of the Arrangement.

The Arrangement

Under the terms of the Arrangement Agreement between Centiva and Aylen dated June 30, 2011 which governs the Arrangement, Centiva transferred to Aylen all of its existing assets, other than the names Centiva and Centiva Capital and the domain name www.centivacapital.com, in consideration for the assumption by Aylen of all of Centiva's liabilities, a non-interest bearing promissory note (the "**Note**") in the amount of $842,831.60 and the issuance to Centiva of that number of Aylen shares that would result in Centiva owning the same number of common shares of Aylen as were outstanding in Centiva on the date the Arrangement became effective. The Note is repayable (in full or in part) by Aylen upon disposition of the assets transferred to it by Centiva in which case Aylen is only liable to pay the net proceeds of sale in repayment of the Note. The Note is secured against the assets of the Grapevine Solutions division. A copy of the Arrangement Agreement has been filed with and may be accessed on the SEDAR website at www.sedar.com.

To give effect to the Arrangement, Centiva:

(1) transferred all of its assets (except for any tax losses) and liabilities to Aylen in exchange for 16,856,532 Aylen common shares and the Note;

(2) changed its name to Spackman Equities Group Inc.;

(3) reduced the stated capital of Centiva's common shares; and

(4) distributed to those holders of Centiva common shares on July 5, 2011 (the "**Distribution Record Date**") all of Aylen's common shares as a payment on the reduction of Centiva's stated capital.

As a result of the Arrangement, Centiva common shareholders of record on the Distribution Record Date hold 100% of Aylen's common shares.

Spackman Equities Group Inc. is currently listed for trading on the TSXV under the symbol SQG.V.

Since October 31, 2011, which was the date the Arrangement became effective, Aylen has continued to carry on Centiva's businesses, namely the Grapevine Solutions business, the investment in VFM Leonardo Inc, and the portfolio of marketable securities.

Note that Centiva's marketable securities were transferred to Aylen prior to the Arrangement becoming effective. These marketable securities were effectively held in escrow, pending closing of the Arrangement. Had the deal not closed, these marketable securities would have been transferred back to Centiva.

The Business

Pursuant to the Arrangement, Aylen has continued to carry on Centiva's business as a Canadian-based investment company, with one venture investment and a portfolio of marketable securities. Aylen's primary source of revenue arises from interest income from its cash and cash equivalents, capital gains and dividends from its marketable securities, and from the available cash flow from its Grapevine Solutions business.

The Company's business consists of carrying on the business of Grapevine, which is operated as a division of the Company, and managing its portfolio of marketable securities. The Company also owns a 4.4 % equity interest (11.6% fully diluted) in VFM Leonardo Inc., a private company, but due to the small equity interest, the Company has no ability to influence the operations or management of VFM Leonardo Inc. The Company does not have sufficient cash to make any new investments. The following is a description of Aylen's business.

Grapevine Solutions ("Grapevine")

Grapevine, which operates as a division of Aylen, was acquired by Centiva in October 2007 from TriNorth Capital Inc. ("**TriNorth**"). For accounting purposes, TriNorth's carrying value for Grapevine was nil and the acquisition of Grapevine was recorded at that carrying value. The Grapevine assets which were acquired were comprised of software, customer lists, trademarks and office equipment.

Grapevine's business is based in Markham, Ontario and it consists of licensing and selling web-based survey and data collection software to third parties, most of whom are companies based in North America. Its software is used to perform customizable employee evaluations, employee surveys, customer surveys, training surveys, web polls and data collection surveys.

The business has three full-time employees and engages consultants to provide software programming and upgrading and design services.

The primary business objectives for Aylen over the next 12 months are to continue to grow the revenues of the Grapevine business and to establish Grapevine as a leading Human Resources online survey firm in North America. Grapevine's operating software for its main product offering, namely 360º employee evaluations, was upgraded in late 2012 at a cost of approximately $25,000. An additional employee was hired in the second quarter of 2012 to assist with the increased administrative work and to free-up more time for the remaining two employees for sales and marketing efforts. These additional expenses will be funded from the Company's working capital which at December 31, 2012 was $185,000.

The following is a summary of selected financial information for Grapevine extracted from the audited financial statements of Aylen and Centiva.

	Year ended December 31		
	2012	**2011(1)**	**2010(1)**
Total Revenues	645,797	480,656	450,337
Selling Expenses	422,300	406,742	393,221

(1) As noted under Selected Financial Information and in Note 2 to the December 31, 2012 financial statements, the results for 2011 and 2010 combine the results for Aylen and Centiva.

In addition to Grapevine's revenues of $646,000 for 2012, Aylen recorded $232,000 deferred revenue as at December 31, 2012, relating to unearned subscription fees. In addition to Grapevine's revenues of $481,000 for 2011, Aylen recorded $157,000 deferred revenue as at December 31, 2011, relating to unearned subscription fees.

Grapevine's revenues have increased in 2010, 2011 and 2012 as a direct result of an improvement in the US economy where the majority of Grapevine's revenues originate and as a result of more effective sales and marketing efforts. The majority of Grapevine's sales are made in US dollars and a stronger Canadian dollar has a negative impact on revenues which are recorded in Canadian dollars.

VFM Leonardo Inc. ("VFM")

At December 31, 2012 Aylen owned a 4.4 % equity interest in VFM Leonardo Inc. ("**VFM**"), 11.6 % on a fully-diluted basis, should all warrants and options be exercised. At December 31, 2012 Aylen owned 3,075,359 common shares, 2,436,658 Class A convertible preference shares and 12,000,000 warrants to purchase common shares in the capital of VFM. The warrants have an expiry date of March 1, 2014 and an exercise price of $0.001 per warrant. The Class A and Class B preference shares have a priority over the common shares on liquidation, winding-up and sale of the company. The Class A preference shares which are owned by Aylen represent approximately 2.6% of all outstanding Class A and Class B preference shares.

VFM, which is headquartered in Toronto, Ontario, has developed an online video and rich media advertising platform and distribution network that allow advertisers to distribute informational rich media marketing content to highly targeted consumers across thousands of relevant sites and electronic channels. Currently, VFM provides off-platform technology-driven rich-media solutions, connectivity and interactivity for the hotel, lodging and the online travel distribution industries. VFM's end-to-end media management and distribution solution is a content "hub" that aggregates hotel and travel-related digital rich media content such as videos, 360° virtual tour images, Flash productions and still images, and automates its distribution to travel websites and any other points of contact where rich media can be viewed by consumers researching and booking travel accommodations.

VFM is the world's largest provider and distributor of online visual content for the hotel and travel industry. VFM's content library includes more than one million digital photographs, videos and 360° virtual tours for over 80,000 hotels and resorts worldwide. Through VScape®, VFM distributes this content to its online media network of all four Global Distribution Systems, Pegasus and 30,000 plus travel-related channels including online travel agencies, travel research and supplier web sites, search portals and major travel intermediaries. VFM's online media network includes industry leaders such as Sabre, Galileo, Travelocity, Orbitz, Priceline, Tripadvisor, Yahoo! Travel, Kayak, Google and more. For more information, visit VFM's website at www.vfmleonardo.com.

Portfolio Investments

Aylen's portfolio investments consist of a broadly diversified selection of Canadian and U.S. dividend producing instruments, securities and equities. At December 31, 2012, the market value of the portfolio investments was $361,000, and is managed by a group of four independent managers.

The portfolio is invested approximately as follows:

	December 31, 2012 (%)	December 31, 2011 (%)
Canadian Equities		
Canadian Diversified Income	26.8	22.4
Canadian Large Cap Equity	25.5	30.8
	52.3	**53.2**
International Equities		
US Large Cap Equity	23.5	25.6
International Equities	24.2	21.2
	47.7	**46.8**
	100.0	**100.0**

The portfolio realized a loss of $1,000 in 2012.

NO PROCEEDS RAISED

Since no securities are being sold pursuant to this prospectus, no proceeds will be raised.

DIVIDENDS OR DISTRIBUTIONS

To date, Aylen has not declared any dividends or distributions on the Aylen common shares although there are no restrictions precluding Aylen from declaring any such dividend. Aylen does not plan on paying dividends in the near future.

SELECTED FINANCIAL INFORMATION

Set out below is selected financial information derived from the audited consolidated financial statements of Aylen for the year ended December 31, 2012, from the audited consolidated financial statements of Aylen and Centiva combined for the year ended 2011 (Centiva for the period January 1 to October 31, 2011 and Aylen for the period November 1 to December 31, 2011) and from the audited consolidated financial statements of Centiva for the year ended December 31,2010. The combined results of 2011 were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being two separate legal entities after October 31, 2011 without any cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Similarly the consolidated results of Centiva for the year ended December 31, 2010 have also been presented. Note 2 to the December 31, 2012 financial statements of Aylen which are included elsewhere in this prospectus provides additional information on the basis of presentation of the information in the December 31, 2012 financial statements including the combined results of Centiva and Aylen for 2011 and 2010.

The financial information provided below has been audited.

Selected Annual Information

	Year ended December 31		
	2012 (audited)	2011 (audited)	2010 (audited)
TOTAL REVENUES	$645,797	$480,656	$450,337
NET (LOSS)			
Total	(142,096)	(858,025)	(219,414)
Per share	(0.01)	(0.05)	(0.01)
Per share (diluted)	(0.01)	(0.05)	(0.01)
TOTAL ASSETS	2,366,610	2,463,760	2,737,810
TOTAL LONG-TERM FINANCIAL LIABILITIES	690,000	690,000	Nil
COMMON SHARES	16,856,632	16,856,632	16,856,632

MANAGEMENT'S DISCUSSION AND ANALYSIS

Set out below is Aylen's management's discussion and analysis for the year ended December 31, 2012 ("**MD&A 2012**"). Aylen's management's discussion and analysis for the year ended 2011 ("**MD&A 2011**") also follows. The MD&A 2011 covers the period from January 1, 2011 to the effective date of the Arrangement on October 31, 2011, when the assets and business were owned by Centiva, and the period from November 1 to December 31, 2011 when Aylen was the owner of the assets and business. Prior to January 1, 2011 Centiva was the owner of the assets and business.

Management's Discussion and Analysis 2012

The following Management's Discussion and Analysis ("**MD&A**") provides additional analysis of the operations and financial position of Aylen Capital Inc. ("**Aylen**" or the "**Company**"). It is supplementary information and should be read in conjunction with the Company's financial statements and accompanying notes for the year ended December 31, 2012.

Aylen was incorporated on October 28, 2010 as a wholly-owned subsidiary of Centiva. On September 30, 2011, a plan of arrangement (the "**Arrangement**") was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and Aylen entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for 16,856,532 shares of Aylen and a $842,832 promissory note. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Superior Court of Justice on September 27, 2011. The effective date of the transfer was October 31, 2011. On the same date Centiva changed its name to Spackman Equities Group Inc. ("**SEGI**").

Centiva transferred all of its then existing assets and liabilities, other than those relating to the new equity and tax losses, to Aylen in exchange for common shares of Aylen. The assets which were transferred to Aylen from Centiva consist of an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities. Grapevine Solutions ("**Grapevine**"), an unincorporated division of Aylen, operates a web-based survey and data collection business.

Basis of Presentation of Financial Information

The Company's financial statements for the year ended December 31, 2012 contain comparative results for 2011 and 2010 which combine the results of Centiva for the period from January 1 to October 31, 2011 and Aylen for the period November 1 to December 31, 2011 and the consolidated results of Centiva and Aylen for 2010. The combined results were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being considered two separate legal entities after October 31, 2011 without any cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Any intercompany transactions have been eliminated in the combined results. In the MD&A financial information and analysis relating to 2011 combines the results of Centiva and Aylen as stated above.

Note 2 to the December 31, 2012 financial statements provides additional information on the basis of presentation of the information in the December 31, 2012 financial statements including the combined results of Centiva and Aylen for 2011 and the consolidated results for Centiva and Aylen for 2010.

Overall Performance

Aylen has investments in marketable securities, a venture investment in VFM Leonardo Inc. and its Grapevine business. The North American economy, particularly in the US where the majority of Grapevine's customers reside, continued to strengthen in 2012 and the revenues of the Grapevine business in 2012 improved 34 % over 2011. North American financial markets also improved in 2012 and as a result Aylen recorded an unrealized gain in its portfolio of marketable securities of $21,000 for the year. At December 31, 2012, the Company had cash of $110,000, investments in marketable securities of $361,000 and a venture investment totalling $1,844,000.

The Grapevine Business

Grapevine, which operates as a division of Aylen, was acquired by Centiva in October 2007 from TriNorth Capital Inc. ("**TriNorth**"). For accounting purposes, TriNorth's carrying value for Grapevine was nil and the acquisition of Grapevine was recorded at that carrying value. The Grapevine assets which were acquired were comprised of software, customer lists, trademarks and office equipment.

Grapevine's business is based in Markham, Ontario and it consists of licensing and selling web-based survey and data collection software to third parties, most of whom are companies based in North America. Its software is used to perform customizable employee evaluations, employee surveys, customer surveys, training surveys, web polls and data collection surveys.

The business has three full-time employees and engages consultants to provide software programming and upgrading and design services.

The primary business objectives for Aylen over the next 12 months are to continue to grow the revenues of the Grapevine business and to establish Grapevine as a leading Human Resources online survey firm in North America. Grapevine's operating software for its main product offering, namely 360º employee evaluations, was upgraded in late 2012 at a cost of approximately $25,000. An additional employee was hired in the second quarter of 2012 to assist with the increased administrative work and to free-up more time for the remaining two employees for sales and marketing efforts. These additional expenses will be funded from the Company's working capital which at December 31, 2012 was $185,000.

The following is a summary of selected financial information for Grapevine extracted from the audited financial statements of Aylen and Centiva.

		Year ended December 31	
	2012	**2011[(1)]**	**2010[(1)]**
Total Revenues	645,797	480,656	450,337
Selling Expenses	422,300	406,742	393,221

(1) As noted under Basis of Presentation of Financial Information and in Note 2 to the December 31, 2012 financial statements, the results for 2011 and 2010 combine the results for Aylen and Centiva.

In addition to Grapevine's revenues of $646,000 for 2012, Aylen recorded $232,000 deferred revenue as at December 31, 2012, relating to unearned subscription fees. In addition to Grapevine's revenues of $481,000 for 2011, Aylen recorded $157,000 deferred revenue as at December 31, 2011, relating to unearned subscription fees.

Grapevine's revenues have increased in 2010, 2011 and 2012 as a direct result of an improvement in the US economy where the majority of Grapevine's revenues originate and as a result of more effective sales and marketing efforts. The majority of Grapevine's sales are made in US dollars and a stronger Canadian dollar has a negative impact on revenues which are recorded in Canadian dollars.

Investments

VFM Leonardo Inc.

At December 31, 2012 Aylen owned a 4.4 % equity interest in VFM Leonardo Inc. ("**VFM**"), 11.6 % on a fully-diluted basis, should all warrants and options be exercised. At December 31, 2012 Aylen owned 3,075,359 common shares, 2,436,658 Class A convertible preference shares and 12,000,000 warrants to purchase common shares in the capital of VFM. The warrants have an expiry date of March 1, 2014 and an exercise price of $0.001 per warrant. The Class A and Class B preference shares have a priority over the common shares on liquidation, winding-up and sale of the company. The Class A preference shares which are owned by Aylen represent approximately 2.6% of all outstanding Class A and Class B preference shares.

VFM, which is headquartered in Toronto, Ontario, has developed an online video and rich media advertising platform and distribution network that allow advertisers to distribute informational rich media marketing content to highly targeted consumers across thousands of relevant sites and electronic channels. Currently, VFM provides off-platform technology-driven rich-media solutions, connectivity and interactivity for the hotel, lodging and the online travel distribution industries. VFM's end-to-end media management and distribution solution is a content "hub" that aggregates hotel and travel-related digital rich media content such as videos, 360° virtual tour images, Flash productions and still images, and automates its distribution to travel websites and any other points of contact where rich media can be viewed by consumers researching and booking travel accommodations.

VFM is the world's largest provider and distributor of online visual content for the hotel and travel industry. VFM's content library includes more than one million digital photographs, videos and 360° virtual tours for over 80,000 hotels and resorts worldwide. Through VScape®, VFM distributes this content to its online media network of all four Global Distribution Systems, Pegasus and 30,000 plus travel-related channels including online travel agencies, travel research and supplier web sites, search portals and major travel intermediaries. VFM's online media network includes industry leaders such as Sabre, Galileo, Travelocity, Orbitz, Priceline, Tripadvisor, Yahoo! Travel, Kayak, Google and more. For more information, visit VFM's website at www.vfmleonardo.com.

Portfolio Investments

Aylen's portfolio investments consist of a broadly diversified selection of Canadian and U.S. dividend producing instruments, securities and equities. At December 31, 2012, the market value of the portfolio investments was $361,000, and is managed by a group of four independent managers.

The portfolio is invested approximately as follows:

	December 31, 2012	December 31, 2011
	(%)	(%)
Canadian Equities		
Canadian Diversified Income	26.8	22.4
Canadian Large Cap Equity	25.5	30.8
	52.3	**53.2**
International Equities		
US Large Cap Equity	23.5	25.6
International Equities	24.2	21.2
	47.7	**46.8**
	100.0	**100.0**

The portfolio realized a loss of $1,000 in 2012.

Results of Operations

Grapevine had sales revenue of $646,000 and selling expenses of $422,000 for 2012. Sales revenue for 2011 was $481,000 with selling expenses of $407,000.

The Company's other primary source of revenue arises from interest and other income from its cash and marketable securities, which for 2012 was $12,000 ($15,000 for 2011).

Under the provisions of IAS 39 Financial Instruments – Recognition and Measurement and IAS 32 Financial Instruments –Presentation and IFRS 7 Financial instruments - Disclosure, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled unrealized gains of $21,000 in the current period and for the year. A loss of $1,000 was realized for the year on the sale of marketable securities.

General and administrative expenses totalled $390,000 for the year. For the year ended December 31, 2011 the general and administrative expenses were $570,000. The larger amount of general and administrative expenses in 2011 when compared with 2012 was due to additional legal and other costs related to the Arrangement.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of $142,000 ($0.008 per share) for the 2012 year (a net loss and comprehensive loss of $858,000 ($0.05) per share for 2011).

Under the provisions of IAS1 - Presentation of financial statements, IFRS7 Financial Instruments – Disclosure, IAS 32 – Financial Instruments – presentation, IAS 39 Financial Instruments- recognition and measurement, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. There is no other comprehensive income in the current period and for the year.

Summary of Quarterly Information

	Quarter to December 31 2012	Quarter to September 30 2012	Quarter to June 30 2012	Quarter to March 31 2012	Quarter to December 31 2011(1)	Quarter to September 30 2011(1)	Quarter to June 30 2011(1)	Quarter to March 31 2011(1)
Revenue								
Sales	$143,886	$156,985	$134,410	$210,516	$105,536	$131,337	$103,143	$140,640
Interest and investment income	3,067	2,659	3,591	2,896	3,585	3,596	4,542	3,406
Gain (loss), realized and unrealized,	8,206	21,489	(32,296)	23,246	(31,145)	(306,009)	(20,309)	22.890
Net Income (Loss)								
Total	(89,347)	(9,912)	(69,673)	26,836	(383,829)	(349,816)	(89,965)	(34,415)
Per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Per share (diluted)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Comprehensive Income (Loss), being increase (decrease) in fair value of publicly-traded investments available for sale	-	-	-	-	-	269,889	(8,000)	(18,000)
Comprehensive (Loss) income	$(89,347)	$(9,912)	$(69,673)	$26,836	$(383,829)	$(79,927)	$(97,965)	$(52,415)

(1) As noted under Basis of Presentation of Financial Information and in Note 2 to the December 31, 2012 financial statements, the quarterly results for 2011 and 2010 combine the results for Aylen and Centiva.

Revenues at Grapevine are subject to the influences of North American economic conditions and are also subject to some seasonal fluctuations. The demand for Grapevine's product offerings, which consist primarily of surveys and polls for businesses, including employee surveys and evaluations, is directly affected by economic conditions generally. In difficult economic times such as the period from 2008 to 2010, businesses tend to reduce discretionary spending, which would include Grapevine's products and conversely in more robust economic times spending on discretionary items tends to increase. In addition there is a limited amount of seasonality to Grapevine's revenues. Businesses tend to conduct the majority of employee surveys and polls at or towards the end of the calendar year and sales tend to slow down in the summer months due to vacations. As a result Grapevine's revenues are somewhat stronger in the fourth and first quarter and tend to be somewhat softer in the second and third quarters.

Liquidity and Financial Position and Capital Resources

The Company's ability to generate sufficient cash to fund its operations and working capital requirements depends upon the following factors: (i) the ability of the Grapevine business to generate positive cash flow, and (ii) the interest, other income and proceeds, if any, from the sales of the Company's portfolio of marketable securities. Grapevine's ability to generate positive cash flow from its business requires it to have revenues in excess of its costs. The table set out below shows Grapevine's revenues and costs for the years 2010, 2011 and 2012 and the net amount of cash generated by Grapevine and the portfolio of marketable securities which is available to fund other Company expenses. Historically, the cash generated by Grapevine and from the interest and gains from the portfolio of marketable securities has not been sufficient to cover the Company's general and administrative expenses and the Company has experienced negative cash flow and negative working capital as shown in the following table.

Summary of Negative Cash Flow and Negative Working Capital

	2012	2011 (1)	2010 (1)
Grapevine Revenues	645,797	480,656	450,337
Grapevine Costs	422,300	406,742	393,211
Interest, other income	12,311	15,128	16,646
Net Amount of cash available to fund other Company expenses	253,808	89,042	73,772
Proceeds from sale of marketable securities, net of purchase	112,612	153,810	401,081
Company's working capital (before deducting promissory note payable)	185,352	322,473	596,632

(1) As noted under Basis of Presentation of Financial Information and in Note 2 to the December 31, 2012 financial statements, the results for 2011 and 2010 combine the results for Aylen and Centiva.

At December 31, 2012, the Company had working capital of $185,000 after deducting deferred revenue of $232,000 but before deducting the promissory note. There is little liquidity risk associated with the promissory note because the holder of the note is restricted from demanding repayment except from the net proceeds of sale of assets. With respect to the Company's working capital requirements, the general and administrative expenses of the Company were $390,000 in 2012 and $570,000 for 2011**.** The larger amount of general and administrative expenses in 2011 when compared with 2012 was due to additional legal and other costs related to the Arrangement. The general and administrative expenses in 2012 are substantially all committed and non-discretionary expenses and are representative of the approximate amount of general and administrative expenses which would likely be incurred by the Company in a year in the normal course of business. It is not likely that the cash generated by Grapevine and the interest and gains from the portfolio of marketable securities will be sufficient to cover all of the Company's operating expenses. In such event the Company will need to raise cash from the sale of marketable securities or other assets or from the sale of equity to continue its operations.

Current liabilities were $334,000 at December 31, 2012, and this amount includes $232,000 of deferred revenue which represents the unearned portion of subscription fees collected from customers amortized on a straight – line basis over the remaining life of the contract. Accounts payable and accrued liabilities were $102,000 at December 31, 2012.

The portfolio of marketable securities included in working capital together with cash and cash equivalents was $471,000 at December 31, 2012. Accounts receivable included in working capital were $29,000 at December 31, 2012. Aylen has sufficient cash and cash equivalents and marketable securities to provide liquidity to the Company for the next 12 months.

These capital resources, along with the income and gains, if any, from the marketable securities, and the income, if any, from the operations of Grapevine, are used to fund Aylen's financial requirements.

Analysis of Financial Condition and Financial Performance

The financial condition of the Company is directly dependent on the performance of Grapevine and the performance of the portfolio of marketable securities. In 2012 Grapevine's revenues were $646,000 which was an increase of

34% over the previous year and the portfolio of marketable securities decreased to $361,000, a decrease of $92,000 from the value at December 31, 2011. In 2011 Grapevine's revenues increased to $480,000, a 7 % increase over the previous year. However, the value of the portfolio of marketable securities decreased to $453,000 at December 31, 2011, a decrease of $108,000 from the value at December 31, 2010. The decrease in marketable securities in 2011 and 2012 was primarily the result of the sale of securities to fund operations.

The majority of Grapevine's customer base resides in the US. The products offered by Grapevine are heavily focused on the human resources sector of businesses and include products such as employee surveys and evaluations. These products represent discretionary, non-critical expenses for most businesses. In difficult economic times, such as the period from 2007 to 2010 in North America, businesses in general often try to reduce discretionary spending as a first measure to survive during the period of reduced demand for their goods and services. The modest economic recovery which began in early 2010 has had a beneficial effect on Grapevine's business which saw its revenues increase to $480,000 in 2011 and $646,000 in 2012.

Related Party Transactions

The Company paid legal fees in 2012 in the amount of $6,000 ($71,725 in 2011) and paid rent for office space in the amount of $27,000 ($27,000 in 2011) to a firm of which a partner and an associate are related parties.

Analysis of Fourth Quarter

The economic recovery in North America, particularly in the US where the majority of Grapevine's customers reside, continued in the fourth quarter of 2012. Revenues of Grapevine for the three months ended December 31, 2012 were $144,000. Selling expenses were $129,000 in the fourth quarter compared with $100,000 in the third quarter.

The Company's other primary source of revenue arises from interest and other income from its cash and marketable securities which for the fourth quarter of 2012 was $3,000.

For the fourth quarter of 2012, Aylen recorded an unrealized gain in its portfolio of marketable securities of $16,000.

Under the provisions of IAS 39 Financial Instruments – Recognition and Measurement and IAS 32 Financial Instruments – Presentation and IFRS 7 Financial instruments - Disclosure, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled an unrealized gain of $16,000 in the fourth quarter of 2012. A loss of $9,000 was realized for the fourth quarter of 2012 on the sale of marketable securities.

General and administrative expenses totalled $110,000 for the fourth quarter of 2012.

Under the provisions of IAS1 - Presentation of financial statements, IFRS 7 Financial Instruments – Disclosure, IAS 32 – Financial Instruments – presentation, IAS 39 Financial Instruments- recognition and measurement, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. There is no other comprehensive income in the fourth quarter and in the year.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of $89,000 ($0.005 per share) for the fourth quarter of 2012.

Commitment

The Company has contracted with a third party to provide operations and sales management services to Grapevine for an annual fee of $103,600 plus applicable taxes. The contract may be terminated by either party on one month's notice. If the Company terminates the contract it will be liable to pay a termination fee equal to four (4) months compensation under the contract.

Risk Factors and Risk Management

Aylen shareholders and potential investors in Aylen should carefully consider the following risk factors and all the other information contained in this prospectus when evaluating Aylen and its common shares.

An investment in Aylen's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this prospectus, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Limited Cash and Working Capital and Negative Cash Flows

Historically, the Company and Centiva have had negative cash flow from operating activities and have had to fund their operations with cash on hand and the sale of marketable securities. For the year ended December 31, 2012 Aylen's cash flow from operations was ($155,237) and overall cash flow was $39,421. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at December 31, 2012 was $137,000. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at December 31, 2012 was $137,000. This amount may prove to be inadequate to continue to fund the Company's operations beyond the next 12 months in which case the Company would have to sell assets such as the Grapevine business, or raise funds through the sale of additional equity or a combination of those two things, failing which it would have to discontinue its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

The Company's negative cash flow and limited cash and working capital also means that the Company is not able to invest any significant amount of additional funds in Grapevine or VFM in the event they should need additional funding and this may result in a discontinuance of operations of that particular business or a significant dilution of the Company's investment.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in its portfolio of marketable securities, its Grapevine business and its investment in VFM means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments which were diversified over various industries with differing business cycles in different geographic areas.

Dependency on Private Company Operations

The Company owns a 4.4 % equity interest (11.6% fully diluted) in VFM which is a private company. Due to the small size of its equity investment the Company does not have any significant influence over VFM or its operations nor does the Company have the ability to exercise control over VFM.

Operating Liquidity

Both the Grapevine business and VFM's business are not fully developed and may continue to require additional funding to continue operations or to develop their business plans until they become self-funding. The Company has limited cash resources and is unable to provide any significant amount of additional funding to Grapevine or VFM if it should be required. In such an event, if no other source of funding is available, the operations would have to terminate and it would not be possible for the Company to recover its investment. If an additional source of funding is found, it may result in significant dilution of the Company's investment.

Industry Risks

Each of Grapevine and VFM is subject to the risks inherent in the industry in which it operates. In the case of Grapevine, the business is very dependent on the continued demand for on-line surveys and polls by businesses, particularly those surveys and polls relating to employees, and particularly in North America. In the case of VFM, its business is very dependent on the strength of the hotel segment of the travel industry and the continued use by travellers of on-line services in planning travel and booking hotels. Each business would be adversely affected by a significant downturn in its particular industry segment or a change in the demand by consumers for its products and services.

Competition

Both Grapevine and VFM face intense competition, including competition from other companies with greater financial and other resources, and more advanced technological development. There can be no assurance that they will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Effect of General Economic Conditions

Centiva's results of operations in the period prior to 2010 were adversely affected by the global economic downturn and there is a significant risk that global economic conditions or economic conditions in North America will deteriorate again which will have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. In the case of both VFM and Grapevine, its products and services represent discretionary expenses to the customers they serve and would be among the most likely expenses to be eliminated if economic conditions deteriorate.

Currency Fluctuations

The majority of the Company's costs are incurred in Canadian dollars and more than half of its revenues are received in U.S. dollars. A deterioration in the value of the U.S. dollar against the Canadian dollar will have a significant negative effect on the Company's revenues, financial condition, results of operations and cash flows. The Company does not use currency derivatives to hedge against adverse currency fluctuations.

Legal Claims and Other Contingencies

Aylen, Grapevine and VFM may become parties to law suits, claims and litigation arising in the ordinary course of business. In 2009 VFM was sued by a competitor in the US claiming breach of US anti-trust laws and claiming damages of $35 million. While this law suit was settled on a basis favourable to VFM, a similar law suit could threaten the company's ability to continue its operations and the Company's investment in VFM would not be recovered. A company by the name of Pro Search Plus, LLC has initiated an action against VFM in the United States District Court for the Central District of California (the "**Pro Search Action**"). The Pro Search Action involves an assertion that VFM has engaged in anticompetitive conduct, suppressed competition in the market for the production, management and distribution of visual content and rich media, and possesses a monopoly in that market. The plaintiff in the Pro Search Action seeks relief and damages under various laws of the United States. No specific amount of damages has yet been specified.

Similarly a law suit against Grapevine or the Company could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for Aylen's Shares

The Company filed a preliminary prospectus in Ontario and certain other Canadian provinces on March 6, 2012 in order to obtain "reporting issuer" status. The Company intends to apply to the CNSX to list its shares if it attains "reporting issuer" status in Ontario but there can be no assurance that the Company will attain "reporting issuer" status or if it does that will be able to fulfill all of the listing requirements of the CNSX and that its shares will be listed on the CNSX or indeed on any stock exchange. Even if the Company is successful in obtaining a listing on the CNSX, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

Internal Controls

Disclosure controls and procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

Internal controls over financial reporting

Management of the Company is responsible for designing internal controls over financial reporting for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's internal controls over financial reporting.

International Financial Reporting Standards

The Company's financial statements for the year ended December 31, 2012 and the comparative information presented in the financial statements for the year ended December 31, 2011 have been prepared in accordance with IFRS applicable to the presentation of financial statements.

Future Direction

The Company intends to continue to grow the revenues of its Grapevine business, and to increase the value of its investment in VFM and its portfolio of marketable securities. The Company does not have the necessary capital to make any additional investments in Grapevine or VFM and it is unable to make any new investments without raising new equity or selling some of its assets and there are no plans at the present time to attempt to raise new capital or sell assets.

Outstanding Share Data

The Company has authorized an unlimited number of common shares, an unlimited number of Class A common shares and an unlimited number of preferred shares issuable in series. As at the date of this MD&A, and as at December 31, 2012 and December 31, 2011, there were 16,856,632 common shares issued and outstanding and 1,685,663 common shares reserved for issuance under the Company's stock option plan.

Date and Other Available Information

Unless otherwise indicated, the information contained in this MD&A is as of March 31, 2013.

Additional information concerning the Company including its regulatory filings may be found on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Management's Discussion and Analysis 2011

The following Management's Discussion and Analysis ("**MD&A**") provides additional analysis of the operations and financial position of Aylen Capital Inc. ("**Aylen**" or the "**Company**"). It is supplementary information and should be read in conjunction with the Company's financial statements and accompanying notes for the year ended December 31, 2011.

Aylen was incorporated on October 28, 2010 as a wholly-owned subsidiary of Centiva Capital Inc. ("**Centiva**"). On September 30, 2011, a plan of arrangement (the "**Arrangement**") was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and Aylen entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for 16,856,532 shares of Aylen and a $842,832 promissory note. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Superior Court of Justice on September 27, 2011. The effective date of the transfer was October 31, 2011. On the same date Centiva changed its name to Spackman Equities Group Inc. ("**SEGI**").

Centiva transferred all of its then existing assets and liabilities, other than those relating to the new equity and tax losses, to Aylen in exchange for common shares of Aylen. The assets which were transferred to Aylen from Centiva consist of an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities. Grapevine Solutions ("**Grapevine**"), an unincorporated division of Aylen, operates a web-based survey and data collection business.

Basis of Presentation of Financial Information

The Company's financial statements for the year ended December 31, 2011 combine the results of Centiva for the period from January 1, 2011 to the effective date of the Arrangement on October 31, 2011 and Aylen for the period from November 1 to December 31, 2011 and contain comparative results for Centiva for 2010. The combined results were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being considered two separate legal entities afte October 31, 2011 without cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Any intercompany transactions have been eliminated in the combined results. Financial information and analysis relating to 2011 in this MD&A combines the results of Centiva and Aylen as stated above.

Note 2 to the December 31, 2011 financial statements provides additional information on the basis of presentation of the combined results of Centiva and Aylen for 2011 and the results of centiva for 2010.

Overall Performance

Aylen has investments in marketable securities, a venture investment in VFM Leonardo Inc. and its Grapevine business. The North American economy, particularly in the US where the majority of Grapevine's customers reside, strengthened somewhat in 2011 and the revenues of the Grapevine business in 2011 improved by 7 % over 2010. North American financial markets were largely unchanged during the year and as a result Aylen recorded a loss of $189,000 and an unrealized gain in its portfolio of marketable securities of $129,000 for the year. At December 31, 2011, the Company had cash of $71,000, investments in marketable securities of $453,000 and a venture investment totalling $1,844,000.

The Grapevine Business

Grapevine, which operates as a division of Aylen, was acquired by Centiva in October 2007 from TriNorth Capital Inc. ("**TriNorth**"). For accounting purposes, TriNorth's carrying value for Grapevine was nil and the acquisition of Grapevine was recorded at that carrying value. The Grapevine assets which were acquired consisted of software, customer lists, trademarks, and office equipment.

Grapevine's business is based in Markham, Ontario and it consists of licensing and selling web-based survey and data collection software to third parties, most of whom are companies based in North America. Its software is used to perform customizable employee evaluations, employee surveys, customer surveys, training surveys, web polls and data collection surveys.

The business has two full-time employees and engages consultants to provide software programming and upgrade and design services.

The primary business objectives for Aylen over the next 12 months are to continue to grow the revenues of the Grapevine business and to firmly establish Grapevine as a leading Human Resources online survey firm in North America. This will require an upgrade of Grapevine's operating software to improve its product offerings which will cost approximately $20,000 to $30,000 and will take up to six months to complete. If warranted, an additional sales person will be added mid-year to increase the sales and marketing strength of the Company. An additional sales person would cost approximately $65,000 to $75,000 per year. Working capital at the Company at December 31, 2011, not including the promissory note, was approximately $322,000 which could be used to fund these costs along with the cash flow from the Grapevine business.

For the twelve months ended December 31, 2011, Grapevine's revenues increased to $481,000 from $450,000 in the previous year. The increase was a direct result of a modest improvement in the economy in the US where the majority of Grapevine's revenues originate and more effective marketing efforts.

The following is a summary of selected financial information for Grapevine extracted from the audited financial statements of Aylen and Centiva .

	Year ended December 31	
	2011[(1)]	**2010**[(1)]
Total Revenues	480,656	450,337
Selling Expenses	406,742	393,220

[(1)] As noted under Basis of Presentation of Financial Information and in Note 2 to the December 31, 2011 financial statements, the results for 2011 combine the results for Aylen and Centiva and the results for 2010 are the results for Centiva.

For the year ended December 31, 2011, Grapevine's total revenues were $481,000 and the selling expenses were $407,000. In addition Aylen recorded $157,000 deferred revenue as at December 31, 2011, relating to unearned subscription fees.

Grapevine's revenues have increased steadily over the last two years as a direct result of an improvement in the US economy where the majority of Grapevine's revenues originate and as a result of more effective sales and marketing efforts.

Investments

VFM Leonardo Inc.

At December 31, 2011 Aylen owned an 8.2% equity interest in VFM Leonardo Inc. ("**VFM**") representing approximately 13.9% on a fully-diluted basis, should all warrants and options be exercised.

On April 22, 2008, VFM completed a financing of $13.8 million, to be used for working capital purposes and to fund the expansion of its business. As part of the financing, Centiva converted its $600,000 in VFM convertible debentures, and settlement interest of $88,000, into Series A convertible preferred shares.

Following the Arrangement and at December 31, 2011, Aylen owned 3,075,359 common shares, 2,436,658 Series 1 convertible preference shares and 12,000,000 warrants to purchase common shares in the capital of VFM. The warrants have an expiry date of March 1, 2014 and an exercise price of $0.001 per warrant. The Series 1 and Series 2 preference shares have a priority over the common shares on liquidation, winding-up and sale of the company. The Series 1 preference shares which are owned by Aylen represent approximately 3.6% of all outstanding Series 1 and Series 2 preference shares.

VFM, which is headquartered in Toronto, Ontario, has developed an online video and rich media advertising platform and distribution network that allow advertisers to distribute informational rich media marketing content to highly targeted consumers across thousands of relevant sites and electronic channels. Currently, VFM provides off-platform technology-driven rich-media solutions, connectivity and interactivity for the hotel, lodging and the online travel distribution industries. VFM's end-to-end media management and distribution solution is a content "hub" that aggregates hotel and travel-related digital rich media content such as videos, 360° virtual tour images, Flash productions and still images, and automates its distribution to travel websites and any other points of contact where rich media can be viewed by consumers researching and booking travel accommodations.

VFM is the world's largest provider and distributor of online visual content for the hotel and travel industry. VFM's content library includes more than one million digital photographs, videos and 360° virtual tours for over 80,000 hotels and resorts worldwide. Through VScape®, VFM distributes this content to its online media network of all four Global Distribution Systems, Pegasus and 30,000 plus travel-related channels including online travel agencies, travel research and supplier web sites, search portals and major travel intermediaries. VFM's online media network includes industry leaders such as Sabre, Galileo, Travelocity, Orbitz, Priceline, Tripadvisor, Yahoo! Travel, Kayak, Google and more. For more information, visit VFM's website at www.vfmleonardo.com.

Portfolio Investments

Aylen's portfolio investments consist of a broadly diversified selection of Canadian and U.S. dividend producing instruments, securities and equities. At December 31, 2011, the market value of the portfolio investments was $453,000, and is managed by a group of five independent managers.

The portfolio is invested approximately as follows:

	December 31, 2011 (%)	December 31, 2010 (%)
Canadian Equities		
Canadian Diversified Income	22.4	24.2
Canadian Large Cap Equity	30.8	20.1
Canadian large Cap Equity Growth	-	17.7
	53.2	**61.0**
International Equities		
US Large Cap Equity	25.6	19.2
International Equities	21.2	18.8
	46.8	**38.0**
	100.0	**100.0**

The portfolio realized a loss of $189,000 in 2011.

Results of Operations

Grapevine had sales revenue of $481,000 and selling expenses of $407,000 for 2011. Sales revenue for 2010 was $450,000 with selling expenses of $393,000.

The Company's other primary source of revenue arises from interest and other income from its cash and marketable securities, which for 2011 was $15,000.

Under the provisions of IAS 39 Financial Instruments – Recognition and Measurement and IAS 32 Financial Instruments –Presentation and IFRS 7 Financial instruments - Disclosure, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled unrealized gain of $129,000 for 2011. A loss of $189,000 was realized for 2011 on the sale of marketable securities and a loss of $274,000 on the sale of publicly traded investments.

General and administrative expenses in 2011 totalled $570,000. For 2010 Centiva's general and administrative expenses were $319,000. The increase in general and administrative expenses in 2011 was the result of legal and other costs related to the Arrangement.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of $858,000 ($0.05per share) for the 2011 year.

Under the provisions of IAS1 - Presentation of financial statements, IFRS7 Financial Instruments – Disclosure, IAS 32 – Financial Instruments – presentation, IAS 39 Financial Instruments- recognition and measurement, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. There was $244,000 other comprehensive income for the year.

As a result of the foregoing, the Company reported a net loss and comprehensive loss of $614,000 for 2011. In 2010, Centiva reported a net loss of $219,000 for the year.

SUMMARY OF SELECTED QUARTERLY INFORMATION

	Quarter to December 31 2011(1)	Quarter to September 30 2011(1)	Quarter to June 30 2011(1)	Quarter to March 31 2011(1)	Quarter to December 31 2010(1)	Quarter to September 30 2010(1)	Quarter to June 30 2010(1)	Quarter to March 31 2010(1)
Revenue								
Sales	$105,536	$131337	$103,143	$140,640	106,522	102,709	110,567	130,539
Interest and investment income	3,585	3,596	4,542	3,406	4,833	3,718	4,266	3,829
Gain (loss), realized and unrealized,	(31,145)	(306,009)	(20,309)	22.890	36,134	43,392	(37,085)	9,810
Net Income (Loss)								
Total	(383,829)	(349,816)	(89,965)	(34,415)	(57,132)	(2,572)	(105,045)	(54,665)
Per share	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00
Per share (diluted)	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00
Other Comprehensive Income (Loss), being increase (decrease) in fair value of publicly-traded investments available for sale	-	269,889	(8,000)	(18,000)	(76,000)	(36,000)	(37,000)	233,111
Comprehensive (Loss) income	$(383,829)	$(79,927)	$(97,965)`	$(52,415)	(133,132)	(38,572)	(142,045)	94,333

(1) As noted under Basis of Presentation of Financial Information and in Note 2 to the December 31, 2011 financial statements, the results for 2011 combine the results for Aylen and Centiva and the results for 2010 are the results for Centiva.

Liquidity and Financial Position and Capital Resources

Working capital at December 31, 2011 was $322,000. After deducting the promissory note (see Note 14 as to the terms of the note) working capital was $(368,000). The promissory note is payable only from the net proceeds of the sale of assets.

Current liabilities were $294,000 at December 31, 2011, and this amount includes $157,000 of deferred revenue which represents the unearned portion of subscription fees collected from customers amortized on a straight –line basis over the remaining life of the contract. Accounts payable and accrued liabilities were $137,000 at December 31, 2011.

The portfolio of marketable securities included in working capital together with cash and cash equivalents was $523,000 at December 31, 2011. Accounts receivable included in working capital were $58,000 at December 31, 2011. Aylen has sufficient cash and cash equivalents and marketable securities to provide liquidity to the Company for the next 12 months.

These capital resources, along with the income and gains, if any, from the marketable securities, and the income, if any, from the operations of Grapevine, are used to fund Aylen’s financial requirements. Aylen’s general and administrative expenses for 2011 were $570,000 and Centiva’s general and administrative expenses were $319,000 in 2010. The larger amount of general and administrative expenses in 2011 when compared with 2010 was due to additional legal and other costs related to the Arrangement.

Analysis of Financial Condition and Financial Performance

The financial condition of the Company is directly dependant on the performance of Grapevine and the performance of the portfolio of marketable securities. The financial performance of Centiva deteriorated in 2009 and 2010 as a result of declines in the value of the portfolio of marketable securities and as a result of a lack of growth in Grapevine's revenues. Fiscal 2011 was a somewhat more positive year for the Company as Grapevine's revenues increased to $481,000 for the full 12 months, a 7 % increase over the previous year. However, the value of the portfolio of marketable securities decreased to $453,000 at December 31, 2011, a decrease of $108,000 from the value at December 31, 2010.

Grapevine's revenues were stagnant during 2009 and 2010 largely as a result of the difficult economic conditions in North America which is where the majority of Grapevine's customer base resides. Grapevine's revenues increased in 2011 to $481,000 which was a 7 % increase over the previous year. The products offered by Grapevine are heavily focused on the human resources sector of businesses and include products such as employee surveys and evaluations. These products represent discretionary, non-critical expenses for most businesses. In difficult economic times, businesses in general often try to reduce discretionary spending as a first measure to survive during the period of reduced demand for their goods and services..The modest economic recovery which began in late 2009 or early 2010 had a beneficial effect on Grapevine which saw its revenues increase to $481,000 in 2011.

Related Party Transactions

The Company paid legal fees in 2011 in the amount of $71,000 ($ 12,000 in 2010) and paid rent for office space in the amount of $27,000 ($27,000 in 2010) to a firm of which a partner and an associate are related parties.

Analysis of Fourth Quarter

The economic recovery in North America, particularly in the US where the majority of Grapevine's customers reside, continued in the fourth quarter of 2011. Revenues of Grapevine for the three months ended December 31, 2011 were $106,000. Selling expenses were $137,000 in the fourth quarter compared with $85,000 in the third quarter.

The Company's other primary source of revenue arises from interest and other income from its cash and marketable securities which for the fourth quarter of 2011 was $4,000.

For the fourth quarter of 2011, total realized and unrealized loss in its portfolio of marketable securities and investment was $31,000.

Under the provisions of IAS 39 Financial Instruments – Recognition and Measurement and IAS 32 Financial Instruments – Presentation and IFRS 7 Financial instruments - Disclosure, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled an unrealized loss of $16,000 in the fourth quarter of 2011. A loss of $15,000 was realized for the fourth quarter of 2011 on the sale of marketable securities.

General and administrative expenses totalled $284,000 for the fourth quarter of 2011.

Under the provisions of IAS1 - Presentation of financial statements, IFRS 7 Financial Instruments – Disclosure, IAS 32 – Financial Instruments – presentation, IAS 39 Financial Instruments- recognition and measurement, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. There is no other comprehensive income in the fourth quarter and in the year.

As a result of the foregoing, the Company recorded a net loss and comprehensive loss of $384,000 ($0.02 per share) for the fourth quarter of 2011.

Commitment

The Company has contracted with a third party to provide operations and sales management services to Grapevine for an annual fee of $103,600 plus applicable taxes. The contract may be terminated by either party on one month's notice. If the Company terminates the contract it will be liable to pay a termination fee equal to four (4) months compensation under the contract.

Risk Factors and Risk Management

Aylen shareholders and potential investors in Aylen should carefully consider the following risk factors and all the other information contained in this MD&A when evaluating Aylen and its common shares.

An investment in Aylen's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this MD&A, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Limited Cash and Working Capital and Negative Cash Flows

Historically, the Company and Centiva have had negative cash flow from operating activities and have had to fund their operations with cash on hand and the sale of marketable securities. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at December 31, 2011 was $229,000. This amount may prove to be inadequate to continue to fund the Company's operations beyond the next 12 months in which case the Company would have to sell assets such as the Grapevine business, or raise funds through the sale of additional equity or a combination of those two things, failing which it would have to discontinue its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

The Company's negative cash flow and limited cash and working capital also means that the Company is not able to invest any significant amount of additional funds in Grapevine or VFM in the event they should need additional funding and this may result in a discontinuance of operations of that particular business or a significant dilution of the Company's investment.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in its portfolio of marketable securities, its Grapevine business and its investment in VFM means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments which were diversified over various industries with differing business cycles in different geographic areas.

Dependency on Private Company Operations

At December 31, 2011 the Company owned a 8.2% equity interest in VFM which is a private company. Due to the small size of its equity investment the Company does not have any significant influence over VFM or its operations nor does the Company have the ability to exercise control over VFM.

Operating Liquidity

Both the Grapevine business and VFM's business are not fully developed and may continue to require additional funding to continue operations or to develop their business plans until they become self-funding. The Company has limited cash resources and is unable to provide any significant amount of additional funding to Grapevine or VFM if it should be required. In such an event, if no other source of funding is available, the operations would have to terminate and it would not be possible for the Company to recover its investment. If an additional source of funding is found, it may result in significant dilution of the Company's investment.

Industry Risks

Each of the Company's investee companies is subject to the risks inherent in the industry in which it operates. In the case of Grapevine, the business is very dependant on the continued demand for on-line surveys and polls by businesses, particularly those surveys and polls relating to employees, and particularly in North America. In the case of VFM, its business is very dependant on the strength of the hotel segment of the travel industry and the continued use by travellers of on-line services in planning travel and booking hotels. Each investee company would be adversely affected by a significant downturn in its particular industry segment or a change in the demand by consumers for its products and services.

Competition

Both Grapevine and VFM face intense competition, including competition from other companies with greater financial and other resources, and more advanced technological development. There can be no assurance that they will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Effect of General Economic Conditions

Centiva's results of operations in the period 2008 to 2010 were adversely affected by the global economic downturn and there is a significant risk that global economic conditions or economic conditions in North America will deteriorate again which will have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. In the case of both VFM and Grapevine, its products and services represent discretionary expenses to the customers they serve and would be among the most likely expenses to be eliminated if economic conditions deteriorate.

Currency Fluctuations

The majority of the Company's costs are incurred in Canadian dollars and more than half of its revenues are received in U.S. dollars. A deterioration in the value of the U.S. dollar against the Canadian dollar will have a significant negative effect on the Company's revenues, financial condition, results of operations and cash flows. The Company does not use currency derivatives to hedge against adverse currency fluctuations.

Legal Claims and Other Contingencies

Aylen, Grapevine and VFM may become parties to law suits, claims and litigation arising in the ordinary course of business. In 2009 VFM was sued by a competitor in the US claiming breach of US anti-trust laws and claiming damages of $35 million. While this law suit was settled on a basis favourable to VFM, a similar law suit could threaten the company's ability to continue its operations and the Company's investment in VFM would not be recovered. Similarly a law suit against Grapevine or the Company could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for Aylen's Shares

The Company intends to file a preliminary prospectus in Ontario and certain other Canadian provinces in order to obtain "reporting issuer" status. The Company intends to apply to the CNSX to list its shares if it attains "reporting issuer" status in Ontario but there can be no assurance that the Company will attain "reporting issuer" status or if it does that will be able to fulfill all of the listing requirements of the CNSX and that its shares will be listed on the CDNX or indeed on any stock exchange. Even if the Company is successful in obtaining a listing on the CNSX, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

Internal Controls

Disclosure controls and procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

Internal controls over financial reporting

Management of the Company is responsible for designing internal controls over financial reporting for the Company as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's internal controls over financial reporting.

Accounting Pronouncements

Note 2 of the December 31, 2011 audited financial statements of the Company provides an overview of the accounting standard changes that the Company will be required to adopt in future years.

International Financial Reporting Standards

The Company's financial statements for the year ended December 31, 2011 and the comparative information presented in the financial statements for the year ended December 31, 2010 have been prepared in accordance with IFRS applicable to the presentation of financial statements.

Future Direction

The Company intends to continue to grow the revenues of its Grapevine business, and to increase the value of its investment in VFM and its portfolio of marketable securities. The Company does not have the necessary capital to make any additional investments in Grapevine or VFM and it is unable to make any new investments without raising new equity or selling some of its assets and there are no plans at the present time to attempt to raise new capital or sell assets.

Outstanding Share Data

The Company has authorized an unlimited number of common shares, an unlimited number of Class A common shares and an unlimited number of preferred shares issuable in series. As at December 31, 2011, and at December 31, 2010 there were 16,856,632 common shares issued and outstanding and 1,685,663 common shares reserved for issuance under the Company's stock option plan.

Date and Other Available Information

Unless otherwise indicated, the information contained in this MD&A is as of December 31, 2011. Additional information concerning the Company including its regulatory filings may be found on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

DESCRIPTION OF THE SECURITIES

Aylen Common Shares

Each holder of Aylen common shares is entitled to receive notice of and to attend and vote at all meetings of the shareholders of Aylen and at each such meeting shall have one vote for each share. Subject to this, the holders of common shares are not entitled to vote separately as a class pursuant to subsection 176(1) of the Business Corporations Act (Canada), upon a proposal to amend the Articles of the Company in the case of an amendment of a kind referred to in paragraphs (a), (b) and (c) of such subsection.

The holders of the common shares are entitled to receive a dividend, if, as and when declared by Aylen's board of directors. The common shares rank equally as to dividends and all dividends declared in any fiscal year shall be declared and paid in equal or equivalent amounts per share on all common shares at the time outstanding without preference or distinction.

In the event of any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, all property and assets of Aylen will be paid and distributed equally to the holders of common shares without preference or distinction.

Capitalization

The following table sets forth Aylen's capitalization as of December 31, 2011 and December 31, 2012:

Capital	Authorized	Outstanding as at December 31, 2011	Outstanding as at December 31, 2012
Common shares	Unlimited	$1,350,570 (16,856,632 common shares)	$1,350,570 (16,856,632 common shares)

Listing and Trading of Aylen's Common Shares

If Aylen becomes a "reporting issuer" in Ontario it may apply to list its common shares on a stock exchange. Listing will be subject to Aylen's fulfillment of all of the listing requirements of any exchange it applies to be listed on.

PRINCIPAL SHAREHOLDERS

Following the Arrangement, to the knowledge of Aylen's management, the only persons or corporations who beneficially own, directly or indirectly, or exercise control or direction over, Aylen's securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities are indicated below.

Name	Number of Common Shares held or over which Control or Direction is exercised	Percentage of Class
John D. Pennal	5,739,900	33.9%

DIRECTORS AND EXECUTIVE OFFICERS

Directors and Officers of the Company

The following table sets out the directors and executive officers of Aylen. Biographical details for each of Aylen's directors are also set forth below. With the exception of John Pennal, who works full-time for Aylen, all directors and executive officers of Aylen work part-time for the Company. No directors or executive officers of Aylen are employed as independent contractors.

The term of office of each director will be from the date of the annual meeting of shareholders at which he or she is elected until the next annual meeting; or until his or her successor is elected or appointed.

Name and Principal Occupation for the Past 5 Years	Offices with Aylen and Significant Affiliates and Committee Memberships	Director Since	Number of Aylen Common Shares after the Arrangement[1]	Age	Relevant Education
DOUGLAS BABCOOK Nanoose Bay, British Columbia, Canada President, DRB and Associates, a consulting company	Director and Member, Audit Committee, Aylen	October 28, 2010	50,000	84	B.S.A., University of Toronto, 1950
BRIAN HEMMING Toronto, Ontario, Canada President, Hemming Associates Inc.	Director and Member, Audit Committee, Aylen	October 28, 2010	8,000[2]	69	N/A
JOHN PENNAL Toronto, Ontario, Canada President and Chief Executive Officer of Aylen	President, CEO and Director, Aylen Member, Audit Committee, Aylen	October 28, 2010	5,739,900[3] (33.9%)	66	B.A., University of Toronto, 1968 LL.B. University of Toronto, 1971

Notes:
(1) The information as to shares beneficially owned, directly or indirectly, or over which control or direction is exercised, is based upon information furnished to the Company by the above individuals.
(2) Mr. Hemming's 8,000 Common Shares are held by his wife.
(3) Mr. Pennal holds 84,616 Common Shares directly and 5,123,284 Common Shares indirectly through 177 RDH Inc. An additional 532,000 Common Shares are held by his wife.

The following table sets forth information as to Aylen's executive officers who are not directors. Biographical details for each of the executive officers who are not directors are also set forth below.

Name and Principal Occupation for the Past 5 Years	Offices with Aylen and Significant Affiliates and Committee Memberships	Officer Since	Number of Aylen Common Shares after the Arrangement	Age	Relevant Education
JENIFER CHO Toronto, Ontario, Canada Financial Consultant	Director of Finance and CFO, Aylen	October 28, 2010	Nil	56	Bachelor of Commerce, University of Toronto, 1979[1]
RICHARD SUTIN Toronto, Ontario, Canada Partner, Norton Rose Canada LLP	Secretary, Aylen	October 28, 2010	341,500	60	B.A., York University, 1972 LL.B., Osgoode Hall, 1975

Jenifer Cho is a chartered accountant and member of the Institute of Chartered Accountants of Ontario. Her principal occupation is to provide accounting services to small and medium sized business and individuals in Ontario. She has been employed by TriNorth Capital Inc., a TSX Venture Exchange listed company and later Centiva and she became the Chief Financial Officer of Centiva (now Spackman Equities Group Inc.) in July of 2009. While she has not entered into a non-competition or non-disclosure agreement with Aylen, she is not employed by any other small cap investment business except for Spackman Equities Group Inc.. Approximately 30% of her time is devoted to her role as Director of Finance and Chief Financial Officer of Aylen.

Richard Sutin is Richard Sutin is a senior partner with Norton Rose Canada LLP. Additionally he is a Director of Nesscap Energy Inc., a TSX Venture Exchange listed company. While he does not have a non-competition or non-disclosure agreement with Aylen, he is not employed by any other small cap investment business. Approximately 5% of his time is devoted to his role as Secretary of Aylen.

Conflicts of Interest

There may be potential conflicts of interest as certain directors and officers of Aylen are also engaged with and will continue to be engaged with Centiva (now Spackman Equities Group Inc.) See "Interest of Management and Others in Material Transactions".

Audit Committee

Aylen's board of directors has established an audit committee comprised of three directors in accordance with CNSX requirements. The audit committee members are John Pennal, Douglas Babcook and Brian Hemming. Both Mr. Babcook and Mr. Hemming are independent.

Corporate Cease Trade Orders and Bankruptcies

Except as disclosed in this Prospectus with respect to cease trade order described below, none of the directors or executive officers of the Company are, or have been within the last ten years prior to the date hereof, a director or chief executive officer or chief financial officer of any company that was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemptions under securities legislation for a period of more than thirty consecutive days, (a) that was issued while such director or executive officer was acting as director, chief executive officer or chief financial officer, or (b) that was issued after that Person ceased to be a director or chief executive officer or chief financial officer in the company being the subject of such order and which resulted from an event that occurred while that Person was acting in their capacity as director, chief executive officer or chief financial officer of the subject company.

As President of TriNorth Capital Inc., Mr. Pennal was subject to Management Cease Trade Orders issued by the Ontario Securities Commission dated April 1, 2009 and dated May 19**,** 2010 for failure by that company to file financial statements. The April 1, 2009 order was revoked within 30 days of its issuance and the May 19**,** 2010 order was revoked July 6, 2010.

No director, executive officer or Shareholder holding a sufficient number of securities of the Company to affect materially the control of Company is, or within ten years prior to the date of this Prospectus has been, a director or executive officer of any company that, while the Person was acting in that 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 was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No director or officer of the Company or a Shareholder holding sufficient securities of the Company to affect materially the control of the Company has: (i) been subject to any penalties or sanctions imposed by a Court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director or officer of the Company, or a Shareholder holding sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such Person, has within the 10 years before the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

Other Relevant Experience

The following table set outs the directors and officers of the Company that are, or have been within the last five years, directors or officers of other reporting corporations.

Name	Name of Reporting Issuer	Name of Trading Market	Position	From	To
Brian Hemming	Centiva Capital Inc. (now Spackman Equities Group Inc.)	TSX Venture Exchange	Director	2007	April 17, 2013
Douglas Babcook	Centiva Capital Inc.	TSX Venture Exchange	Director	2007	October 31, 2011
Richard S. Sutin	Centiva Capital Inc.	TSX Venture Exchange	Director	2007	October 31, 2011
	Nesscap Energy Inc.	TSX Venture Exchange	Director	2011	Present
John D. Pennal	TriNorth Capital Inc. (now Difference Capital Funding Inc.)	TSX Venture Exchange	Director, President and CEO	1994	May 30, 2012
	Centiva Capital Inc. (now Spackman Equities Group Inc.)	TSX Venture Exchange	Director President and CEO	2007	October 31, 2011
	Spackman Equities Group Inc.	TSX Venture Exchange	Director and Vice President	2011	Present
	Nesscap Energy Inc.	TSX Venture Exchange	Director	2011	Present
Jenifer Cho	Centiva Capital Inc. (now Spackman Equities Group Inc.)	TSX Venture Exchange	Director of Finance and Chief Financial Officer	2009	Present

EXECUTIVE COMPENSATION

Centiva's stock option plan was not transferred to Aylen as part of the Arrangement. Aylen has adopted Centiva's executive compensation philosophy and objectives and subsequent to the Arrangement has entered into a stock option plan similar to Centiva's stock option plan.

Compensation Discussion and Analysis

The two independent directors of Aylen's board of directors (the "**Board**"), Brian Hemming and Douglas Babcook, are responsible for reviewing and approving matters related to the Chief Executive Officer and Chief Financial Officer including strategic direction, effectiveness of management, compensation, succession planning, and assessment of leadership. They may retain independent compensation consultants to assist in their assessment of executive compensation of the Chief Executive Officer and the Chief Financial Officer. They may also request management to undertake studies and report on areas of interest, and may retain such other consultants as they deem appropriate.

Compensation Philosophy and Objectives

The executive compensation program is designed to fairly compensate and motivate the senior executives of Aylen. The Board's philosophy is to competitively compensate the senior executives for total performance and contribution to the Company's success. Consistent with this philosophy, a portion of the Chief Executive Officer's compensation is performance based and dependent on the Company achieving financial and other corporate performance targets as well as individual performance factors.

The integrated compensation program is designed to provide a total rewards approach to compensation based on the principles of competitive compensation, rewarding performance, and share ownership and Shareholder alignment.

Major Components of the President and Chief Executive Officer's Compensation Program

The major components of the compensation program for John D. Pennal, as Chief Executive Officer of Aylen are:

- Base salary paid by the Company;
- Short term cash incentives paid by the Company;
- Long term incentives through the entitlement to stock options awarded by the Company; and
- Long term incentives through performance based compensation paid by the Company.

The above compensation components are assessed and determined by the two independent directors after taking into account: (i) any remuneration received by the Chief Executive Officer for services provided to any of the Company's investees; (ii) after giving due consideration to the fact that the Chief Executive Officer is the only senior executive of the Company and is therefore required to perform the duties and responsibilities normally performed by other members of management; (iii) compensation should be commensurate with the time spent by the Chief Executive Officer in meeting his obligations and should be reflective of the compensation paid by companies similar in size and business to the Company; (iv) the amount of base salary should be considered when determining the appropriate amount of the long-term incentives and vice versa; (iv) given the limited cash resources of the Company non-cash compensation should be used as well as a reasonable amount of cash compensation; and (v) the structure of the compensation should be simple and transparent to shareholders. The Company has not developed quantitative benchmarks for establishing compensation.

Concerning each of those factors, the independent directors determined that (i) the Chief Executive Officer does not receive any remuneration for services provided to any of the Company's investees, (ii) since the Chief Executive Officer is the only senior executive of the Company the position requires considerably more time and experience than would otherwise be the case, and (iii) an independent compensation consultant should be retained from time to time to provide guidance on the level of base salary and other compensation. After taking all of these factors into account, it was determined to fix the Chief Executive Officer's base salary at $200,000 and to grant the long-term incentives described under Long term Incentives. Short term incentives in the form of annual bonus are dealt with by the two independent directors following the conclusion of each year.

Base Salary

The annual base salary of $200,000 for the Chief Executive Officer was determined by the board of Centiva effective October 1, 2010, following a review by an independent consultant who was retained by the independent directors. The base salary was determined by reference to individual performance, contribution and value. The CEO entered into an employment agreement with Aylen on September 30, 2011 at the same annual base salary of $200,000. The CEO's annual base salary of $200,000 was not adjusted in 2011 or 2012.

The position of Chief Financial Officer is a part-time position. The annual salary has been fixed at $33,000.

Short Term Incentives

In the first quarter of 2010 the Chief Executive Officer was awarded a bonus of $20,000 based on his performance in 2009. The factors taken into account in awarding such bonus were (i) the successful performance of the Grapevine Surveys division in the difficult financial environment of 2009, (ii) the successful sale of all of Centiva's investment in 411 Local Search Corp. in the first quarter of 2010, (iii) the fact that the base salary of the Chief Executive

Officer in 2009 was below the norm when compared to the salaries paid to senior executives of comparable companies, and (iv) the fact that the base salary of the Chief Executive Officer was not increased in 2008 or 2009. No short term incentives or bonus were paid to the CEO in 2011 or 2012.

Long Term Incentives

Long term incentive compensation for the Chief Executive Officer is comprised of (i) entitlement to stock options and (ii) as performance based compensation, an entitlement to 10% of any investment proceeds received by the Company in excess of the initial costs of investment resulting from the disposition of any current or future venture investment. The Chief Executive Officer of Centiva received $7,624 in the first quarter of 2010 as a result of the sale by Centiva of its interest in 411 Local Search Corp.

Under the terms of his employment agreement, as described under "Aylen Employment Agreements", in November, 2011 the Chief Executive Officer of the Company was granted 835,663 options to purchase common shares, which are equal to 5% of the outstanding common shares. The stock options have a term of 10 years and an exercise price of $0.05 per share, and are fully vested. No additional stock options were granted to the Chief Executive Officer of Centiva in 2011 or 2012.

Share-Based and Option-Based Awards

The two independent directors determine the amount of options to be awarded to the Chief Executive Officer as part of his total compensation and that becomes part of his employment contract. The Company's limited cash resources mean that greater emphasis is placed on non-cash means of compensation such as stock options. In determining whether to grant new options to the Chief Executive Officer the number and pricing of previous grants are taken into account.

COMPENSATION OF DIRECTORS AND OFFICERS

Aggregate Compensation

The following table sets out all annual and long-term compensation for services to Aylen for the years ended December 31, 2012, 2011 and for Centiva for the year ended December 31, 2010 in respect of the President, Chief Executive Officer and Director of Finance and Chief Financial Officer of Centiva who represent all the executive officers of both Aylen and Centiva. The compensation reported for 2011 is a total of amounts paid by Centiva from January 1 to October 31, 2011 and by Aylen from November 1 to December 31, 2011.

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
John D. Pennal, President and Chief Executive Officer	2010	$150,700	Nil	Nil	Nil	$7,624	Nil	Nil	$158,324
	2011	$200,000	Nil	Nil	Nil	Nil	Nil	Nil	$200,000
	2012	$200,000	Nil	Nil	Nil	Nil	Nil	Nil	$200,000
Jenifer Cho[(1)], Director of Finance and Chief Financial Officer	2010	$33,000	Nil	Nil	Nil	Nil	Nil	Nil	$33,000
	2011	$33,000	Nil	Nil	Nil	Nil	Nil	Nil	$33,000
	2012	$33,000	Nil	Nil	Nil	Nil	Nil	Nil	$33,000

Aylen has appointed the same board committees as Centiva.

The Compensation Committee has primary responsibility for reviewing and approving matters related to the Chief Executive Officer including strategic direction, effectiveness of management, compensation, succession planning, assessment of leadership and the appointment of additional officers of the Company.

The Compensation Committee has retained an independent compensation consultant to assist in the assessment of executive compensation of the Chief Executive Officer.

Company Employment Agreements

John D. Pennal and Aylen entered into an employment agreement dated September 30, 2011 which provides for Mr. Pennal's employment as President and Chief Executive Officer of the Company. The employment agreement provides for an annual base salary of $200,000, the entitlement to options to purchase 5% of the common shares of the Company in accordance with the terms of a stock option plan substantially similar to Centiva's stock option plan and performance based compensation equal to 10% of any investment proceeds in excess of the initial costs of such investment resulting from the disposition of any current or future venture investment by the Company. The agreement provides that the Company may terminate the employment of Mr. Pennal for cause at any time without any payment to him whatsoever except in respect of remuneration and other benefits to the date of such termination. In any circumstances other than for cause, his employment may be terminated upon the giving of twelve months' notice, or twelve months' salary in lieu of notice (inclusive of all applicable statutory severance payments). Mr. Pennal may terminate his employment with the Company for any reason upon the giving of not less than four weeks' notice, in writing.

Option Grants During the Financial Year ended December 31, 2012

150,000 incentive stock options were granted to two directors of Centiva during the financial year ended December 31, 2012 at an exercise price of $0.05 per share for a five year term expiring on November 26,2017.

Outstanding Share-Based Awards and Option-Based Awards

There were no options exercised during the financial year ended December 31, 2012. The following table sets out the 2012 financial year-end value of unexercised stock options held by Aylen's Chief Executive Officer and directors and officers on an aggregate basis:

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
John D. Pennal, President and Chief Executive Officer	835,663	$0.05	December 5, 2021	Nil	Nil	Nil
Douglas R. Babcook	50,000	$0.05	December 5, 2016	Nil	Nil	Nil
Douglas R. Babcook	50,000	$0.05	November 26, 2017	Nil	Nil	Nil
Douglas R. Babcook	50,000	$0.10	November 19, 2015	Nil	Nil	Nil
Douglas R. Babcook	50,000	$0.10	November 25, 2014	Nil	Nil	Nil
Brian Hemming	100,000	$0.10	November 19, 2015	Nil	Nil	Nil
Brian Hemming	50,000	$0.10	May 2, 2013	Nil	Nil	Nil
Brian Hemming	100,000	$0.05	November 26, 2017	Nil	Nil	Nil
Brian Hemming	100,000	$0.10	November 25, 2014	Nil	Nil	Nil
Brian Hemming	100,000	$0.10	November 27, 2013	Nil	Nil	Nil
Brian Hemming	100,000	$0.05	December 5, 2016	Nil	Nil	Nil
Richard S. Sutin	50,000	$0.10	May 13, 2013	Nil	Nil	Nil

Long-Term Incentive Plan Awards During the Financial Year ended December 31, 2012

The Company has a Long-term Incentive Plan which provides the Chief Executive Officer with a performance based entitlement to 10% of any investment proceeds received by the Company in excess of the initial costs of investment resulting from the disposition of any current or future venture investment by the Corporation. No long-term incentive plan awards were paid in 2012.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
John D. Pennal President and Chief Executive Officer	Nil	Nil	Nil

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information as of the date of the end of the most recently completed fiscal year end, December 31, 2012, regarding the number of securities to be issued upon the exercise of the outstanding options and the weighted-average exercise price of the outstanding options in connection with the equity compensation plans of Centiva.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#) (a)	Weighted-average exercise price of outstanding options, warrants and rights ($) (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (#) (c)
Equity compensation plans approved by securityholders	1,685,663	$0.07	Nil

Pension Plan Benefits During the Financial Year ended December 31, 2012

The Company does not have any defined benefit plans, defined contribution plans or defined compensation plans.

Director Compensation Table

Directors of the Company do not receive fees for attending meetings of the Board or committees of the Board. Directors of the Company participate in the Company's stock option plan. During the financial year ended December 31, 2012, a total of 150,000 options to purchase common shares of the Company were granted to two directors. During the financial year ended December 31, 2012, no options to purchase common shares were exercised by directors.

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Douglas R. Babcook	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Hemming	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John D. Pennal	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Indebtedness of Directors and Executive Officers

No directors or officers are indebted to the Company.

AUDIT COMMITTEE

Audit Committee

The Audit Committee's role is to assist Aylen's board of directors (the "**Board**") in promoting and improving the credibility and objectivity of financial reports. The Audit Committee oversees the accounting and financial reporting processes of the Company including its management reporting and internal control procedures and systems, and reviews and recommends for approval by the Board disclosure relating to financial matters. The Audit Committee manages the relationship between the Company and its external auditors by overseeing the work of the external auditors and by making recommendations to the Board on the engagement, remuneration and termination of the external auditors based on its evaluation of their performance.

The Audit Committee currently consists of Brian Hemming as Chairman, and John Pennal and Douglas R. Babcook as members. Each of Brian Hemming and Douglas R. Babcook qualifies as an independent director in accordance with National Instrument 52-110 – Audit Committees ("**NI 52-110**"). For the purposes of this discussion, an independent director is a director who has no direct or indirect material relationship with the Corporation.

The Audit Committee of Aylen conducted all its business by means of signed resolutions, and did not meet, in 2012 and the Audit Committee of Aylen and Centiva met four times in 2011.

Relevant Education and Experience

All members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

Brian Hemming: Mr. Hemming has been a director and member of the Audit Committee of Centiva (now Spackman Equities Group Inc.) since September 2007 and a director of the Company since October, 2010. He is the President of Hemming Associates Inc., an investor relations and communications firm whose business is providing advice as a consultant to public companies. As an investor relations consultant for over 35 years Mr. Hemming has prepared numerous communications materials, including earnings news releases, annual and quarterly reports, analyst presentations and IPO roadshows that have required an ability to read and understand financial statements for many public companies in a wide range of industries. In addition, Mr. Hemming was for several years the

President & CEO of the Canadian subsidiary of an international firm, a position that required him to prepare regular detailed budgets and financial reports.

John Pennal: Mr. Pennal has a B.A. (1968) and an L.L.B. (1971) from the University of Toronto. He has served both as the President and CEO, and a director and on the Audit Committees of various Canadian public companies since 1994. Mr. Pennal is also Counsel to Norton Rose Canada LLP.

Douglas Babcook : Mr. Babcook has a B.S.A. (1950) from the University of Toronto. Mr. Babcook was a director and member of the Audit Committee of Centiva until October 31, 2011. Mr. Babcook has also served on the board and on the Audit Committees of a number of Canadian public companies including Noble China Inc., and TriNorth Capital Inc. over the past 15 years.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has any recommendation of the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on exemptions in relation to "De Minimus Non-Audit Services" or any exemption provided by Part 8 of NI 52-110.

External Audit Service Fees

Audit Fees – Aylen's external auditors have proposed audit fees of $35,000 for the financial year ended December 31, 2012 and billed Aylen $20,000 for audit fees for the financial year ended December 31, 2011.

Tax Fees – Aylen's external auditors billed the Corporation nil for the financial years ended December 31, 2012 and December 31, 2011 for services related to tax compliance, tax advice and tax planning.

All Other Fees – Aylen's external auditors billed the Corporation $20,000 for the financial year ended December 31, 2012 and nil for the financial year ended December 31, 2011, for services other than those reported above.

AUDIT COMMITTEE CHARTER

The following provides information on Aylen's Audit Committee Charter, the full text of which is attached to this prospectus as:

Role of the Committee

The directors of Aylen Capital Inc. (the "**Corporation**") shall appoint an Audit Committee (the "**Committee**").

The role of the Committee shall be to assist the board to promote and improve the credibility and objectivity of financial reports.

The Committee shall oversee the accounting and financial reporting processes of the Corporation and review and recommend for approval by the board the financial statements, MD&A and earnings news releases.

The Committee will manage the relationship between the Corporation and the external auditors by overseeing the work of the external auditors and by making recommendations to the board on the engagement, remuneration and termination of the external auditors based on its evaluation of performance.

The Committee shall pre-approve all non-audit services the external auditors propose to provide to the Corporation.

The Committee shall facilitate and maintain open communications among management, the external auditors, and the board.

The Committee shall be responsible for the discharge of such other duties as may be prescribed by regulatory authorities or delegated by the board.

Membership

The Committee shall be comprised of at least three members, a majority of whom shall be independent as determined by the board in conformity with the laws, regulations and listing requirements to which the Corporation is subject. An independent Committee member is one who has no direct or indirect material relationship with the Corporation. A material relationship means a relationship which could, as determined by the board, reasonably interfere with the exercise of a member's independent judgement.

The Chair of the Committee shall be appointed by the board of directors. A quorum shall consist of two directors.

All members of the Committee shall in the judgment of the board of directors be "financially literate" and if possible, at least one member shall qualify as a "financial expert". "Financially literate" shall mean the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. A "financial expert" shall mean a person who has: (a) an understanding of financial statements and the accounting principles used by the Corporation to prepare its financial statements; (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more persons engaged in such activities; (d) an understanding of internal controls and procedures for financial reporting; and (e) an understanding of audit Committee functions. The designation of a person as a financial expert will not impose any duties, obligations or liabilities greater than those arising by virtue of this person's position as a member of the audit Committee or board of directors.

Meetings

The Committee shall meet at least four times per year and at such other times as any member of the Committee deems necessary to fulfill its responsibilities. The Corporation's external auditors will normally not be required to attend meetings of the Committee except for the meeting at which the audited annual financial statements are considered. At each meeting, the Committee shall meet separately with management and the external auditors, if they are present, to discuss any matters the Committee or any of these parties believe should be discussed privately.

Reporting to the Board

Minutes of all meetings of the Committee are to be sent to all board members. All supporting schedules and data received and reviewed by the Committee are to be available for examination by any director upon request to the Chairman of the Committee.

Authority

The Committee shall have direct access to all books, records, facilities and personnel of the Corporation including to the external auditor as it determines this to be advisable. All employees are to cooperate as requested by Committee members.

The Committee shall have the authority to retain persons having special expertise in legal, accounting or other matters as it determines to be necessary to assist it in discharging its responsibilities. The Committee shall have the authority to set and pay the compensation of any advisors it engages.

The board of directors may authorize the Committee to investigate any activity of the Corporation.

Responsibilities

In the discharge of its role, the Committee will have the responsibility to:

1. recommend to the board the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation and the compensation of the external auditors;

2. confirm the external auditors are participants in good standing with the Canadian Public Accountability Board;

3. review the external auditor engagement letter and confirm the direct reporting and accountability of the auditors to the audit Committee and through the Committee to the board of directors as representatives of the shareholders;

4. pre-approve any non-audit services to be provided by the external auditors and generally assess the independence of the external auditors having reference to the Independence Standards of the CICA; the pre-approval requirement may be satisfied if (a) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more that 5% of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the services were provided; (b) the services were not recognized by the Corporation at the time of the engagement to be non-audit services; and (c) the services were promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the audit Committee or by one or more members of the Committee to whom the Committee may delegate authority to grant such approvals;

5. ensure the rotation of the lead audit partner and/or the audit partner responsible for reviewing the audit as required by law;

6. review and approve the Corporation's hiring policies regarding employees or persons previously employed by the present or former external auditors;

7. review the scope of the external auditors' audit plan and the procedures to be utilized with the external auditors and with management.

8. review with management and with the external auditors all major accounting policies and practices adopted, any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;

9. question management regarding significant variances between comparative reporting periods;

10. review (i) the audited annual financial statements with management and the external auditors and (ii) the quarterly financial statements with management, and recommend the same to the board;;

11. question management and the external auditors regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

12. review any restrictions imposed by management in performing the external audit or significant accounting issues on which there was a disagreement with management;

13. review the post-audit or management letter, containing the recommendations of the external auditors, and management's response and subsequent follow up to any identified weakness;

14. review and recommend for the approval by the board the Management's Discussion & Analysis reports, news releases and any earnings guidance and all public disclosure documents containing audited or unaudited financial information before release;

15. review the quarterly reports issued by management and subsequent follow up to any identified weakness;

16. review with management significant financial risk exposures, the steps taken to monitor and control such exposures and approve any related policies;
17. review the appointments of any key financial executives involved in the financial reporting process;
18. review with management the status of any material pending or threatened litigation;
19. review the adequacy and quality of any insurance coverage maintained by the Corporation;
20. inquire of the CEO as to the Corporation's disclosure controls and procedures and as to the existence of any significant deficiencies in the design or operation of internal controls and any fraud that involves employees who have a significant role in the Corporation's internal controls; and
21. review the status of compliance with laws and regulations and the scope and status of systems designed to ensure compliance therewith and receive reports from management, legal counsel and other third parties as determined by the Committee on such matters, as well as major legislative and regulatory developments which could impact the Corporation's contingent liabilities and risks.

Business Conduct Policies

The Committee will review and reassess annually the adequacy of the Corporation’s Code of Ethical Conduct and Business Practices and its policies and procedures with respect to Corporate Disclosure, Confidentiality and Restricted Trading Policies.

Allocation of Responsibilities

Management is responsible for operating the business of the Corporation and for its internal controls and the financial reporting process. The external auditors are responsible for performing an independent audit of the Corporation's consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report thereon. The external auditors shall report and be accountable to the Committee and through the Committee to the board of directors as representatives of shareholders. The Committee's responsibility is to monitor and oversee these processes on behalf of the board. The Committee is not charged with the duty to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and in accordance with generally accepted accounting principles.

The existence of the Committee and the delegation to it of certain powers and duties by the board of directors does not relieve individual members of the board of directors from the responsibility of satisfying themselves that the affairs of the Corporation are being properly conducted.

Complaints

Concerns or complaints submitted to management pursuant to procedures set forth in the Code of Ethical Conduct and Business Practices or otherwise received by an employee of the Corporation, including but not restricted to concerns and complaints which relate to accounting, internal accounting controls or audit matters, shall be referred to the Chair of the Committee. The Committee shall deal with all such internal complaints relating to such matters.

No reprisal, retaliation or disciplinary action shall be taken against employees for reporting, in good faith, such concerns. The Chair of the Committee shall, if requested by the complainant, keep the identity of the complainant in confidence to the extent appropriate or permitted by law.

Annual Review

The Committee shall review the adequacy of this Charter on an annual basis and recommend any changes to the board.

CORPORATE GOVERANCE

Corporate Governance

On June 30, 2005, the Canadian Securities Administrators ("**CSA**") enacted National Policy 58-201 Corporate Governance Guidelines (the "**Governance Policy**") and National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**"). The Governance Policy provides guidelines on corporate governance practices while NI 58-101 requires Canadian reporting Corporations to disclose their corporate governance practices in accordance with the disclosure items set out in Form 58-101F1.

Aylen has reviewed its own corporate governance practices in light of the guidelines contained in the Governance Policy. The Company's practices comply generally with the guidelines, however, the current directors of the Company consider that some of the guidelines are not suitable for the Company at its current state of development and therefore the Company's governance practices do not reflect these particular guidelines. Given that Aylen is a relatively small corporation in terms of both activities and market capitalization, the directors of the Company believe that the current governance structure is cost-effective and appropriate for the needs of the Shareholders.

Set out below is a description of Aylen's corporate governance practices as required to be disclosed by NI 58-101.

Board of Directors

The Board consists of three directors, two of whom, Douglas R. Babcook and Brian Hemming, are independent. The other director is John D. Pennal, President and Chief Executive Officer of the Company.

Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Throughout 2012, Aylen's board of directors did not hold any meetings in person and all board matters were dealt with by means of signed resolutions. Although the Board does not have an appointed chair, Brian Hemming as the Chair of the Audit Committee acts as a de-facto chair for meetings of independent directors.

Board Mandate

The Board has adopted a detailed Board Mandate and Governance Guidelines policy which provides that the Board is responsible for the stewardship of the Corporation and management is responsible for the day-to-day operation of the Corporation. Under the Governance Policy, the Board's mandate is to enhance long-term value for Shareholders of the Corporation.

Position Description

Because the Board is a small, working board, it has not developed written position descriptions and does not have a process for assessing the performance of the directors or the chair of the Board committees.

The Chief Executive Officer of the Corporation is responsible for the general management of the day-to-day affairs of the Corporation within the guidelines established by the Board, consistent with decisions requiring prior approval of the Board and the Board's expectations of the Chief Executive Officer. The Chief Executive Officer also provides advice and services to the Corporation's investees in order to foster the development, growth and value of the Corporation's investment in these companies.

Orientation and Continuing Education

All of the current directors are intimately familiar with the Corporation's activities. New directors will be oriented on an informal basis.

Ethical Business Conduct

Aylen's board of directors has adopted a written Code of Ethical Conduct and Business Practices (the "**Code**") to ensure that the Company's directors, officers and employees act in accordance with applicable laws and observe the highest ethical standards in their business relationships. The Code imposes on every director, officer and employee of the Company the responsibility to create and maintain a fair, honest and professional workplace. Given the relatively small size of the Company, Aylen's board of directors as a whole is responsible for monitoring and ensuring compliance with the Code. However, the independent directors of the Company are encouraged to take a leading role in this process.

A copy of the Code may be obtained by written request to the Corporate Secretary, Aylen Capital Inc., Suite 3800, Royal Bank Plaza, South Tower, 200 Bay Street, P.O. Box 84, Toronto, Ontario, M5J 2Z4.

Nomination of Directors

Aylen's board of directors does not have a nominating committee given the size of the Company. Instead, the entire Board works to identify new candidates for nomination.

Assessments

Aylen's board of directors does not regularly make formal assessments of the Board, its committees and its individual directors, owing to the size and composition of the Board. As a small working board, the Board as a whole satisfies itself on an informal basis, from time-to-time, that the Board, its committees, and its individual directors are performing effectively.

Composition of the Compensation Committee

Owing to the size of the Board and the fact that there is only one executive officer the Board does not have a Compensation Committee. The two independent directors, Brian Hemming and Douglas R. Babcook, deal with compensation issues as and when required.

Corporate Governance Committee

Aylen's board of directors does not have a Corporate Governance Committee, owing to the size and composition of the Board. The Board as a whole is responsible for matters of corporate governance and for the disclosure of the Company's corporate governance practices in accordance with NI 58-101 and other legal and regulatory requirements.

AUDITORS

Aylen's auditors are Collins Barrow Toronto LLP, Chartered Accountants and Licensed Public Accountants, located at Suite 303, 175 Bloor St. East, Toronto, Ontario M4W 3R8.

TRANSFER AGENT AND REGISTRAR

The distribution agent, transfer agent and registrar for Aylen's common shares is Computershare Investor Services Inc. at 100 University Avenue, 11th Floor, Toronto, Ontario M5J 2Y1.

CERTAIN CANADIAN FEDERAL TAX CONSIDERATIONS

The following is a general summary of the material Canadian federal income tax considerations applicable to Centiva shareholders who receive Aylen common shares as payment on the reduction of the stated capital of the Centiva common shares, and who, for the purposes of the Tax Act and at all relevant times, deal at arm's length with Centiva and Aylen, are not affiliated with Centiva or Aylen and hold their shares of Centiva and will hold their Aylen common shares as capital property. Such shares will generally constitute capital property to a shareholder unless those shares are held in the course of carrying on a business or have been acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade for purposes of the Tax Act. Certain Resident Shareholders (as defined below) for whom shares of Centiva or Aylen might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have those shares, and any other "Canadian securities" (as defined in the Tax Act) owned by that shareholder in the taxation year in which the election is made and all subsequent taxation years, be deemed to be capital property.

This summary is not applicable to a Centiva shareholder that is a "financial institution" (as defined in the Tax Act), a "specified financial institution" (as defined in the Tax Act), a Centiva shareholder an interest in which is a "tax shelter investment" (as defined in the Tax Act), or a Centiva shareholder that has made a functional currency reporting election under the Tax Act.

This summary is based on the current provisions of the Tax Act, the current published administrative policies and assessing practices of the CRA, and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted substantially as proposed. No assurance can be given that the Proposed Amendments will be enacted in their present form, or at all. This summary does not otherwise take into account or anticipate any changes in the law whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, shareholders should consult their own tax advisors having regard to their own particular circumstances.

Residents of Canada

The following portion of the summary applies to Centiva shareholders who, at all relevant times are, or are deemed to be, resident in Canada for purposes of the Tax Act (a "**Resident Shareholder**").

Distribution of Aylen Common Shares - Generally, where a "public corporation", as defined in the Tax Act, reduces the paid-up capital in respect of a class of its shares, the amount distributed to its shareholders on such reduction is deemed to be a dividend. However, where the paid-up capital of the relevant class of shares of the corporation exceeds the amount of the distribution, the amount distributed may be treated as a tax-free return of capital (subject to the comments below concerning the reduction of the adjusted cost base of the shares) and not as a deemed dividend where: (i) the distribution is made on the winding-up, discontinuance or reorganization of the corporation's business; or (ii) under Proposed Amendments, where the amount of the distribution is derived from proceeds realized by the distributing corporation on certain non-ordinary course transactions. Centiva, based on professional advice, is of the view that either or both of these exceptions should apply to the proposed distribution of the Aylen common shares.

At a special meeting of shareholders held on September 23, 2011, Centiva shareholders approved a reduction of capital which amounted to $1,519,138 million, which was less than the paid-up capital of Centiva's common shares on that date. Accordingly, if either of the above exceptions applies and the paid-up capital of the Centiva common shares exceeds the fair market value of the Aylen common shares on the date of the distribution, the entire amount of the distribution will be treated as a tax-free return of capital and no portion thereof will be treated as a deemed dividend.

If any portion of the distribution is treated as a deemed dividend, the tax consequences of such dividend would be the same as those applicable to ordinary course dividends paid on the Aylen common shares, as described below.

Centiva has not applied to the Canada Revenue Agency ("**CRA**") for an advance income tax ruling or opinion confirming that the distribution of the Aylen common shares will be treated as a tax-free return of capital and not as a deemed dividend on the basis of the above exceptions. Centiva shareholders should consult their own tax advisors to determine whether to report the distribution as a tax-free return of capital or a deemed dividend.

The adjusted cost base of each common share of Centiva to a Resident Shareholder will be reduced by an amount equal to the amount per common share received in connection with the distribution. If the amount per common share received on the distribution exceeds the adjusted cost base of such share, a Resident Shareholder will realize a capital gain equal to such excess. See the discussion below under the section titled "Taxation of Capital Gains and Capital Losses".

Resident Shareholders will be considered to have acquired the Aylen common shares at a cost equal to their fair market value on the date of the Arrangement.

Taxation of Dividends on Aylen Common Shares - Dividends received or deemed to be received on an Aylen common share by a Resident Shareholder will be included in computing the income of the Resident Shareholder for purposes of the Tax Act. If the Resident Shareholder is an individual (including certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends paid by taxable Canadian corporations including an enhanced gross-up and tax credit for "eligible dividends" (as defined in the Tax Act) received from Aylen.

Dividends on the Aylen common shares received by a Resident Shareholder that is a corporation will normally be deductible in computing its taxable income. A Resident Shareholder that is a "private corporation" (as defined in the Tax Act) or a corporation controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts), will generally be liable to pay a refundable tax of 33⅓ % under Part IV of the Tax Act on dividends received or deemed to be received on the Aylen common shares to the extent that such dividends are deductible in computing taxable income. In the case of a Resident Shareholder that is a corporation, it is possible that in certain circumstances, all or part of the amount deemed to be a dividend will be treated as a capital gain and not as a dividend, except to the extent that the Resident Shareholder was subject to Part IV tax in respect of the deemed dividend.

Disposition of Aylen Common Shares - A Resident Shareholder who disposes or is deemed to dispose of an Aylen common share will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of such share, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Resident Shareholder. The cost of an Aylen common share received by a particular Resident Shareholder on the distribution will be averaged with the adjusted cost base of any other Aylen common shares owned by the particular Resident Shareholder for purposes of determining the adjusted cost base of each such share to the particular Resident Shareholder.

Taxation of Capital Gains and Capital Losses - Under the provisions of the Tax Act, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Shareholder will be required to be included in computing such holder's income as a taxable capital gain. Similarly, one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Shareholder may normally be deducted against taxable capital gains realized by the holder in the year of disposition. Allowable capital losses not deductible in the taxation year in which they are realized may ordinarily be deducted against taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, subject to detailed rules contained in the Tax Act in this regard.

The amount of any capital loss realized on the disposition or deemed disposition of an Aylen common share by a Resident Shareholder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such share to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where a Resident Shareholder is a corporation that is a member of a partnership or a beneficiary of a trust that owns Aylen common shares, or where such partnership or trust is itself a member of a partnership or a beneficiary of a trust that owns such shares.

A Resident Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may also be liable to pay an additional refundable tax of 6⅔% on its "aggregate investment income" (as defined in the Tax Act) for the year which will include amounts in respect of taxable capital gains realized in the year.

Alternative Minimum Tax - The Tax Act provides for an alternative minimum tax applicable to individuals (including certain trusts) resident in Canada, which is computed by reference to an adjusted taxable income amount under which certain items are not deductible or exempt. Capital gains realized by and taxable dividends received by an individual will be relevant in computing liability for alternative minimum tax.

Non-Residents of Canada

This portion of the summary is applicable to Centiva shareholders who, for the purposes of the Tax Act and any applicable income tax convention or treaty, and at all relevant times, are not and are not deemed to be resident in Canada (a "**Non-Resident Shareholder**").

Distribution of Aylen Common Shares - The tax consequences of the distribution of Aylen common shares to a Non-Resident Shareholder will be generally the same as described above with respect to Resident Shareholders. No Canadian non-resident withholding tax will apply to the distribution of the Aylen common shares if the distribution is treated as a tax-free return of capital, as described above.

If any portion of the distribution of Aylen common shares is treated as a deemed dividend, as described above, Canadian withholding tax at a rate of 25% will apply, subject to reduction under the provisions of an applicable income tax convention between Canada and the Non-Resident Shareholder's country of residence (a "**Tax Treaty**").

A Non-Resident Shareholder who realizes a capital gain as a result of the distribution of Aylen common shares, as described above, will not be subject to Canadian income tax under the Tax Act in respect of such gain provided the Centiva common shares are not "taxable Canadian property" to such Non-Resident Shareholder. Centiva common shares generally will not be taxable Canadian property provided that: (i) such shares are listed on a designated stock exchange within the meaning of the Tax Act (which currently includes the CNSX); (ii) at any time during the sixty-month period immediately preceding the distribution of the Aylen common shares (a) the Non-Resident Shareholder has not, either alone or in combination with Persons with whom the Non-Resident Shareholder does not deal at arm's length, owned 25% or more of the issued shares of any class or series of shares in the capital of the Centiva, or (b) more than 50% of the fair market value of the common shares was not derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property; and (iii) the common shares are not deemed under the Tax Act to be taxable Canadian property of the Non-Resident Shareholder.

In the event that the Centiva common shares constitute taxable Canadian property to a particular Non-Resident Shareholder, the consequences under the Tax Act of realizing a capital gain will generally be the same as those described above under the section above titled "Residents of Canada — Taxation of Capital Gains and Capital Losses". Non-Resident Shareholders should consult with their own tax advisors as to the availability of relief from Canadian tax under an applicable Tax Treaty.

Taxation of Dividends on the Aylen Common Shares - Dividends on the Aylen common shares paid or credited or deemed to be paid or credited to a Non-Resident Shareholder generally will be subject to Canadian withholding tax at the rate of 25% subject to any applicable reduction in the rate of withholding under an applicable tax treaty. For example, if a Non-Resident Shareholder is a United States resident entitled to benefits under the Canada - United States Tax Convention (1980), dividends on the Aylen common shares will generally be subject to Canadian withholding tax at the rate of 15%.

Disposition of Aylen Common Shares – A Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of the Aylen common shares unless the Aylen common shares constitute "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Shareholder at the time of the disposition. The Aylen common shares will generally not be taxable Canadian property provided that: (i) such shares are listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the CNSX); (ii) at any time during the sixty-month period immediately preceding the disposition of the Aylen common shares (a) the Non-Resident Shareholder has not, either alone or in combination with Persons with whom the Non-Resident Shareholder does not deal at arm's length, owned 25% or more of the issued shares of any class or series of shares in the capital of Aylen, or (b) more than 50% of the fair market value of the Aylen common shares was not derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property; and (iii) the Aylen common shares are not deemed under the Tax Act to be taxable Canadian property of the Non-Resident Shareholder.

Eligibility for Investment

Provided the Aylen common shares are listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the CNSX), the Aylen common shares will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts ("**TFSAs**").

The holder of a trust governed by a RRSP, RRIF or TFSA that holds Aylen common shares will be subject to a penalty tax if such shares are a "prohibited investment" for the purposes of the Tax Act. Aylen common shares will generally be a "prohibited investment" if the holder does not deal at arm's length with Aylen for the purposes of the Tax Act or the holder has a "significant interest" (within the meaning of the Tax Act) in Aylen or a corporation, partnership or trust with which Aylen does not deal at arm's length for the purposes of the Tax Act. Shareholders should consult their own tax advisors regarding their particular circumstances.

RISK FACTORS

Aylen shareholders should carefully consider the following risk factors and all the other information contained in this prospectus when evaluating Aylen and its common shares.

An investment in Aylen's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this prospectus, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Limited Cash and Working Capital and Negative Cash Flows

Historically, the Company and Centiva have had negative cash flow from operating activities and have had to fund their operations with cash on hand and the sale of marketable securities. For the year ended December 31, 2012 Aylen's cash flow from operations was ($155,237) and overall cash flow was $39,421. The Company's cash on hand and marketable securities at quoted market value less liabilities (other than the promissory note which is payable only out of the proceeds of sale of assets) at December 31, 2012 was $137,000. This amount may prove to be inadequate to continue to fund the Company's operations beyond the next 12 months in which case the Company would have to sell assets such as the Grapevine business, or raise funds through the sale of additional equity or a combination of those two things, failing which it would have to discontinue its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

The Company's negative cash flow and limited cash and working capital also means that the Company is not able to invest any significant amount of additional funds in Grapevine or VFM in the event they should need additional funding and this may result in a discontinuance of operations of that particular business or a significant dilution of the Company's investment.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in its portfolio of marketable securities, its Grapevine business and its investment in VFM means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments which were diversified over various industries with differing business cycles in different geographic areas.

Dependency on Private Company Operations

The Company owns a 4.4 % equity interest (11.6% fully diluted) in VFM which is a private company. Due to the small size of its equity investment the Company does not have any significant influence over VFM or its operations nor does the Company have the ability to exercise control over VFM.

Operating Liquidity

Both the Grapevine business and VFM's business are not fully developed and may continue to require additional funding to continue operations or to develop their business plans until they become self-funding. The Company has limited cash resources and is unable to provide any significant amount of additional funding to Grapevine or VFM if it should be required. In such an event, if no other source of funding is available, the operations would have to terminate and it would not be possible for the Company to recover its investment. If an additional source of funding is found, it may result in significant dilution of the Company's investment.

Industry Risks

Each of Grapevine and VFM is subject to the risks inherent in the industry in which it operates. In the case of Grapevine, the business is very dependent on the continued demand for on-line surveys and polls by businesses, particularly those surveys and polls relating to employees, and particularly in North America. In the case of VFM, its business is very dependent on the strength of the hotel segment of the travel industry and the continued use by travellers of on-line services in planning travel and booking hotels. Each business would be adversely affected by a significant downturn in its particular industry segment or a change in the demand by consumers for its products and services.

Competition

Both Grapevine and VFM face intense competition, including competition from other companies with greater financial and other resources, and more advanced technological development. There can be no assurance that they will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Effect of General Economic Conditions

Centiva's results of operations in the period prior to 2010 were adversely affected by the global economic downturn and there is a significant risk that global economic conditions or economic conditions in North America will deteriorate again which will have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. In the case of both VFM and Grapevine, its products and services represent discretionary expenses to the customers they serve and would be among the most likely expenses to be eliminated if economic conditions deteriorate.

Currency Fluctuations

The majority of the Company's costs are incurred in Canadian dollars and more than half of its revenues are received in U.S. dollars. A deterioration in the value of the U.S. dollar against the Canadian dollar will have a significant negative effect on the Company's revenues, financial condition, results of operations and cash flows. The Company does not use currency derivatives to hedge against adverse currency fluctuations.

Legal Claims and Other Contingencies

Aylen, Grapevine and VFM may become parties to law suits, claims and litigation arising in the ordinary course of business. In 2009 VFM was sued by a competitor in the US claiming breach of US anti-trust laws and claiming damages of $35 million. While this law suit was settled on a basis favourable to VFM, a similar law suit could threaten the company's ability to continue its operations and the Company's investment in VFM would not be recovered. A company by the name of Pro Search Plus, LLC has initiated an action against VFM in the United States District Court for the Central District of California (the "**Pro Search Action**"). The Pro Search Action involves an assertion that VFM has engaged in anticompetitive conduct, suppressed competition in the market for the management and distribution of visual content and rich media, misappropriated images and possesses a monopoly in that market. The plaintiff in the Pro Search Action seeks relief and damages under various laws of the United States. No specific amount of damages has yet been specified.

Similarly a law suit against Grapevine or the Company could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for Aylen's Shares

The Company filed a preliminary prospectus in Ontario and certain other Canadian provinces on March 6, 2012 in order to obtain "reporting issuer" status. If it attains "reporting issuer" status in Ontario the Company may apply to have its common shares listed on a stock exchange such as the Canadian National Stock Exchange (the "**CNSX**"). There can be no assurance that the Company will attain "reporting issuer" status or if it does that it will apply to have its shares be listed or be able to fulfill all of the listing requirements of any stock exchange and that its shares will be listed on any stock exchange. Even if the Company is successful in obtaining a listing on a stock exchange, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Except as set out below and under "*Corporate Structure – VFM Leonardo Inc. ("**VFM**")*", Aylen has not been subject to any material legal proceedings since the beginning of its most recently completed financial year, nor is Aylen a party to or the subject of any such proceedings, and no such proceedings are known to be contemplated. Aylen may be involved in routine, non-material litigation arising in the ordinary course of our business, from time to time.

Pro Search Plus, LLC has initiated an action against VFM in the United States District Court for the Central District of California (the "**Pro Search Action"**). The Pro Search Action involves an assertion that VFM has engaged in anticompetitive conduct, suppressed competition in the market for the management and distribution of visual content and rich media, misappropriated images and possesses a monopoly in that market. The plaintiff in the Pro Search Action seeks relief and damages under various laws of the United States. No specific amount of damages has been stated. VFM disputes these allegations and intends to vigorously defend them.

To the best of our knowledge, there have not been any penalties or sanctions imposed against Aylen by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since incorporation, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Aylen, and Aylen has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTONS

John Pennal, a director and the President and CEO of Aylen, is also a director and Vice President of Spackman Equities Group Inc. (formerly Centiva), and is Counsel to and is associated with Norton Rose Canada LLP, which provides legal services to Aylen.

Richard Sutin, the Secretary of Aylen, is a senior partner with Norton Rose Canada LLP.

MATERIAL CONTRACTS

The Company has not entered into any material contracts since incorporation, other than in the ordinary course of business, except:

1. the Arrangement Agreement dated June 30, 2011 between the Company and Centiva to give effect to the Arrangement; and

2. the Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated November 1, 2011 between the Company and Computershare Investor Services Inc.

INTEREST OF EXPERTS

The auditors of Aylen are Collins Barrow Toronto LLP, Toronto, Ontario. Collins Barrow Toronto LLP has reported that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

PROMOTER

John Pennal took the initiative in founding and reorganizing Aylen and can be considered a promoter of Aylen.

EXEMPTIONS FROM INSTRUMENT

The Company has requested an exemption from the requirement under section 2.3(1) of National Instrument 41-101 - *General Prospectus Requirements* ("**NI 41-101**") that an issuer must not file a final prospectus more than 90 days after the date of the receipt for the preliminary prospectus that relates to the final prospectus. The issuance of a receipt for this final prospectus pursuant to Section 19.3 of NI 41-101 will evidence that the Ontario Securities Commission has granted the exemption

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Canadian securities legislation requires that the following language appear in this prospectus:

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

APPENDIX A

AUDIT COMMITTEE CHARTER

Aylen Capital Inc.

AUDIT COMMITTEE CHARTER

Adopted by the Board: October, 2011

Last Revised: April, 2013

AYLEN CAPITAL INC.

AUDIT COMMITTEE CHARTER

1. Role of the Committee

The board of directors of Aylen Capital Inc. (the "**Corporation**") shall appoint an Audit Committee (the "**Committee**").

The role of the Committee shall be to assist the board to promote and improve the credibility and objectivity of financial reports.

The Committee shall oversee the accounting and financial reporting processes of the Corporation and review and recommend for approval by the board the financial statements, MD&A and earnings news releases.

The Committee will manage the relationship between the Corporation and the external auditors by overseeing the work of the external auditors and by making recommendations to the board on the engagement, remuneration and termination of the external auditors based on its evaluation of performance.

The Committee shall pre-approve all non-audit services the external auditors propose to provide to the Corporation.

The Committee shall facilitate and maintain open communications among management, the external auditors, and the board.

The Committee shall be responsible for the discharge of such other duties as may be prescribed by regulatory authorities or delegated by the board.

2. Membership

The Committee shall be comprised of at least three members, a majority of whom shall be independent as determined by the board in conformity with the laws, regulations and listing requirements to which the Corporation is subject. An independent Committee member is one who has no direct or indirect material relationship with the Corporation. A material relationship means a relationship which could, as determined by the board, reasonably interfere with the exercise of a member's independent judgement.

The Chair of the Committee shall be appointed by the board of directors. A quorum shall consist of two directors.

All members of the Committee shall in the judgment of the board of directors be "financially literate" and if possible, at least one member shall qualify as a "financial expert". "Financially literate" shall mean the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. A "financial expert" shall mean a person who has: (a) an understanding of financial statements and the accounting principles used by the Corporation to prepare its financial statements; (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more persons engaged in such activities; (d) an understanding of internal controls and procedures for financial reporting; and (e) an understanding of audit Committee functions. The designation of a person as a financial expert will not impose any duties, obligations or liabilities greater than those arising by virtue of this person's position as a member of the audit Committee or board of directors.

3. Meetings

The Committee shall meet at least four times per year and at such other times as any member of the Committee deems necessary to fulfill its responsibilities. The Corporation's external auditors will normally not be required to attend meetings of the Committee except for the meeting at which the audited annual financial statements are considered. At each meeting, the Committee shall meet separately with management and with the external auditors, if they are present, to discuss any matters the Committee or any of these parties believe should be discussed privately.

4. Reporting to the Board

Minutes of all meetings of the Committee are to be sent to all board members. All supporting schedules and data received and reviewed by the Committee are to be available for examination by any director upon request to the Chairman of the Committee.

5. Authority

The Committee shall have direct access to all books, records, facilities and personnel of the Corporation including to the external auditor as it determines this to be advisable. All employees are to cooperate as requested by Committee members.

The Committee shall have the authority to retain persons having special expertise in legal, accounting or other matters as it determines to be necessary to assist it in discharging its responsibilities. The Committee shall have the authority to set and pay the compensation of any advisors it engages.

The board of directors may authorize the Committee to investigate any activity of the Corporation.

6. Responsibilities

In the discharge of its role, the Committee will have the responsibility to:

(a) recommend to the board the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation and the compensation of the external auditors;

(b) confirm the external auditors are participants in good standing with the Canadian Public Accountability Board;

(c) review the external auditor engagement letter and confirm the direct reporting and accountability of the auditors to the audit Committee and through the Committee to the board of directors as representatives of the shareholders;

(d) pre-approve any non-audit services to be provided by the external auditors and generally assess the independence of the external auditors having reference to the Independence Standards of the CICA; the pre-approval requirement may be satisfied if (a) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more that 5% of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the services were provided; (b) the services were not recognized by the Corporation at the time of the engagement to be non-audit services; and (c) the services were promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the audit Committee or by one or more members of the Committee to whom the Committee may delegate authority to grant such approvals;

(e) ensure the rotation of the lead audit partner and/or the audit partner responsible for reviewing the audit as required by law;

(f) review and approve the Corporation's hiring policies regarding employees or persons previously employed by the present or former external auditors;

(g) review the scope of the external auditors' audit plan and the procedures to be utilized with the external auditors and with management.

(h) review with management and with the external auditors all major accounting policies and practices adopted, any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;

(i) question management regarding significant variances between comparative reporting periods;

(j) review (i) the audited annual financial statements with management and the external auditors and (ii) the quarterly financial statements with management, and recommend the same to the board;

(k) question management and the external auditors regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(l) review any restrictions imposed by management in performing the external audit or significant accounting issues on which there was a disagreement with management;

(m) review the post-audit or management letter, containing the recommendations of the external auditors, and management's response and subsequent follow up to any identified weakness;

(n) review and recommend for the approval by the board the Management's Discussion & Analysis reports, news releases and any earnings guidance and all public disclosure documents containing audited or unaudited financial information before release;

(o) review the quarterly reports issued by management and subsequent follow up to any identified weakness;

(p) review with management significant financial risk exposures, the steps taken to monitor and control such exposures and approve any related policies;

(q) review the appointments of any key financial executives involved in the financial reporting process;

(r) review with management the status of any material pending or threatened litigation;

(s) review the adequacy and quality of any insurance coverage maintained by the Corporation;

(t) inquire of the CEO as to the Corporation's disclosure controls and procedures and as to the existence of any significant deficiencies in the design or operation of internal controls and any fraud that involves employees who have a significant role in the Corporation's internal controls; and

(u) review the status of compliance with laws and regulations and the scope and status of systems designed to ensure compliance therewith and receive reports from management, legal counsel and other third parties as determined by the Committee on such matters, as well as major legislative and regulatory developments which could impact the Corporation's contingent liabilities and risks.

7. Business Conduct Policies

The Committee will review and reassess annually the adequacy of the Corporation's Code of Ethical Conduct and Business Practices and its policies and procedures with respect to Corporate Disclosure, Confidentiality and Restricted Trading Policies.

8. Allocation of Responsibilities

Management is responsible for operating the business of the Corporation and for its internal controls and the financial reporting process. The external auditors are responsible for performing an independent audit of the Corporation's consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report thereon. The external auditors shall report and be accountable to the Committee and through the Committee to the board of directors as representatives of shareholders. The Committee's responsibility is to monitor and oversee these processes on behalf of the board. The Committee is not charged with the duty to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and in accordance with generally accepted accounting principles.

The existence of the Committee and the delegation to it of certain powers and duties by the board of directors does not relieve individual members of the board of directors from the responsibility of satisfying themselves that the affairs of the Corporation are being properly conducted.

9. Complaints

Concerns or complaints submitted to management pursuant to procedures set forth in the Code of Ethical Conduct and Business Practices or otherwise received by an employee of the Corporation, including but not restricted to concerns and complaints which relate to accounting, internal accounting controls or audit matters, shall be referred to the Chair of the Committee. The Committee shall deal with all such internal complaints relating to such matters.

No reprisal, retaliation or disciplinary action shall be taken against employees for reporting, in good faith, such concerns. The Chair of the Committee shall, if requested by the complainant, keep the identity of the complainant in confidence to the extent appropriate or permitted by law.

10. Annual Review

The Committee shall review the adequacy of this Charter on an annual basis and recommend any changes to the board.

FINANCIAL STATEMENTS

Financial statements of Aylen Capital Inc. and Centiva Capital Inc. which comprise:

- the statements of financial position of Aylen Capital Inc. as at December 31, 2012 and December 31, 2011
- the consolidated statement of financial position of Centiva Capital Inc. and its subsidiary, as at December 31, 2010;
- the statement of financial position of Centiva Capital Inc. as at January 1, 2010;
- the statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. for the year ended December 31, 2012;
- the combined statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. and Centiva Capital Inc. for the year ended December 31, 2011; and
- the consolidated statements of loss, comprehensive loss, changes in equity and cash flows of Centiva Capital Inc. and its subsidiary for the year ended December 31, 2010.

The financial statements of

AYLEN CAPITAL

December 31, 2012, 2011 and 2010

(In Canadian Dollars)

AYLEN CAPITAL INC.
December 31, 2012, 2011 and 2010

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Management's Responsibility for Financial Statements

The accompanying financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The integrity and objectivity of these financial statements are the responsibility of management.

Management is also responsible for establishing and maintaining adequate internal control over financial reporting. In support of this responsibility, management maintains a system of internal control to provide reasonable assurance as to the reliability of financial information and the safe-guarding of assets. The financial statements include the amounts of which are based on the best estimates and judgments of management.

The Board of Directors oversees management's responsibilities for financial reporting through the Audit Committee, which consists of three directors, two of whom are independent and not involved in the daily operations of the Company. The Audit Committee meets with management and independently with the external auditors to satisfy itself that management's responsibilities are properly discharged and to review the financial statements and the disclosures contained in the financial statements.

The external auditors conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have reviewed the internal controls over financial reporting and have full access to the Audit Committee with respect to their findings concerning the fairness of financial reporting and the adequacy of internal controls.

John Pennal	Jenifer Cho
President	Director of Finance

April 2, 2013

Collins Barrow
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Aylen Capital Inc.

We have audited the accompanying financial statements of Aylen Capital Inc. ("the Company") and Centiva Capital Inc. ("Centiva") which comprise:

- the statements of financial position of Aylen Capital Inc. as at December 31, 2012 and December 31, 2011
- the consolidated statement of financial position of Centiva Capital Inc. and its subsidiary, as at December 31, 2010;
- the statement of financial position of Centiva Capital Inc. as at January 1, 2010;
- the statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. for the year ended December 31, 2012;
- the combined statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. and Centiva Capital Inc. for the year ended December 31, 2011; and
- the consolidated statements of loss, comprehensive loss, changes in equity and cash flows of Centiva Capital Inc. and its subsidiary for the year ended December 31, 2010;

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 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 disclosure in the financial statements. The procedures selected depend on our 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, we consider 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 Aylen Capital Inc. as at December 31, 2012 and December 31, 2011
- the consolidated financial position of Centiva Capital Inc. and its subsidiary as at December 31, 2010;
- the financial position of Centiva Capital Inc. as at January 1, 2010;
- the financial performance and the cash flows of Aylen Capital Inc. for the year ended December 31, 2012;
- the combined financial performance and the combined cash flows of Aylen Capital Inc. and Centiva Capital Inc. for the year ended December 31, 2011; and
- the consolidated financial performance and the consolidated cash flows of Centiva Capital Inc. and its subsidiary for the year ended December 31, 2010;

in accordance with International Financial Reporting Standards:

Other Matters

As described in Note 20 to the financial statements, certain adjustments have been made to Centiva's consolidated financial statements at December 31, 2010 and for the year then ended, Centiva's statement of financial position as at January 1, 2010, and the combined financial statements as at December 31, 2011 and for the year then ended. Accordingly, those prior period comparatives have been restated.

Collins Barrow Toronto LLP

Chartered Accountants | Toronto, Canada

Licensed Public Accountants | April 2, 2013

AYLEN CAPITAL INC.

Statements of Financial Position
(In Canadian Dollars)

		As at 31-Dec-2012		As at 31-Dec-2011 (Note 2) (restated) (Note 20)		As at 31-Dec-2010 (Note 2) (consolidated) (restated) (Note 20)		As at 1-Jan-2010 (restated) (Note 20)
ASSETS								
CURRENT								
Cash and cash equivalents (Note 4)	$	109,924	$	70,503	$	192,954	$	41,465
Marketable securities (Note 5)		361,049		453,015		561,428		518,034
Accounts receivable (Note 6)		29,317		58,380		30,598		37,126
HST recoverable		6,604		26,975		15,033		3,037
Prepaid expense and sundry assets (Note 7)		12,009		7,805		8,593		7,595
		518,903		616,678		808,606		607,257
INVESTMENTS (Note 8)		1,843,890		1,843,890		1,925,140		2,233,251
PROPERTY AND EQUIPMENT (Note 9)		3,817		3,192		4,064		16,592
	$	2,366,610	$	2,463,760	$	2,737,810	$	2,857,100
LIABILITIES								
CURRENT								
Accounts payable and accrued liabilities (Note 10)	$	101,849	$	136,753	$	56,472	$	86,258
Deferred revenue		231,702		157,452		155,502		123,782
		333,551		294,205		211,974		210,040
LONG-TERM								
Note payable (Note 11)		690,000		690,000		-		-
		1,023,551		984,205		211,974		210,040
SHAREHOLDERS' EQUITY								
Capital stock (Note 12)		1,350,570		1,350,570		3,514,327		3,514,327
Contributed surplus		286,514		280,914		291,264		277,185
Deficit		(294,025)		(151,929)		(1,035,866)		(816,452)
Accumulated other comprehensive loss		-		-		(243,889)		(328,000)
		1,343,059		1,479,555		2,525,836		2,647,060
	$	2,366,610	$	2,463,760	$	2,737,810	$	2,857,100

Approved on behalf of the board:

"John Pennal"
Director

"Brian Hemming"
Director

AYLEN CAPITAL INC.

Statements of Loss
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	2012	2011 (Note 2) (combined) (restated) (Note 20)	2010 (Note 2) (consolidated) (restated) (Note 20)
Revenues			
Sales revenue	$ 645,797	$ 480,656	$ 450,337
Interest and other income	12,311	15,128	16,646
Gain on sale of marketable securities	-	-	76,236
Unrealized gain on value of marketable securities	20,645	128,890	64,965
	678,753	624,674	608,184
Expenses			
General and administrative	390,369	570,189	318,821
Selling expenses	422,300	406,742	393,221
Stock-based compensation (Note 12(c))	5,600	39,628	14,079
Amortization	1,904	2,677	12,527
Loss on sale of publicly traded investments	-	274,165	79,323
Loss on sale of marketable securities	676	189,298	9,627
	820,849	1,482,699	827,598
Net loss for the year	$ (142,096)	$ (858,025)	$ (219,414)
Net loss per share - basic and fully diluted	$ (0.01)	(0.05)	$ (0.01)
Weighted average number of shares	16,856,632	16,856,632	16,856,632
Net loss comprised of:			
Centiva	$ -	$ (706,096)	$ (219,414)
Aylen	$ (142,096)	$ (151,929)	$ -

Statements of Comprehensive Loss
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

		2012		2011 (Note 2) (combined) restated (Note 20)		2010 (Note 2) (consolidated) restated (Note 20)
Net loss for the year	$	(142,096)	$	(858,025)	$	(219,414)
Other comprehensive income (loss) for the year -						
Disposal of investment (Note 8)		-		243,889		84,111
Net comprehensive loss for the year	$	(142,096)	$	(614,136)	$	(135,303)

Statements of Changes in Equity
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	Common shares	Capital stock	Contributed surplus (restated) (Note 20)	Deficit (restated) (Note 20)	Accumulated other comprehensive loss (restated) (Note 20)	Total shareholders' equity
CENTIVA						
Balance, 1-Jan-2010	16,856,632	$ 3,514,327	$ 277,185	$ (816,452)	$ (328,000)	$ 2,647,060
Net loss for the year	-	-	-	(219,414)	-	(219,414)
Disposal of investment	-	-	-	-	84,111	84,111
Options granted to officers	-	-	14,079	-	-	14,079
Balance, 31-Dec-2010	16,856,632	$ 3,514,327	$ 291,264	$ (1,035,866)	$ (243,889)	$ 2,525,836
Disposal of investment	-	-	-	-	243,889	243,889
Net loss for the period	-	-	-	(706,096)	-	(706,096)
Balance, 31-Oct-2011	16,856,632	$ 3,514,327	$ 291,264	$ (1,741,962)	$ -	$ 2,063,629
AYLEN						
Balance, 31-Oct-2011	100	$ 100	$ -	$ -	$ -	$ 100
Transfer of net assets from Centiva (Note 2)	16,856,532	1,350,470	241,286	-	-	1,591,756
Net loss for the period	-	-	-	(151,929)	-	(151,929)
Options granted to officers	-	-	39,628	-	-	39,628
Balance, 31-Dec-2011	16,856,632	$ 1,350,570	$ 280,914	$ (151,929)	$ -	$ 1,479,555
Net loss for the year	-	-	-	(142,096)	-	(142,096)
Options granted to the directors	-	-	5,600	-	-	5,600
Balance, 31-Dec-2012	16,856,632	$ 1,350,570	$ 286,514	$ (294,025)	$ -	$ 1,343,059

AYLEN CAPITAL INC.

Statements of Cash Flows
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	2012	2011 Combined	2010 Consolidated
Net Inflow (Outflow) of Cash Related to the Following Activities:			
Operating			
Net loss for the year	$ (142,096)	$ (858,025)	$ (219,414)
Items not affecting cash:			
Unrealized loss (gain) on value of marketable securities	(20,645)	(128,890)	(64,965)
Loss on sale of marketable securities	-	189,298	9,627
Loss on sale of publicly traded investments	-	274,165	79,323
Gain on sale of marketable securities	-	-	(76,236)
Stock-based compensation (Note 12(c))	5,600	39,628	14,079
Amortization	1,904	2,677	12,527
	(155,237)	(481,147)	(245,059)
Net changes in non-cash working capital balances:			
Accounts receivable	29,063	(27,782)	6,529
Prepaid and sundry assets	(4,204)	9,380	(998)
Accounts payable and accrued liabilities	(34,903)	157,442	(29,788)
Deferred revenue	74,249	27,093	31,720
HST recoverable	20,370	(1,030)	(11,996)
	(70,662)	(316,044)	(249,592)
Investing			
Proceeds from sale of marketable securities, net of purchases	112,612	153,810	401,081
Purchase of office equipment	(2,529)	(1,805)	-
Proceeds from sale of publicly traded investments	-	50,835	-
Acquisition of long-term investment(i)	-	(1,775,000)	-
	110,083	(1,572,160)	401,081
Financing activities			
Issuance of common shares(i)	-	3,086,000	-
Common share issue costs(i)	-	(179,438)	-
Cash flows Used in Financing Activities	-	2,906,562	-
Increase in cash position during the year	39,421	1,018,358	151,489
Cash and cash equivalents, beginning of year	70,503	192,954	41,465
Cash and cash equivalents, end of year (Note 4)	$ 109,924	$ 1,211,312	$ 192,954

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2012	2011	2010
Centiva	$ -	$ 1,140,809	$ 192,954
Aylen	109,924	70,503	-
Total cash and cash equivalents	$ 109,924	$ 1,211,312	$ 192,954

No cash paid for interest and taxes during all fiscal years.
(i) The net cash proceeds from these activities were not transferred to Aylen, as they relate to Centiva's ongoing activities operating as Spackman Equities Group Inc.

1. NATURE OF BUSINESS

Aylen Capital Inc. ("Aylen" or the "Company") was incorporated on October 28, 2010 as a wholly-owned subsidiary of Centiva Capital Inc. ("Centiva"). The Company's registered head office is located at Royal Bank Plaza, South Tower, Suite

(In Canadian Dollars)

3800, 200 Bay Street, Toronto, Ontario, M5J 2Z4, Canada. Aylen remained inactive from the date of incorporation to October 31, 2011.

On September 30, 2011, a plan of arrangement (the "Arrangement") was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and Aylen entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for 16,856,532 shares of Aylen and a promissory note in an amount representing $0.05 per issued and outstanding common share of Centiva immediately prior to the Arrangement. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Ontario Superior Court of Justice on September 27, 2011. The effective date of the transaction was October 31, 2011. On the same date, Centiva changed its name to Spackman Equities Group Inc ("SEGI").

Centiva transferred all of its then existing assets and liabilities, except those relating to the new equity investments and tax losses, to Aylen in exchange for common shares and a promissory note of Aylen. The assets which were transferred to Aylen from Centiva consist primarily of an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities. Grapevine Solutions (“Grapevine”), an unincorporated division of Aylen, operates a web-based survey and data collection business. Aylen took over Grapevine's operations effective November 1, 2011.

2. BASIS OF PRESENTATION AND PLAN OF ARRANGEMENT

Aylen Capital (the “Company” or “Aylen”), was incorporated during 2010 as a wholly owned subsidiary of Centiva Capital Inc. (“Centiva”). On October 31, 2011, under a plan of arrangement, Centiva transferred all of its assets (except for any tax losses) and liabilities to its previously inactive subsidiary, Aylen, in exchange for 16,856,532 common shares and a note payable by Aylen in the amount of $843,832. The transfer of these assets has been recorded at the carrying amount to Centiva, immediately prior to the transaction. The note payable was considered to be contingent consideration and was fair valued using a probability adjusted discounted cash flow analysis. Any difference between the carrying amount of the net assets and the consideration received (the share capital and note payable) was recorded in equity as contributed surplus.

All Aylen common shares held by Centiva were immediately distributed out to Centiva shareholders. Any transaction costs associated with the plan of arrangement have been expensed.

The combined results of 2011 were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being two separate legal entities after October 31, 2011 without any cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Any intercompany transactions have been eliminated in the combined results. Similarly, the consolidated results of Centiva for the year ended December 31, 2010 have also been presented.

Specifically, the results of two legal entities, Aylen and Centiva have been presented as noted below.

Financial Statement	Entity
January 1, 2010 Statement of Financial Position	Centiva
2010 Financial Statements	Centiva (these include Aylen which was a newly incorporated subsidiary of Centiva during the year, and had no activity or material balances)
2011 Statement of Financial Position	Aylen
2011 Statements of Loss, Comprehensive Loss and Cash Flows	Combined results of Aylen and Centiva, which included results of Centiva from January 1, 2011 to October 31, 2011
2011 Statement of Changes in Equity	Centiva – January 1 to October 31 Aylen – November 1 to December 31
2012 Financial Statements	Aylen

The following table summarizes the carrying amounts of the assets and liabilities transferred from Centiva to Aylen:

			Amount
Cash		$	10,970
Marketable securities			518,714
Prepaid and sundry assets			7,805
Other receivables			45,159
HST recoverable			29,928
Investment			1,843,890
Equipment			2,169
			2,458,635
Accounts payable and accrued liabilities			77,717
Deferred revenue			99,162
			176,879
Net assets transferred		$	2,281,756

Net assets transferred		$	2,281,756
Consideration:			
Common shares (at the legal stated capital)			1,350,470
Note payable	-		690,000
Contributed surplus		$	241,286

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). These financial statements were authorized for issuance by the Board of Directors of the Company on April 2, 2013.

(b) Basis of measurement and functional currency

The financial statements are presented in Canadian dollars and have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional currency is Canadian dollars.

(c) Basis of consolidation

The audited consolidated financial statements for fiscal year ended December 31, 2010 include financial statements of Centiva Capital Inc. and its wholly-owned subsidiary Aylen Capital Inc. All inter-company transactions and account balances were eliminated.

(d) Critical accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the valuation of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of financial reporting that require management's estimates and judgments are as follows:

- Allowance for doubtful accounts

The valuation of allowances for uncollectible trade receivables requires assumptions including estimated credit losses based on customer, industry concentrations and the Company’s knowledge of the financial conditions of its customers. Uncertainty relates to the actual collectibility of customer balances that can vary from management's estimates and judgment.

- Share-based payments

In calculating the share-based compensation expense, key estimates such as the rate of forfeiture of options granted, the expected life of the option, stock price, the volatility of the Company's stock price and the risk-free interest rate are used.

- Impairment of long-term assets

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

- Impairment of privately held investments

The impairment of privately held investments is an area of significant judgment. Management will evaluate other sources of information to determine whether there is an objective evidence of possible impairment. In such cases, management will review recent equity transactions, discounted cash flows, or comparative transactions to estimate the fair value.

- Common control transactions and presentation of prior periods

As described in Note 2, these financial statements incorporate two legal entities, and these require exercise of judgment regarding the accounting for the transfer of assets between the entities as well as the presentation of the appropriate financial statements and related comparative information.

- Measurement of contingent consideration

The fair value of the contingent consideration was determined using various estimates relating to specific cash outflow probabilities and a appropriate discount rate.

- Deferred income tax assets

The key estimate used in the valuation of deferred tax assets is the probability that some portion or all of the deferred tax assets will be realized. The ultimate realization of the deferred tax assets is dependent on the generation of future taxable income during the years in which the temporary differences are deductible.

- Useful lives of depreciable assets

The management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utilization of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utilization of certain software and equipment.

- Accrued liabilities

The Company uses estimates to record the expenses that have been incurred but payments have not been made.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The policies applied in these financial statements are based upon IFRS issued and outstanding as of December 31, 2012.

(a) Revenue recognition

Revenue is recognized to the extent that it is probable that future economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are measured at the fair value of the consideration received or to be received.

The Company generates revenue primarily from subscription fees and consulting income from Grapevine's on-line surveys and data collection. The Company records revenue and associated unearned revenue based on the contract price. Revenues from subscription fees are recognized on a straight-line basis over the term of the contract. Revenues from consulting services are recognized on a stage of completion basis with reference to the hours incurred to date compared to total estimated hours to complete. The unearned component of subscription fees and consulting income collected are recorded as deferred revenue.

Investment and other income include interest earned on invested funds and gains on disposal on marketable securities and available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit and loss. Any such transactions are recorded on the trade date.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends received from public companies are recognized at the ex-dividend date. Dividends declared from a privately-held company are not recognized unless payment of such dividends is received by the Company.

(b) Provision

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 risk specific to the liability. The unwinding of the discount is recognized as a finance cost.

(c) Financial instruments

(i) Non-derivative financial assets

Loans and receivables are recognized at the date of acquisition. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

A financial asset is derecognized when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit or loss when incurred.

Financial assets at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss. Financial assets at fair value through profit or loss comprise cash and cash equivalents and marketable securities.

Available-for-sale

Available-for-sale financial assets comprised of long term investments are generally carried at fair value with unrealized gains and losses included in other comprehensive income until the financial asset is derecognized and any cumulative gain or loss is then recognized in profit or loss or until an impairment is recognized. Available-for-sale investments that have no quoted value, and for which fair value is not reasonably determinable are measured at cost. Such investments are recorded at cost unless there is an objective evidence of impairment. The Company had classified certain investments as available-for-sale which were disposed off in prior years.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The Company classifies its financial assets which consisted of accounts receivables as loans and receivables.

(ii) Non-derivative financial liabilities

Financial liabilities are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

A financial liability is derecognized when its contractual obligations are discharged, cancelled or expired.

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities and note payable.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities other than the note payable which is at fair value, are measured at amortized cost using the effective interest method.

(iii) Impairment of 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 the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount 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 account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks currently held by financial institutions with high credit worthiness with maturities of three months or less.

(e) Marketable securities

Marketable securities consist of investments in mutual fund securities and shares of publicly traded companies. Marketable securities are measured at fair value and recognized on the trade date. Mutual fund securities are valued using the net asset value per unit of each fund. The fair value of publicly traded securities is determined using quoted market prices. Realized and unrealized gains and losses are recognized using average cost. Gains and losses in the changes on fair value of marketable securities are charged to profit and loss.

(f) Prepaid and sundry assets

Prepaids and other sundry assets consist of advance payments for goods and services applicable to future periods.

(g) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss in the period in which they are incurred.

Any gain and loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in statement of income (loss).

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or revalued amount, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows

Equipment	3 years straight-line
Office equipment	3 years straight-line
Software	4 years straight-line

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Changes to amortization rates are accounted for on a prospective basis.

Property and equipment are reviewed for impairment whenever changes in circumstances would indicate that the carrying amount of the assets might not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or any other significant adverse change that would indicate that the carrying value of an asset is not recoverable. An impairment loss, if any, is recognized if the carrying value of the asset exceeds its recoverable amount and is charged to profit and loss.

(h) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or to items recognized directly in equity or in other comprehensive income. In this case, the tax is also recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date in the countries in which the Company operates, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. 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.

In the ordinary course of business, there are many transactions for which the ultimate tax outcome is uncertain. The final tax outcome of these matters may be different from the estimates originally made by management in determining income tax provisions. Management periodically evaluates the positions taken in the Company's tax returns with respect to situations in which applicable tax rules are subject to interpretation. A provision is established related to tax uncertainties where appropriate based on management's best estimate of the amount that will ultimately be paid to or received from tax authorities. Accrued interest and penalties relating to tax uncertainties are recognized in current income tax expense.

(i) Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. Certain gains and losses are recorded as part of net earnings to be presented in other "comprehensive income (loss)" until it is considered appropriate to recognize them into net earnings.

(j) Foreign currency translation

Transactions in foreign currencies are translated to Canadian dollars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency of which is the Canadian dollar at the exchange rate at that date. Foreign currency differences arising on retranslation are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(k) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the entity. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(l) Share capital

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

(m) Stock-based payment

The Company issues share-based awards to its officers and directors. The awards are comprised of equity-settled stock options. Fair values of share options are calculated using the Black-Scholes option pricing model at the date of the grant and adjusted for estimated forfeitures. For awards with graded vesting, the fair value of each tranche is calculated separately and recognized over its respective vesting period. Non-market vesting conditions are considered in making assumptions about the number of awards that are expected to vest. At each reporting date, the Company will reassess its estimates of the number of awards that are expected to vest and recognize the impact of any revision in the statement of income with a corresponding adjustment to contributed surplus.

Any consideration paid on exercise of share options or purchase of shares, together with the amount initially recorded in contributed surplus, is credited to share capital.

(n) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income (loss) attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share is computed by dividing net income (loss) attributable to equity holders of the Company by the weighted average number of shares outstanding, adjusted for the effects of all dilutive potential common shares. The effect of stock options was anti-dilutive and, hence, diluted loss per share equals basic loss per share.

(o) New standards and interpretations not yet adopted

The following is a summary of recent accounting pronouncements that may affect the Company. The Company is currently assessing the impact of adoption of these pronouncements.

(i) Financial instruments

IFRS 9, Financial Instruments, replaces IAS 39, Financial Instruments: Recognition and Measurement. The new standard requires entities to classify financial assets as being measured either at amortized cost or fair value depending on the business model and contractual cash flow characteristics of the asset. For financial liabilities, IFRS 9 requires an entity choosing to measure a liability at fair value to present the portion of the change in its fair value due to change in the entity's own credit risk in the other comprehensive income rather than in the statement of profit or loss. The new standard applies to annual periods beginning on or after January 1, 2015.

(ii) Investment entities

IFRS 10, Consolidated Financial Statements, is amended to introduce an exception for investment entities to the principle that all subsidiaries are consolidated. An investment entity is required to measure subsidiaries at fair value through profit or loss. IFRS 12, Disclosure of Interests in Other Entities, is amended to add disclosure requirements for investment entities. IAS 27, Separate Financial Statements, is amended to require an investment entity to measure its investments in subsidiaries at fair value through profit or loss when it presents separate financial statements. These amendments are effective for annual periods beginning on or after January 1, 2013.

(iii) Employee benefits

(In Canadian Dollars)

IAS 19, Employee Benefits, is revised to eliminate the option to defer the recognition of actuarial gains and losses, enhance the guidance around measurement of plan assets and defined benefit obligations, streamline the presentation of changes in assets and liabilities arising from defined benefit plans and enhance disclosure requirements for defined benefit plans. The amendments are effective for annual periods beginning on or after January 1, 2013.

(iv) Fair value measurements

IFRS 13, Fair Value Measurements, provides a single source of guidance on how to measure fair value where its use is already required or permitted by other IFRS and enhances disclosure requirements for information about fair value measurements. The new standard is effective for annual periods beginning on or after January 1, 2013.

(v) Consolidated financial statements

IFRS 10, Consolidated Financial Statements, replaces SIC 12, Consolidation – Special Purpose Entities, and the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial Statements. IFRS 10 includes a new definition of control that determines which entities are consolidated, and requires control of an investee to be reassessed when the facts and circumstances indicate that there have been changes to one or more of the criteria for determining control. This standard is effective for annual periods beginning on or after January 1, 2013.

(vi) Financial instruments: disclosures

IFRS 7, Financial Instruments: Disclosures, is amended to require additional disclosures on offsetting of financial assets and financial liabilities. The amendment is effective for annual periods beginning on or after January 1, 2013 and interim periods within those annual periods.

(vii) Annual improvements to IFRS 2009–2011 cycle

The annual improvements consist of non-urgent but necessary amendments to IFRS issued between 2009 and 2011. Amendments are made to IFRS 1 First-time Adoption of International Financial Reporting Standards related to borrowing costs and to permit repeat application of IFRS 1, IAS 1 Presentation of Financial Statements to clarify the requirements for comparative information, IAS 16 Property, Plant and Equipment for the classification of servicing equipment, IAS 32 Financial Instruments: Presentation to clarify that the tax effect of a distribution to holders of equity instruments should be accounted for in accordance with IAS 12 Income Taxes, and IAS 34 Interim Financial Reporting to clarify interim reporting of segment information for total assets in order to enhance consistency with the requirements in IFRS 8 Operating Segments. These amendments are effective for annual periods beginning on or after January 1, 2013.

(viii) Presentation of items of other comprehensive income ("OCI")

IAS 1, Presentation of Financial Statements, is amended to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. This amendment is effective for annual periods beginning on or after July 1, 2012.

4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consist of the following:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Cash in banks	$ 86,708	$ 48,447	$ 161,313	$ 9,499
Cash held with broker	23,216	22,056	31,641	31,966
	$ 109,924	$ 70,503	$ 192,954	$ 41,465

5. MARKETABLE SECURITIES

The Company has the following marketable securities:

	31-Dec-2012		31-Dec-2011		31-Dec-2010		1-Jan-2010	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Investment in equities	$ 356,635	$ 361,049	$ 469,245	$ 453,015	$ 706,419	$ 561,428	$ 780,851	$ 518,034

Investment in equities are publicly-traded investments on a recognized securities exchange and for which no sales restrictions apply. The fair value of these securities is based on quoted closing prices at the year end date or the closing bid price on the last day the security traded if there were no trades at the year end date. The fair value of mutual funds is determined using the net value per unit of each fund. The decline in the value of marketable securities was recognized in the statement of loss and comprehensive loss.

(In Canadian Dollars)

6. ACCOUNTS RECEIVABLE

Details of the Company's trade and other receivables are as follows:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Canadian and U.S. customers	$ 29,317	$ 58,380	$ 30,598	$ 37,126

Accounts receivable are amounts due from subscriptions that remain uncollected at year end. These amounts are classified as current because collection is expected in one year or less. Accounts receivable are recognized initially at the amount expected to be received less any discount to reduce the recoverable amount to fair value. Subsequently, accounts receivable are measured at amortized cost using the effective interest method less a provision for impairment.

The Company's exposure to credit risk related to trade and other receivables is disclosed in Note 14.

7. PREPAID EXPENSE AND SUNDRY ASSETS

The following table shows the details of prepaid expense and sundry assets:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Hosting services	$ 8,500	$ 3,915	$ 3,915	$ 3,915
Conference fee	2,050	3,890	4,678	3,680
Service fees	1,009	-	-	-
Lawyer's trust	450	-	-	-
	$ 12,009	$ 7,805	$ 8,593	$ 7,595

(In Canadian Dollars)

8. INVESTMENTS

The Company has the following venture investments:

	No. of shares	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
(a) Privately held investments:					
(i)VFM Leonardo Inc.					
Common shares	3,075,359	$ 1,156,000	$ 1,156,000	$ 1,156,000	$ 1,156,000
Class A Preferred shares	2,436,685	687,890	687,890	687,890	687,890
		$ 1,843,890	$ 1,843,890	$ 1,843,890	$ 1,843,890
(ii) 411 Local Search Corporation Common shares and warrants	694,443	-	-	-	267,361
(b) Publicly-traded investments:					
Biorem Inc.					
Common shares	162,500	-	-	81,250	122,000
		$ 1,843,890	$ 1,843,890	$ 1,925,140	$ 2,233,251

(a) (i) As at December 31, 2012, the Company owns an equity interest of 4.4% in VFM Leonardo Inc. ("VFM") representing approximately 11.6% on a fully-diluted basis, should all warrants be exercised.

The Company also owns Class A Preferred Shares representing approximately 2.6% of all outstanding Class A and Class B preference shares. Class A Preferred Shares Series 1 were entitled to a cumulative dividend of 8% per annum and are convertible into common shares at a conversion price of $0.2811 per share. Preferred shares are redeemable at the option of the holders, at any time after April 22, 2013 for an amount equal to the purchase price plus all accrued and unpaid dividends.

The Company also held 12,000,000 warrants with expiry date of March 1, 2014 and an exercise price of $0.001 per share. As the warrants are linked to an equity instrument that does not have a quoted price in an active market and whose fair value cannot be reliably measured, they have been recorded at cost which is nil.

VFM is a provider of interactive content solutions to the lodging and travel industry. VFM uses the latest technology, some proprietary, to produce, host, manage, distribute and track rich media advertising platform and distribution network on many different travel websites. VFM is a producer and distributor of online visual content for the hotel and travel industry.

Investments in VFM were recorded at cost, there being no active market in its privately-held shares and there being no reliable estimate/measurement of fair value. The management reviewed the indicators of impairment and believed that there is no objective evidence of impairment on VFM investments as at December 31, 2012, 2011 and 2010.

The management intends to maintain the investment in the long-term to receive benefits from the operational activities of the investee company unless there is a liquidity event that generates significant value to shareholders.

(ii) Centiva acquired 694,443 common shares of 411 Local Search Corporation in 2008 for a purchase price of $267,361. The entire investment was sold in 2010.

(b) Centiva held 225,000 shares as of January 1, 2010. It disposed of 62,500 shares during 2010. During the year ended December 31, 2010, Centiva held 162,500 shares of Biorem Inc. These shares were subsequently sold in 2011. These investments were classified as available for sale and upon disposal, the amounts included in accumulated other comprehensive loss were reclassified to profit or loss. Biorem Inc. is a supplier of biofilters for air pollution control in municipal and industrial applications. Biorem's shares are listed on the TSX Venture Exchange and trade under the stock symbol "BRM".

(In Canadian Dollars)

9. PROPERTY AND EQUIPMENT

Details of property and equipment are as follows:

	Equipment	Office Equipment	Software	Total
Cost - January 1, 2010	$ 7,582	$ -	$ 80,000	$ 87,582
Accumulated amortization	(990)	-	(70,000)	(70,990)
Carrying value - January 1, 2010	$ 6,592	$ -	$ 10,000	$ 16,592
Cost - December 31, 2010	$ 7,582	-	$ 80,000	$ 87,582
Accumulated amortization	(3,518)	-	(80,000)	(83,518)
Carrying value - December 31, 2010	$ 4,064	$ -	$ -	$ 4,064
Cost - January 1, 2011	$ 7,582	$ -	$ -	$ 7,582
Additions	-	1,805	-	1,805
Accumulated amortization	(6,045)	(150)	-	(6,195)
Carrying value - December 31, 2011	$ 1,537	$ 1,655	$ -	$ 3,192
Cost - January 1, 2012	$ 7,582	$ 1,805	$ -	$ 9,387
Additions	-	2,529	-	2,529
Accumulated amortization	(6,832)	(1,267)	-	(8,099)
Carrying value - December 31, 2012	$ 750	$ 3,067	$ -	$ 3,817

(In Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's contractual maturities were broken down as follows:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Trade payables	$ 11,178	$ 52,819	$ 35,499	$ 9,258
Accrued expenses	86,912	81,564	20,973	77,000
Credit card	3,759	2,370	-	-
	$ 101,849	$ 136,753	$ 56,472	$ 86,258

Accounts payable and accrued liabilities are current financial instruments expected to be settled in the normal course of operations.

11. NOTE PAYABLE

The Company issued a demand promissory note with a face value of $842,832 to Centiva on October 31, 2011 pursuant to the plan of arrangement (Note 2). The note is secured by a Security Agreement over the Grapevine operating assets. The note is non-interest bearing and is only repayable subject to the assets of the Company being sold (namely the marketable securities, available for sale investments (VFM Leonardo) and operating assets of Grapevine). The amount repayable is limited to the lesser of the face value of the note or the proceeds on sale.

The note has been accounted for initially as contingent consideration due to the uncertainty of the liquidity event occurring. Using IFRS 3 (Business Combinations) as a precedent, the contingent consideration has been fair valued using a probability adjusted discounted cash flow analysis based approach using likelihoods of liquidity events occurring for the key assets in question. These probabilities are adjusted at each reporting period and any changes in fair value are recorded in income. During 2011 and 2012, such fair value changes were not considered material.

A discount rate of 15% was used as part of the calculations. Key model inputs included using an adjusted book value technique to measure the operating assets of the Company, a capitalized cash flow approach to determine the fair value of any proprietary software and normalizing earnings to a maintainable level. Based on the fair value of the assets, probabilities of a liquidation event occurring were applied.

After the date of transfer, certain marketable securities were sold for proceeds of $317,712 during 2011 and 2012. As such, this amount is eligible for repayment on demand. The holder has waived the right to demand repayment until January 1, 2014. Accordingly, the amount has not been presented as a current liability.

(In Canadian Dollars)

12. SHARE CAPITAL

(a) Authorized - Aylen Capital Inc.

An unlimited number of common shares, an unlimited number of Class A common shares and unlimited number of preferred shares issuable in series.

(b) Authorized - Centiva Capital Inc.

An unlimited number of common shares, an unlimited number of Class A common shares and unlimited number of preferred shares issuable in series.

(c) Stock options

The Company has an incentive stock option plan for the officers and directors enabling them to purchase common shares. Each option granted under the plan is for a maximum term of 10 years. The exercise price is determined by the Company's board of directors at the time the option is granted, subject to regulatory approval, and may not be less than the most recent closing price of the common shares at the date of grant. Vesting provisions are also determined at the time of grant by the Company's board of directors.

During the year ended December 31, 2010, a total of 150,000 stock options with an exercise price of $0.10 per share were issued to directors of Centiva. The options were fully vested and will expire in November of 2015. The total fair value of the stock options compensation amounted to $14,079 were expensed during the year and credited to Contributed Surplus.

On December 5, 2011, the Company granted a total of 1,685,663 stock options to its officers and directors. The stock options granted are exercisable at price ranges from $0.05 to $0.10 per common share. The options were fully vested at the date of the grant and have a term of 1 to 8 years from the issue date. The total fair value of the stock options compensation amounted to $39,628 were expensed during the year and credited to Contributed Surplus.

On November 26, 2012, the Company granted a total of 150,000 stock options to its directors. The stock options granted are exercisable at $0.05 per common share. The options were fully vested at the date of the grant and have a term of 5 years from the issue date. The total fair value of the stock options compensation amounted to $5,600 were expensed during the year and credited to Contributed Surplus.

The Company used a zero forfeiture rate in valuing the stock options as all stock options were vested immediately on the date of the grant.

The fair value of the stock options granted has been estimated at the date of the grant using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	2012	2011	2010
Risk-free interest rate	1.00%	1.33%	2.10%
Expected life (in years)	5	5	5
Expected volatility	100%	71%	165%
Dividend yield	0%	0%	0%
Weighted average exercise price	$ 0.07	$ 0.07	$ 0.10

(In Canadian Dollars)

The following table shows the stock options held by officers and directors as at December 31, 2012:

Number of options outstanding	Exercise Price $	Expiry Date	Number of options exercisable
150,000	0.05	November 26, 2017	150,000
835,663	0.05	December 5, 2021	835,663
50,000	0.10	May 2, 2013	50,000
50,000	0.10	May 13, 2013	50,000
150,000	0.10	November 27, 2013	150,000
150,000	0.10	November 25, 2014	150,000
150,000	0.10	November 19, 2015	150,000
150,000	0.05	December 5, 2016	150,000
1,685,663	0.07		1,685,663

(In Canadian Dollars)

Below is the summary of options transactions occurred during the year:

	31-Dec-2012		31-Dec-2011		31-Dec-2010	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
AYLEN:						
Balance, beginning of year	1,685,663	-	-	-	-	-
Granted during the year	150,000	0.05	1,685,663	0.07	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	(150,000)	-	-	-	-	-
Balance, end of year	1,685,663	0.07	1,685,663	0.07	-	-
CENTIVA (up to October 31, 2011):						
Balance, beginning of period	-	-	1,536,000	0.10	1,386,000	0.10
Granted during the period	-	-	-	-	150,000	0.10
Exercised during the period	-	-	-	-	-	-
Expired during the period	-	-	-	-	-	-
Balance, end of period	-	-	1,536,000	0.10	1,536,000	0.10

The following summarizes stock options outstanding for Aylen as at December 31, 2012:

Weighted average exercise price	$ 0.07
Options outstanding as at December 31, 2012	1,685,663
Weighted average remaining contractual life	5.3 years
Options exercisable as at December 31, 2012	1,685,663

(In Canadian Dollars)

13. RELATED PARTY

	31-Dec-2012	31-Dec-2011	31-Dec-2010
Legal fees paid to a firm of which the CEO is a partner	$ 5,951	$ 71,725	$ 11,609
Rent for office space paid to a firm of which the CEO is a partner	$ 26,534	$ 26,534	$ 26,534

REMUNERATION OF KEY PERSONNEL

	31-Dec-2012	31-Dec-2011	31-Dec-2011
Salaries	$ 203,483	$ 206,048	$ 151,671
Stock options	5,600	39,628	14,079
Total	$ 209,083	$ 245,676	$ 165,750

Related parties include shareholders with a significant ownership interest in the Company, together with its subsidiaries, affiliates, directors and officers.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Measurement and Fair value

The fair value of the Company's accounts receivable and accounts payable/accrued liabilities approximate their respective carrying value as at the balance sheet date because of the short term maturity of these instruments. The Company currently does not use hedges or other derivative financial instruments in its operations.

Financial instruments recorded at fair value on the balance sheet date are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - valuation techniques based on inputs for the asset or liability that are not based on observable market data.

The fair value of cash and cash equivalents, marketable securities and investments in publicly traded entities are measured based on Level 1 inputs referred to in the three levels of the hierarchy noted above. The Company does not have any Level 2 fair value measurements and thus no continuity schedule has been presented. In addition, there have been no significant transfers between levels.

Note payable is Level 3 and valuation is based on probability model (see Note 11). There were no material changes during the years.

Risk management

The Company, through its financial assets and liabilities, is exposed to various risks which could affect its ability to achieve its strategic objectives for growth and in maximizing shareholders' returns. The Company's management takes an active role in the risk management process by reviewing policies and procedures, assessing risks and mitigating the various financial risks that could impact the financial position and results of operations.

The following analysis provides a measurement of risks as at December 31, 2012, 2011 and 2010. There were no material changes during the year.

(a) Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

The Company's investments in marketable securities (fair value through profit and loss) are valued at fair value as determined by price quotations by the stock exchanges on which these investments are listed. The Company's investments in non-publicly-traded investments available-for- sale are measured at cost and are written down when there is objective evidence of impairment. During periods of significant broader market volatility or volatility experienced by the resource and commodity markets, the value of the Company's investment portfolio can be quite vulnerable to market fluctuations.

(b) Interest risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any floating interest rate instruments and therefore it is not exposed to interest rate fluctuations.

(c) Foreign exchange risk

Foreign currency exchange risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate as a result of changes in foreign exchange rates. The Company's operations are exposed to foreign exchange fluctuations in that the majority of sales by the Grapevine division are denominated in US currency, while the majority of costs are denominated in Canadian currency. The Company believes it is not significantly exposed to foreign exchange rate risk; the risk is considered to be acceptable as a normal risk of that class of business.

As the exchange rates during the year were close to par, the foreign exchange sensitivity was immaterial.

(d) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and accounts receivable. The carrying amount of financial assets represents the maximum credit exposure to the Company.

The Company has established credit approval and monitoring practices to mitigate this risk, including reviewing the creditworthiness of new customers to establish credit limits, monitoring customers' payments and, where considered appropriate, reviewing the financial condition of the existing customers. The Company has no experience of significant write-offs of accounts receivable.

The following table outlines the details of aging of the Company's receivables:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Current	$ 15,617	$ 5,858	$ 7,144	$ 23,369
Past due				
31-60 days	11,184	37,348	8,348	1,357
Greater than 60 days	2,516	15,174	15,106	12,400
Less: allowance for doubtful accounts	-	-	-	-

(In Canadian Dollars)

Total receivable, net	$	29,317	$	58,380	$	30,598	$	37,126

Accounts receivable are considered for impairment on a case-by-case basis when they are past due or when objective evidence is received that a customer will default. Majority of the accounts were subsequently collected after year end. The management believed that allowance for doubtful account is not necessary. As the amounts involved are not significant, this credit risk is considered small.

(e) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company's activities are financed through a combination of the cash flows from operations and proceeds from the disposition of its short-term investments. The Company manages liquidity risks by monitoring the actual and forecasted cash flows taking into account the current and planned operations. The Company's estimated minimum contractual undiscounted cash flow requirements for its financial liabilities were disclosed in Note 10.

15. INCOME TAXES

Provision for income taxes

The provision for income taxes attributable to income before income taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.50% (2011 - 28.25%; 2010 - 30.99%) of pre-tax income as a result of the following:

		2012		2011		2010
Net loss before taxes	$	(142,096)	$	(858,025)	$	(219,414)
Expected recovery of income taxes based on combined federal and provincial statutory rate applied to loss		(37,700)		(242,400)		(68,000)
Adjustments to tax (benefit) expense resulting from:						
Non-deductible expenses		2,900		16,500		5,500
Non-taxable portion of realized and unrealized capital (gains) losses		(2,600)		47,200		(8,100)
Change in tax rate		12,800		48,200		40,500
Other		600		900		4,900
Deferred tax assets not recognized		24,000		129,600		25,200
Income tax expense	$	-	$	-	$	-

Deferred income tax balances

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities are presented below:

		2012		2011		2010
Non-capital losses	$	85,900	$	388,800	$	236,400
Net capital losses		100		71,700		30,400
Unamortized reorganization costs		-		26,400		57,900
Timing differences resulting in potential future income tax assets	$	186,500		201,800		234,400
Deferred tax assets		272,500		688,700		559,100
Less: Deferred tax assets not recognized		(272,500)		(688,700)		(559,100)
Deferred tax assets recognized	$	-	$	-	$	-

16. MANAGEMENT OF CAPITAL

The Company's objective is to develop a strong capital base to sustain future development and growth of the business. The Company manages its capital by maintaining a flexible capital structure which optimizes the cost of capital at an acceptable level of risk and makes adjustments on it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Company's capital base is currently represented by shareholders' equity. The Board of Directors reviews the Company's business plans as part of its strategic initiatives in conjunction with its financial forecast. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future development. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company also intends to increase its capital base by continuing to issue shares and related equity instruments. The Company is not subject to any externally imposed capital requirements except as referred to in Note 11.

17. COMMITMENT

The Company has contracted 2232021 Ontario Inc. to provide operations and sales management services to Grapevine division for an annual fee of $103,600 plus applicable taxes.

18. SEGMENTED INFORMATION

For management purposes, the Company is organized into one business segment as web-based survey and data collection, which primarily operates in one geographical location, Canada. Management assesses performance and makes decisions based on the results of operations of this business segment.

19. TRANSITION TO IFRS

The Company adopted IFRS effective January 1, 2011 with transition date of January 1, 2010. Prior to the adoption of IFRS, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP").

These financial statements are the Company's first annual financial statements prepared in accordance with IFRS, First-Time Adoption of International Financial Reporting Standards ("IFRS 1"). In preparing the opening IFRS statement of financial position, the Company has adjusted the amounts reported previously in the financial statements prepared in accordance with Canadian GAAP. The following is an explanation on how the transition from Canadian GAAP to IFRS has affected the Company's financial position, financial performance and cash flows .

(a) Initial elections on first-time adoption of IFRS

IFRS 1, First-Time Adoption of International Financial Reporting Standards permits those companies to take certain optional exemptions from the full retrospective application of IFRS at the time of transition. The Company has made use of the following exemptions.

<u>Business combinations</u>

The Company has elected to prospectively apply IFRS 3, Business Combinations, from the Transition Date, rather than retrospectively restating all business combinations that have occurred prior to the Transition Date. As such, any goodwill arising from past business combinations have not been adjusted from the carrying value previously determined under Canadian GAAP.

Share-based payments

IFRS 2, Share-based payment, permits the application only to equity instruments granted after November 7, 2002 that had not vested by the transition date. The Company elected to apply IFRS 2 to share-based payments granted after November 7, 2002 that had not vested by January 1, 2010.

For equity-settled share-based payments, Canadian GAAP allowed each grant to be treated as a single arrangement and compensation expense to be determined at the time of grant and amortized over the vesting period on a straight-line basis. IFRS requires a separate calculation of compensation expense for grants that vest in installments.

(b) Mandatory exceptions to full retrospective application

In accordance with the requirements of IFRS 1, hindsight was not used to create or revise estimates. The estimates previously made by the Company under Canadian generally accepted accounting principles (GAAP) were not revised on transition to IFRS except where necessary to reflect any differences in accounting policies.

(c) Reconciliation of Canadian GAAP to IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. IFRS 1 requires a reconciliation of equity, comprehensive income and cash flows for prior periods. The transition to IFRS did not have a material impact to the comparative information presented in these financial statements for the year ended December 31, 2011, the comparative information presented in these financial statements for the year ended December 31, 2010, and in the preparation of an opening IFRS balance sheet at January 1, 2010.

20. RESTATEMENT OF PRIOR YEARS' COMPARATIVE FINANCIAL STATEMENTS

A. CENTIVA

Statements of Financial Position

The Company made an adjustment to its statments of financial position at January 1, 2010 and December 31, 2010 due to change in revenue recognition. Previously, subscription fees revenue was recognized thirty days after signing of the contract. The Company is restating amounts to recognize the subscription fees received from customers on a straight-line basis over the term of the contract.

The Company also increased the carrying value of an available for sale investment as at January 1, 2010 by $1,843,890 as a result of the Company reassessing a previously recorded impairment loss was not in fact other than temporary in nature (as there was no objective evidence of impairment).

Statements of Loss and Comprehensive Loss

As described above, the Company made an adjustment to sales revenue during the period ended October 31, 2011 and year ended December 31, 2010 comparative figures due to change in revenue recognition.

Statements of Comprehensive Loss and Accumulated Other Comprehensive Loss

As described above, the Company made an adjustment to the carrying value of an available for sale investment as at January 1, 2010 which resulted in a decrease in accumulated other comprehensive loss.

(In Canadian Dollars)

The resulting adjustments to the comparative statements are as follows:

	31-Oct-2011 Increase (Decrease) $	31-Dec-2010 Increase (Decrease) $	1-Jan-2010 Increase (Decrease) $
Statement of Financial Position:			
(i) Accounts receivable	-	(35,197)	(23,346)
(ii) Deferred revenue	-	155,502	123,781
(iii) Deficit	-	120,305	100,435
(iv) Investments	-	-	1,843,890
Statement of Comprehensive Loss:			
(v) Sales revenue	(57,346)	(19,870)	
Statement of Comprehensive Loss and Accumulated Other Comprehensive Loss:			
(vi) Accumulated other comprehensive loss	-	-	(1,843,890)

(In Canadian Dollars)

B. AYLEN

Statement of Financial Position

The Company made an adjustment to its statement of financial position on December 31, 2011 due to change in revenue recognition. The subscription fees revenue was recognized thirty days after signing of the contract. The Company is restating amounts to recognize the subscription fees received from customers on a straight-line basis over the term of the contract. The Company has also restated the net assets transferred from Centiva at carrying values rather than at fair value, as previously recorded.

Statement of Loss and Comprehensive Loss

As described above, the Company made an adjustment to sales revenue during the period from November 1, 2011 to December 31, 2011 comparative figures due to change in revenue recognition and as a result of remeasuring the net assets transferred from Centiva at carrying values.

The resulting adjustments to the December 31, 2011 comparative statements are as follows:

	31-Dec-2011 Increase (Decrease) $
Statement of Financial Position:	
(i) Accounts receivable	(125,194)
(ii) Prepaid expense and sundry assets	(919)
(iii) Property and equipment, net	(583,794)
(iv) Goodwill	(116,831)
(v) Deferred revenue	(216,872)
(vi) Note payable	107,409
(vii) Share capital	(1,078,958)
(viii) Contributed surplus	241,286
(ix) Deficit	(120,397)
Statement of Loss and Comprehensive Loss:	
(x) Sales revenue	3,224
(xi) Accretion expense	(8,974)
(xii) Amortization	(34,118)
(xiii) General and administrative	(74,081)

Other amounts affected throughout the restated financial statements and accompanying notes have been amended as appropriate.

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

CERTIFICATE OF THE COMPANY

Dated: May 23, 2013

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by this issuer as required by British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador and Prince Edward Island.

Signed "*John D. Pennal*"	*Signed* "*Jenifer Cho*"
John D. Pennal President and CEO	Jenifer Cho Chief Financial Officer

On behalf of the Board of Directors

Signed "*Douglas Babcook*"	*Signed* "*Brian Hemming*"
Douglas Babcook Director	Brian Hemming Director

Promoter

Signed "John D. Pennal"

John D. Pennal