

## EARLY WARNING REPORT

This report is made as required by Part 5 of Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, and pursuant to Part 3 of National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

**1. Name and address of the offeror:**

GwanJe Woo, of Seoul, South Korea

(the “**offeror**”)

**2. Designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:**

On December 18, 2015, the offeror acquired ownership and control of options convertible or exercisable to acquire common shares of Orca Touchscreen Technologies Ltd. (the “**Issuer**”).

Before December 18, 2015, the offeror beneficially owned and controlled 8,902,000 Shares and no securities convertible into Shares. On a partially-diluted basis, this represents approximately 17.0% of 52,295,234 Shares (based on 52,293,234 outstanding and nil additional Shares convertible from securities held by the offeror). On a fully-diluted basis, this represents approximately 15.4% of 57,704,165 Shares (based on 52,295,234 outstanding and 5,408,931 additional Shares convertible from securities held by all holders including the offeror.)

**3. Designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:**

As of December 18, 2015, the offeror beneficially owns and controls 8,902,000 Shares and securities convertible into 1,200,000 Shares. On a partially-diluted basis, this represents approximately 18.9% of 53,493,234 Shares (based on 52,293,234 outstanding and 1,200,000 additional Shares convertible from securities held by the offeror). On a fully-diluted basis, this represents approximately 16.7% of 60,602,165 Shares (based on 52,293,234 outstanding and 8,308,931 additional Shares convertible from securities held by all holders including the offeror.)

**4. Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which**

**(i) the offeror, either alone or together with any joint actors, has ownership and control:**

8,902,000 common shares (each a “**Share**”) and options (each, an “**Option**”) exercisable to purchase 1,200,000 Shares.

- (ii) **the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:**

Not applicable.

- (iii) **the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

Not applicable.

- 5. Name of the market in which the transaction or occurrence that gave rise to the news release took place:**

The transaction did not take place in a market. The transaction took place privately pursuant to the terms of a stock option agreement. See Item 8(a) for details.

- 6. The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

The offeror acquired options for no consideration, as the Issuer granted the Options as an incentive bonus for the services of the Offeror as CEO of the Issuer.

- 7. Purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The offeror acquired the Shares for investment purposes.

- 8. General nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

By a stock option agreement dated December 18, 2015 between the Issuer and the offeror, the Issuer granted the offeror an option exercisable to purchase 1,200,000 Shares at an exercise price of \$0.20 each for a period of 5 years until December 18, 2020.

- 9. Names of any joint actors in connection with the disclosure required by this report:**

There are no joint actors in connection with the transaction.

- 10. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:**

See Item 6.

11. **If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities:**

Not applicable.

12. **If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance:**

NI 45-106 *Prospectus Exemptions*, Section 2.24 as to stock option grants to directors, officers, employees and consultants. The offeror is an officer of the Issuer.

DATED as at December 18, 2015.

/s/ "GwanJe Woo"

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**GwanJe Woo**

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