

Prospectus dated September 26, 2000

This Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, the securities offered hereby may not be offered, sold or delivered within the United States or to U.S. persons.

NEW ISSUE

DXSTORM.COM INC.

\$904,999.20

1,292,856 Common Shares issuable upon exercise of 646,428 Special Warrants

DXSTORM.com Inc. ("DXSTORM.com" or the "Company") is hereby qualifying for distribution (the "Offering") 1,292,856 common shares ("Common Shares") issuable for no additional consideration upon the exercise of 646,428 special warrants (the "Special Warrants"). The Special Warrants were previously issued by the Company pursuant to a plan of arrangement (the "Plan of Arrangement") on cancellation of special warrants which had been issued pursuant to private placement exemptions under applicable securities laws on March 9, 2000 (the "Private Placement").

The Special Warrants may be exercised at any time on or before 5:00 p.m. (Toronto time) (the "Expiry Time") on the earlier of: (i) the sixth business day from the date of issuance of a receipt (the "Final Receipt") by the Ontario Securities Commission for a prospectus in its final form qualifying the distribution of Common Shares issuable upon the exercise or deemed exercise of the Special Warrants (the "Qualification Date") and (ii) January 31, 2001. Any Special Warrants not exercised prior to the Expiry Time shall be deemed to be exercised as of such time without further action on the part of the holder. See "Details of the Issuance".

	Price	Agent's Fee⁽¹⁾⁽²⁾	Net Proceeds⁽³⁾
Per Special Warrant ⁽⁴⁾	\$1.40	\$0.14	\$1.26
Total Offering	\$904,999.20	\$90,499.92	\$814,499.28

- (1) Trinity Wood Capital Corporation ("Trinity Wood") received a fee equal to 10% of the gross proceeds of the Private Placement. The Company also issued to Trinity Wood 125,000 Broker's Special Warrants for 125,000 broker's special warrants which had been issued to Trinity Wood as compensation in respect of the Private Placement and which, upon exercise, entitle Trinity Wood to acquire, for no additional consideration, 250,000 Common Shares of the Company. One half of the Common Shares issuable on the exercise of the Broker's Special Warrants are qualified by this Prospectus. See "Plan of Distribution".
- (2) No additional commission will be payable to Trinity Wood in connection with the issuance of Common Shares upon the exercise of the Special Warrants.
- (3) Excludes costs of the Offering estimated at \$75,000.
- (4) Each Special Warrant is exercisable for no additional consideration into two (2) Common Shares.
- (5) The issue price, agent's fee and net proceeds presented are those of the Private Placement.

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE. Investments in small businesses involve a high degree of risk and investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "Risk Factors".

The Offering represents an immediate dilution of \$0.51, or 72% per Common Share to investors acquiring the Common Shares in this Offering. See "Dilution".

The Common Shares are listed on the Canadian Venture Exchange (the "CDNX") under the symbol "DXS". The purchase price per special warrant issued in respect of the Private Placement was established by negotiation between the Company and Trinity Wood. The closing price of the Common Shares on the CDNX on September 25, 2000, the last date on which a trade occurred prior to the date of this prospectus, was \$0.50 per share.

Certain legal matters relating to the securities offered hereby will be passed upon by Sheldon Huxtable on behalf of DXSTORM.com. No person is authorized by DXSTORM.com to provide any information or make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered hereunder.

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GLOSSARY OF TERMS

In this Prospectus, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

1933 Act	The United States Securities Act of 1933, as amended.
Arrangement	The arrangement completed on June 16, 2000 pursuant to the provisions of Section 182 of the OBCA involving DXSTORM.com, West Park Sub and DXSTORM. See “Business of DXSTORM.com – Qualifying Transaction”.
Arrangement Agreement	The arrangement agreement dated as of March 27, 2000 between DXSTORM.com (formerly West Park Resources Inc.), West Park Sub and DXSTORM.
Brand Partner	A top-level (tier 3) reseller in DXSTORM’s planned global network of companies. Resellers will introduce DXSTORM solutions to their existing client base in exchange for an ongoing commission. See “Business of DXSTORM.com – Operations”.
Broker's Special Warrants	Special Warrants issued by DXSTORM.com to Trinity Wood on completion of the Arrangement and cancellation of special warrants which had been issued by DXSTORM to Trinity Wood as part of its compensation on completion of the Private Placement.
Common Shares	Common Shares in the capital of DXSTORM.com as constituted on the date of this prospectus.
Company or DXSTORM.com	DXSTORM.com Inc., a corporation continued under the laws of Ontario, formerly West Park Resources Inc., a company incorporated under the laws of British Columbia.
Continuance	The continuance of West Park from British Columbia under Section 37 of the Company Act to Ontario under Section 180 of the OBCA as DXSTORM.com Inc.
CSP	Commerce service provider.
CDNX or Exchange	Canadian Venture Exchange Inc.
DXCART	An e-commerce “plug-in” which includes a shopping cart and transaction engine, designed for use by professional Web site developers to add e-commerce processing capabilities to any Web site. See “Business of DXSTORM.com – Products”.
DXSHOP	A turnkey e-commerce solution for end-user businesses. See “Business of DXSTORM.com – Products”.
DXSTORM solutions or DX solutions	At the present time, DXSHOP and DXCART. See “Business of DXSTORM.com”.
DXSTORM	DXSTORM Inc., a corporation which was incorporated under the laws of Ontario and which amalgamated with West Park Sub to form the Subsidiary on completion of the Arrangement.
Expiry Date	The 6th business day after a receipt has been issued by the Ontario Securities Commission for the Qualifying Prospectus;
ISP	Internet Service Provider.

IT	Information Technology.
OBCA	Business Corporations Act, R.S.O. 1990, c.B-16, as amended.
Offering	The distribution of Common Shares pursuant to this Prospectus.
OSC	Ontario Securities Commission.
Private Placement	The offering of Special Warrants pursuant to a Term Sheet dated February 2, 2000 pursuant to which 646,428 Special Warrants were issued by DXSTORM to residents of Ontario on March 9, 2000.
Qualifying Prospectus	The (final) prospectus for which a receipt has been issued by the Ontario Securities Commission qualifying for distribution that number of Common Shares to be issued upon exercise of the Special Warrants.
Qualifying Transaction	A transaction whereby a VCP: (a) issues or makes issuable securities representing more than 25 percent of its securities issued and outstanding immediately prior to the issuance, in consideration for the acquisition of significant assets; (b) enters into an arrangement, amalgamation, merger or reorganization with another issuer with significant assets, whereby the ratio of securities which are distributed to the securityholders of the VCP and the other issuer results in the securityholders of the other issuer acquiring control of the resulting entity; or (c) otherwise acquires significant assets, and, as a result of which, the VCP meets the minimum listing requirements of a Tier 2 Issuer in the applicable industry sector, pursuant to the policies of the Exchange. See "Business of DXSTORM.com – Qualifying Transaction"
Special Warrants	DXSTORM.com special warrants issued to residents of Ontario on completion of the Arrangement and cancellation of special warrants previously issued by DXSTORM pursuant to the Private Placement. Each Special Warrant is exercisable, without additional consideration, to acquire two Common Shares of DXSTORM.com at any time during the period commencing on the date of issue until the earlier of (i) the sixth (6th) business day following the date on which a final receipt issued by the Ontario Securities Commission for a (final) prospectus of DXSTORM.com qualifying the distribution of the Common Shares of DXSTORM.com issuable upon exercise of the Special Warrants, and (ii) January 31, 2001. In addition, there are 125,000 Broker's Special Warrants which were issued by DXSTORM.com pursuant to the Arrangement on cancellation of 125,000 broker's special warrants which had been issued by DXSTORM to Trinity Wood in connection with the Private Placement.
Subsidiary	DXSTORM Inc., the amalgamated corporation resulting from the amalgamation of DXSTORM and West Park Sub pursuant to the Arrangement under the laws of Ontario. See "Business of DXSTORM.com – Qualifying Transaction".
VCP	A company that has filed and received a receipt for a prospectus under the rules and policies of the CDNX respecting capital pool companies and which has no significant assets or business and has not yet completed a Qualifying Transaction.
West Park	West Park Resources Inc., a company incorporated under the laws of British Columbia and effective June 19, 2000 continued under the laws of Ontario as DXSTORM.com Inc.
West Park Sub	West Park Resources (Ontario) Inc., a corporation which was incorporated under the laws of Ontario and which amalgamated with DXSTORM on completion of the Arrangement to continue as the Subsidiary.

SUMMARY OF PROSPECTUS

The following information is a summary only and is qualified by the detailed information appearing elsewhere in this Prospectus. Definitions of terms having a capitalized first letter and not defined in this summary are provided in the Glossary of Terms.

- Issuer:** DXSTORM.com Inc. (the “Company” or “DXSTORM.com”) is a reporting issuer under the laws of British Columbia. The Company’s Common Shares are listed on the Exchange. See “Corporate Structure” and “Business of DXSTORM.com”.
- Business:** DXSTORM.com is an Internet electronic commerce service provider which designs, produces and markets leased remote software systems, DXSHOP and DXCART, for conducting retail or business-to-business transactions over the Internet. DXSTORM. Com also offers a range of e-commerce consulting and software development services. See “Business of DXSTORM.com”.
- Business Objectives:** The business objectives which DXSTORM.com expects to achieve are: to achieve profitability, to develop the DXSHOP and DXCART products, to build its commercial client base, to build its reseller base and to build strategic alliances. See “Stated Business Objectives” and “Use of Proceeds”
- The Issue:** 1,292,856 Common Shares issuable upon exercise of 646,428 Special Warrants.
- Special Warrants:** On June 19, 2000 DXSTORM.com issued 646,428 special warrants to residents of Ontario (the “Special Warrants”) on completion of the Arrangement and cancellation of special warrants previously issued by DXSTORM pursuant to the Private Placement. Each Special Warrant is exercisable, without additional consideration, to acquire two Common Shares of DXSTORM.com at any time during the period commencing on the date of issue until the earlier of (i) the sixth (6th) business day following the date on which a final receipt issued by the Ontario Securities Commission for a (final) prospectus of DXSTORM.com qualifying the distribution of the Common Shares of DXSTORM.com issuable upon exercise of the Special Warrants, and (ii) January 31, 2001. In addition, there are 125,000 Broker's Special Warrants which were issued by DXSTORM.com pursuant to the Arrangement on cancellation of 125,000 broker’s special warrants which had been issued by DXSTORM to Trinity Wood in connection with the Private Placement. See “Business of DXSTORM.com – Qualifying Transaction” and “Details of the Issuance”.
- Use of Proceeds:** The estimated net proceeds from the sale of the Special Warrants, after the payment of Trinity Wood’s commission of \$90,499.92 and estimated expenses of \$75,000, are approximately \$739,499.28. The net proceeds are being and will be used primarily as funding for further development of strategic alliances, marketing and product development. See “Use of Proceeds”.
- Dividend Policy:** DXSTORM.com has no intention of declaring or paying any dividends on any of its shares in the immediate future.

Risk Factors:

An investment in the Common Shares of DXSTORM.com should be considered highly speculative and investors may incur a loss on their investment. The DXSTORM.com business is in the early stages of operation. The historical financial information of DXSTORM.com is of limited value in projecting DXSTORM.com's prospects. DXSTORM.com may require additional capital to finance expansion of its business; there is no assurance such capital will be available on acceptable terms or at all. Gregory Lowes is a key employee of DXSTORM.com.; Mr. Lowes' services are not covered by a long-term contract and if he were to leave his position with DXSTORM.com his departure could have a significant adverse effect on its business. The market for DXSTORM.com products is subject to rapid technological change and significant competition; there is no assurance DXSTORM.com will be successful in adapting to such changes and competition or that it will successfully manage the rapid growth required to achieve its business objectives. There is no assurance that steps taken by DXSTORM.com to protect its proprietary technology will be effective. DXSTORM.com's financial transactions are primarily in U.S. currency. DXSTORM.com does not engage in foreign currency hedging activities. See "Risk Factors".

CORPORATE STRUCTURE

Name and Incorporation

DXSTORM.com Inc. was incorporated under the *Company Act* (British Columbia) on October 6, 1993 as West Park Resources Inc.. The Company was continued from British Columbia to Ontario under the OBCA pursuant to Articles of Continuance dated June 19, 2000 which resulted in a change of name of the Company from West Park Resources Inc. to DXSTORM.com Inc. and a change in its authorized capital to an unlimited number of Common Shares. The head office and registered and records office address of the Company is 2200-2395 Speakman Drive, Mississauga, Ontario L5K 1B3.

Pursuant to a prospectus dated effective November 26, 1999, DXSTORM.com (then called West Park Resources Inc.) made an initial public offering of 1,000,000 Common Shares at \$0.20 per share for gross proceeds of \$200,000. The initial public offering was made pursuant to the policies of the Vancouver Stock Exchange (now the CDNX) and the British Columbia Securities Commission in respect of capital pool companies. The Common Shares were listed and posted for trading on the Exchange on December 20, 1999.

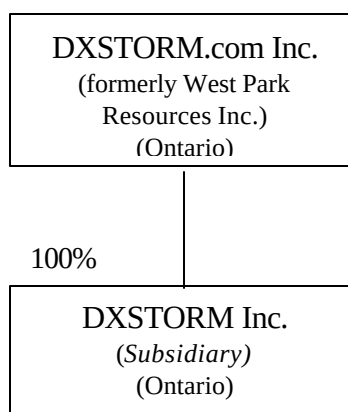
The Company operates from office premises located in Mississauga, Ontario which is leased. The Company does not own any buildings or other facilities.

Intercorporate Relationships

Prior to the Arrangement, West Park Resources Inc. had one wholly-owned subsidiary, West Park Sub, incorporated on March 21, 2000 under the laws of Ontario with its registered office at Suite 1801, 180 Dundas Street West, Toronto, Ontario M5G 1Z8. West Park Sub was formed to facilitate the Arrangement. See “Business of DXSTORM.com – Qualifying Transaction”.

On completion of the Arrangement described further under “Business of DXSTORM.com – Qualifying Transaction”, West Park Sub amalgamated with DXSTORM to continue as the Subsidiary, DXSTORM.com's wholly-owned subsidiary. The Subsidiary is named DXSTORM Inc. and is governed by the laws of Ontario. Its head office and registered and records office address is 2200-2395 Speakman Drive, Mississauga, Ontario, L5K 1B3.

The corporate structure of DXSTORM.com is as follows:



BUSINESS OF DXSTORM.COM

Description and General Development

DXSTORM.com (then called West Park Resources Inc.) was a VCP and as such had no significant assets or operating business activities. Its sole purpose since the Common Shares were listed and posted for trading on the Exchange was to identify and evaluate assets and businesses which, if acquired, would result in DXSTORM.com meeting the minimum listing requirements prescribed by the Exchange for the listing of issuers other than capital pool corporations, and which would constitute its Qualifying Transaction.

Qualifying Transaction

In February, 2000, DXSTORM.com entered into a letter of intent with the principal shareholder of DXSTORM Inc., Mr. Gregory Lowes, pursuant to which it was agreed that West Park and DXSTORM would enter into a business combination. On March 27, 2000, West Park, DXSTORM and West Park Sub entered into the Arrangement Agreement pursuant to which it was agreed that the business combination would be effected by way of Arrangement under the OBCA, subject to regulatory, shareholder and court approvals, all of which were obtained. The Arrangement was completed on June 16, 2000.

The principal steps in and consequences of the Arrangement can be summarized as follows:

1. DXSTORM amalgamated with West Park Sub to form the Subsidiary with the same name as DXSTORM.
2. All of the issued and outstanding securities of each of West Park Sub and DXSTORM were cancelled.
3. Holders of cancelled DXSTORM common shares received one DXSTORM.com Common Share for each one cancelled DXSTORM common share and holders of cancelled DXSTORM special warrants received one DXSTORM.com Special Warrant for each one cancelled DXSTORM special warrant in lieu of receiving securities of the Subsidiary.
4. As consideration for DXSTORM.com issuing Common Shares to each holder of cancelled DXSTORM common shares and DXSTORM.com issuing special warrants to each holder of cancelled DXSTORM special warrants, the Subsidiary issued to DXSTORM.com one common share of the Subsidiary for each Common Share issued to holders of cancelled DXSTORM common shares and one common share of the Subsidiary for each DXSTORM.com Special Warrant issued to holders of cancelled DXSTORM special warrants.
5. The one common share of West Park Sub held by DXSTORM.com was cancelled and the Subsidiary issued one common share to DXSTORM.com.

As a result of the Arrangement the Subsidiary became a wholly-owned subsidiary of DXSTORM.com, the former securityholders of DXSTORM received securities of DXSTORM.com and there was a change of control of DXSTORM.com.

It was a term of the Arrangement Agreement that DXSTORM.com would use reasonable best efforts to file, as expeditiously as possible following completion of the Arrangement, and obtain a receipt for a prospectus in Ontario for the purpose of qualifying the distribution of the Common Shares issuable upon exercise of the Special Warrants.

Description of the Business

DXSTORM.com is an Internet electronic commerce service provider which designs, produces and markets remote software systems for conducting retail or business-to-business transactions over the Internet. DXSTORM.com also offers a range of e-commerce consulting and custom software development services.

DXSTORM.com's DXShop product is a turnkey e-commerce solution for end-user businesses. It includes a customizable Web interface, a product catalogue capable of managing over 12,000 products, an electronic shopping cart to assemble a customer's order, and a secure transaction engine which collects order information, calculates tax and shipping rates for over 250 jurisdictions, and provides real-time credit card or electronic cheque processing. Using DXShop, a merchant can set up an Internet store simply by entering product and pricing information into the catalogue using a standard Web browser. No technical knowledge or expertise is required. DXSTORM.com's DXCART product is an e-commerce "plug-in" which includes the shopping cart and transaction engine. It is designed for use by professional Web site developers to add e-commerce processing capabilities to any Web site. DXSTORM.com also offers a range of e-commerce consulting and custom software development services.

DXSTORM was founded by Gregory Lowes in 1997 to develop and deploy low-cost, easy-to-use, e-commerce solutions for the mass business market. The goal was to provide a Web-based solution where businesses could sign up on-line for service, then build and manage their own Web stores regardless of technical capabilities. DXShop accomplished that goal. In 1998, DXSTORM introduced the second solution, DXCART, which was essentially a stripped down version of DXShop for use by experienced Web developers and webmasters.

Summary and Analysis of Financial Operations

DXSTORM.com Selected Financial Information

The following discussion and analysis of DXSTORM.com's results of operations and financial position should be read in conjunction with the financial statements and related notes included elsewhere in this Prospectus.

Balance Sheet Data	April 30, 2000⁽¹⁾
	(\$)
Current assets	207,670
Total assets	300,586
Current liabilities	31,464
Total liabilities	31,464
Shareholders' equity	269,122
 Income Statement Data	 April 30, 2000⁽¹⁾
	(\$)
Net income (loss)	(67,668)
Net income (loss) per share	(0.03)

⁽¹⁾ Period commencing August 11, 1999 and ended April 30, 2000.

DXSTORM.com Results of Operations

DXSTORM.com was incorporated as West Park in 1993, but was inactive and had no transactions until August 11, 1999. During the period from August 11, 1999 to April 30, 2000, West Park raised \$410,000 through the issuance of a total of 2,550,000 shares and incurred general and administrative expenses of \$67,668 and deferred share issue costs of \$92,916.

DXSTORM and ProForma Selected Financial Information

The proforma financial information below gives effect to the Arrangement, accounted for by the purchase method, as if the shareholders of DXSTORM and West Park had approved the Arrangement on April 30, 2000, for the balance sheet and as though the shareholders of DXSTORM and DXSTORM.com had approved the Arrangement on April 30, 2000 for the statement of operations. Reference should be made to the financial statements of DXSTORM, including the notes thereto, and also to the proforma combined financial statements of DXSTORM.com, including the notes thereto, for a discussion of the basis of preparation, proforma assumptions and proforma adjustments.

Statement of Operations Data	ProForma (unaudited)	3 months ended Apr. 30, 2000 (unaudited)	Year Ended January 31 (audited)	
	for 3 months ended Apr. 30, 2000		2000	1999
Sales	\$83,844	\$83,844	\$252,195	\$101,247
Development Costs	46,388	46,388	66,353	--
General and Administration	438,655	390,908	559,324	67,877
Selling and Marketing	202,583	202,583	364,957	16,754
Bank Charges	313	262	702	407
Amortization	34,743	34,743	42,184	1,806
Operations	73,794	73,974	71,430	13,340
Interest on Lease obligation	2,118	2,118	9,109	--
Net Earnings (Loss)	(714,930)	(667,132)	(861,864)	1,063

Balance Sheet Data	ProForma (unaudited)	Period Ended Apr. 30, 2000 (unaudited)	Year Ended January 31 (audited)	
	As at Apr. 30, 2000		2000	1999
Current Assets	\$4,386,991	\$1,574,621	\$180,120	\$10,203
Capital Assets Net Book Value	411,317	411,317	148,200	9,910
Deposits	99,878	79,578	74,097	nil
Deferred Acquisition Costs	--	147,550	--	--
Current Liabilities	265,603	234,139	222,360	57,520
Long Term Portion of Capital Lease Obligations	3,449	3,449	13,558	--
Shareholder's Equity	4,629,134	1,975,478	166,499	(37,407)
Common Shares Outstanding	20,619,996	15,149,996	10,200,000 ⁽¹⁾	9,400,000 ⁽¹⁾
(1) Adjusted to reflect 2:1 subdivision of common shares of DXSTORM effected on March 13, 2000.				

DXSTORM Results of Operations

Overview

The products developed by DXSTORM are complete and currently marketable. DXSTORM.com is currently focusing its efforts on the development of its business, through marketing activities and through development of its personnel and infrastructure. See "Stated Business Objectives", "Marketing Plans and Strategies", "Attracting Resellers" and "Attracting and Supporting Brand Partners".

Three Month Period Ended April 30, 2000 Compared to Three Month Period Ended April 30, 1999

During three months ended April 30, 2000 DXSTORM increased sales of its e-commerce packages by approximately 88% to \$67,587 (\$35,922 in 1999) and had a 35% decrease in sales of its consulting services to \$16,257 from \$24,872 in 1999.

Expenses increased nearly ten times or \$750,976, reflecting substantial investment by DXSTORM in its infrastructure, personnel and marketing. General and administrative costs; primarily payroll, premises costs and professional fees, increased to \$390,908 (\$58,697 in 1999) as staff were added to support this growth and the start of the CEO taking a salary. Selling and marketing costs increased to \$202,583 (\$6,878 in 1999) primarily through spending on banner advertising and increasing exposure in the e-commerce market. Operations costs increased to \$73,974 (\$3,225 in 1999) mainly due to significant increases in network costs. DXSTORM incurred development costs of \$46,388 (\$16,588 in 1999) which increased as the principal product developer had not charged a salary to DXSTORM until the current period. Amortisation expenses were \$34,743 (\$1,070 in 1999) reflecting capital asset growth. DXSTORM incurred a loss of \$667,132 compared with a loss of \$25,809 in 1999.

Year Ended January 31, 2000 Compared to Year Ended January 31, 1999

During fiscal 2000, DXSTORM increased sales of its e-commerce service packages by approximately 71% to \$118,792 (compared to \$69,493 in fiscal 1999) and increased sales of its consulting services by approximately 320% to \$133,403 (compared to \$31,754 in fiscal 1999).

Expenses increased approximately tenfold, reflective of investment by DXSTORM in its infrastructure, personnel and marketing. General and administrative costs increased to \$559,324 (compared to \$67,877 in fiscal 1999). General and administrative costs primarily include payroll, premises costs and professional fees. These have increased to support the growth of DXSTORM, in particular the cost of additional staff to support this growth. In addition, this was the first year the CEO drew a salary from DXSTORM and a significant portion of his salary is included in general and administrative costs. Selling and marketing costs increased to \$364,957 (compared to \$16,754 in fiscal 1999) primarily through spending on banner advertising and in addition DXSTORM hired a public relations firm in the year to help them gain exposure in the e-commerce market. Operational costs increased to \$71,430 (compared to \$13,340 in fiscal 1999). Network costs, which increased significantly in the year, represent the majority of these costs. With the expansion of the business, these costs have accordingly increased. As well, DXSTORM incurred development cost of \$66,353 (compared to nil in fiscal 1999). Development costs have increased as the principal product developer did not charge a salary to DXSTORM until the current year. Amortization expenses were \$42,184 (compared to \$1,806 in fiscal 1999) which reflects the increase in capital assets coming with company growth and interest in lease obligations was \$9,109 (compared to nil in fiscal 1999) reflective of investment in equipment. In keeping with the investment in infrastructure, personnel and marketing, DXSTORM incurred a loss of \$861,864 (compared to a profit of \$1,063 in fiscal 1999).

Year Ended January 31, 1999 Compared to Year Ended January 31, 1998

During fiscal 1999, DXSTORM increased sales of its e-commerce services packages by approximately 558% to \$69,493 (compared to \$10,562 in fiscal 1998) and generated consulting income of \$31,754 (compared to nil in fiscal 1998).

Expenses increased approximately 100%. General and administrative costs increased to \$67,877 (compared to \$29,583 in fiscal 1998), selling and marketing expenses to \$16,754 (compared to \$3933 in fiscal 1998) and operational costs decreased slightly to \$13,340 (compared to \$15,107 in fiscal 1998). The increased costs were reflective of the increased business activities and substantially increasing sales.

DXSTORM earned a small profit of \$1,063 (compared to a loss of \$38,518 in fiscal 1998).

Year Ended January 31, 1998 Compared to Year Ended January 31, 1997

DXSTORM was incorporated on January 21, 1997. Accordingly, there were no substantive business activities during fiscal 1997 to compare with the fiscal 1998 results.

Fiscal 1998 was a start-up year with sales of \$10,562 compared to nil in fiscal 1997.

DXSTORM controlled its costs during fiscal 1998, incurred \$29,583 of general and administrative expenses, \$3,933 of sales expenses and \$15,107 of operational expenses - compared to nil in each category during fiscal 1997.

DXSTORM incurred a loss of \$38,518 in fiscal 2000.

Liquidity and Capital Resources

DXSTORM's net liquid capital as at April 30, 2000 was \$1,547,678. On May 26, 2000, DXSTORM completed an offering of Common Shares to employees for gross proceeds of \$125,000. On June 16, 2000, DXSTORM.com completed a public offering of Common Shares for gross proceeds of \$2,500,000.

During the month of May, 2000, DXSTORM incurred approximately \$415,000 in non-recurring costs related to the private placement of special warrants and the launch of eParcel Stores and Shopping Cart for Medium to Large Business. See "Operations - Tier 3 Resellers". Operating costs are expected to return to normal levels and remain stable during the next 15 to 18 months. DXSTORM.com's available capital and the \$2,250,700 net proceeds of the recent private and public offerings is anticipated to be sufficient to fund DXSTORM.com's expected capital expenditures, payment of capital leases and working capital requirements for the next 15 to 18 months after which management of DXSTORM.com expects that the DXSTORM.com business will generate positive cash flow. It is anticipated that further equipment and technical infrastructure required in the short term will be leased. Under the current DXSTORM.com business plan the timing and amount of any such additional lease obligations will be structured within the limits of available capital. It is possible that additional capital will be required to support short term DXSTORM.com operations in certain circumstances, including circumstances in which more Brand Partners are attracted or at a greater rate than currently anticipated, circumstances where initial Brand Partner licensing fees are waived, thereby reducing cash flow from operations, and any shift by DXSTORM.com to a more aggressive short term marketing strategy or accelerated growth through acquisition. While such circumstances are not within the present plans and objectives of DXSTORM.com, they could result from or be necessitated by increased competition and market demand. It is expected that any such circumstances could require access to capital in addition to that currently available and that expected from operations. In that event, DXSTORM.com would be required to access additional capital through any combination of one or more of further equity or debt financings, strategic alliances and other forms of association with industry participants. There is no assurance that such financings or associations could be negotiated on terms acceptable to the Company or at all. See "Risk Factors".

DXSTORM.com presently has limited capital and must rely on raising capital from equity financing to further its operations.

Stated Business Objectives

The business objectives that DXSTORM.com plans to accomplish using the funds currently available and the time periods within which those objectives are planned to be achieved are set forth below:

Category	Objective	Expected Time Period
Financial:	generate sufficient cash flow to pay operating costs	December 2000
	achieve profitability	August 2001
Product Development:	maintain evolution of DX solutions	Ongoing
Marketing:	achieve a total commercial client base of 5,700 merchants	January 2001
	achieve a total commercial client base of 24,000 merchants	January 2002
	build its active tier 1 and tier 2 reseller base to 165 resellers	January 2001
	build its active tier 1 and tier 2 reseller base to 310 resellers	January 2002

Category	Objective	Expected Time Period
Strategic Alliances:	build 4 Brand Partner relationships	January 2001
	build 7 Brand Partner relationships	January 2002

Milestones

DXSTORM.com's management believes that the following must occur to accomplish DXSTORM.com's business objectives:

Objective	Prerequisites	Expected Time Frame (4)(5)
Generate sufficient cash flow to pay operating costs	- full utilization of existing facilities and personnel - expansion into new markets - reseller network expansion⁽¹⁾ - brand partnership expansion⁽¹⁾ - implementation of marketing plans and strategies for growth⁽²⁾	ongoing ongoing ongoing ongoing ongoing (measured by sales in 1999 and 2000)
Achieve profitability	- reseller network expansion⁽¹⁾ - brand partnership expansion⁽¹⁾ - implementation of marketing plans and strategies for growth⁽²⁾	ongoing ongoing ongoing (measured by sales in 2000 and 2001)
Maintain evolution of DX solutions	- hire and maintain appropriate programming personnel⁽³⁾	ongoing
Achieve a total commercial client base of 5,700 merchants	- reseller network expansion⁽¹⁾ - brand partnership expansion⁽¹⁾ - implementation of marketing plans and strategies for growth⁽²⁾	ongoing ongoing ongoing (measured by sales in 2000 and 2001)
Build its active tier 1 and tier 2 reseller base to 165 resellers	- implementation of marketing plans and strategies for growth⁽²⁾	ongoing
Build its active tier 1 and tier 2 reseller base to 310 resellers	- implementation of marketing plans and strategies for growth⁽²⁾	ongoing
Build 4 Brand Partner relationships	- implementation of marketing plans and strategies for growth⁽²⁾ - leveraging existing relationships - network	ongoing ongoing ongoing
Build 7 Brand Partner relationships	- implementation of marketing plans and strategies for growth⁽²⁾ - leveraging existing relationships - network	ongoing ongoing ongoing

Notes:

- (1) See "Operations".
- (2) See "Marketing Plans and Strategies".
- (3) See "Organizational Structure"
- (4) DXSTORM.com may need to raise additional capital to achieve all of these objectives. There is no assurance that adequate financing will be obtained or that it will be available on acceptable terms.
- (5) Stated objectives are to be pursued within the limitations of DXSTORM.com's working capital and cash flow from operations.

Acquisitions and Dispositions

In 1997 DXSTORM acquired the initial work that Wow-Net Corporation completed with the DX products, the foundations for DXShop and DXCART. DXSTORM acquired computers and minimal office fixtures of Wow-Net Corporation. Further, all remaining clients of Wow-Net Corporation were assumed by DXSTORM. No material consideration was paid by DXSTORM for the assets and no value was assigned to the assets received by DXSTORM. The principal of Wow-Net Corporation was Mr. Gregory Lowes, the principal and founder of DXSTORM.

As part of its plan to market and sell the DXSTORM.com products and services DXSTORM.com will grant licenses to its Brand Partners. See "Operations". The terms of such licenses, including the fees and term, will be determined by negotiation between the parties. In January, 2000, DXSTORM.com entered into an agreement with its first Brand Partner, Canada Post Corporation. The license period under the agreement is three years and is automatically renewable each year unless terminated in advance of the renewal date by either party. See "Operations".

Management

The following are the directors, officers and contractors whose experience will be critical to DXSTORM.com and its Subsidiary in providing the Company with a reasonable opportunity to achieve its stated business objectives:

Gregory H. Lowes, 33 yrs, CEO and founder of DXSTORM, has 15 years experience as an entrepreneur and business professional. His background includes e-commerce, business development, specialized advertising, franchise development, electronic pre-press and print production, database development and operations automation. In July of 1995, Mr. Lowes left his position as Director of Operations for NCC Promotions to found Wow-Net Corporation, a predecessor of DXSTORM. Mr. Lowes became President and CEO of DXSTORM.com upon completion of the Arrangement and dedicates 100% of his working time to the affairs of the Company. Mr. Lowes has entered into a non-disclosure, non-competition covenant with DXSTORM.

Michael Morton, 25 yrs, VP Operations and Co-founder, has been intimately involved in the design and development of DXSTORM's e-commerce software platform since its inception. He continues to direct the teams responsible for programming, network connectivity and technical support. Prior to joining Wow-Net Corporation, Mr. Morton headed the team which implemented the ISO 9002 Quality Control System program for the General Electric in Burlington, Ontario. Mr. Morton became Vice President of DXSTORM.com upon completion of the Arrangement and dedicates 100% of his working time to the affairs of the Company. Mr. Morton has not yet entered into a non-disclosure or non-competition agreement.

Guy Russel, 36 yrs, Director of Business Development, is responsible for branding, product promotion and sales, advertising, communications, public relations and the DXRESELLER network. Mr. Russell has 15 years of managerial experience in publishing, transportation and retail. In 1995, he set up Canada's first Internet book retailer, Canada's Virtual Bookstore. He joined DXSTORM in 1997. Mr. Russel dedicates 100% of his working time to the affairs of the Company. Mr. Russell has not yet entered into a non-disclosure or non-competition agreement.

Michael G. Smith, 52 yrs, Chief Financial Officer, is a Chartered Accountant with experience as a chief financial officer in both public and private companies. Mr. Smith was the chief financial officer for Simmonds Capital Limited, a TSE listed wireless communications company and Sidus Systems Inc., a TSE listed electronics manufacturer and distributor. Mr. Smith devotes 100% of his working time to the affairs of the Company. Mr. Smith has entered into an employment agreement with the Company which has non-disclosure and non-competition covenants.

James Smith, 26 yrs, Senior System Administrator for DXSTORM, is responsible for the design and maintenance of the DXSTORM entire computing infrastructure including e-commerce servers, networks and connectivity, data security and physical system security. In addition, he oversees the infrastructure-level programming for both DXSHOP and DXCART. Mr. Smith has consulted to DXSTORM for more than 2 years and recently joined DXSTORM full-time. He previously was Senior System Administrator at Internet Secure, an online credit card clearing firm. Mr. Smith devotes 100% of his working time to the affairs of the Company. Mr. Smith has not yet entered into a non-disclosure agreement.

Tim Bowman, 48 yrs, became a director of DXSTORM.com upon completion of the Arrangement and is the President and CEO of Techbanc Inc., a private company that invests in promising technology companies. Prior to starting Techbanc Inc., he was President of Apex Capital Corporation, a private investment company. He has an LLB (Osgoode), MBA(Queens) and B. Eng.(Royal Military College). He has not yet entered into a non-disclosure agreement.

Daniel McKenzie, 45 yrs, became a director of DXSTORM.com upon completion of the Arrangement and is the Chief Executive Officer of e-Auction Global Trading Inc., an Internet provider of financial services to the auction community for perishable commodities in Europe and whose shares are quoted on NASDAQ. From 1990 until November 1998 he was an executive officer, most recently chief executive officer, of Everyware Development Inc., a provider of web-related development tools, whose shares are listed on CDNX. Mr. McKenzie anticipates that he will dedicate approximately 5 – 10 % of his working time to the affairs of the Company. He has entered into DXSTORM.com's standard non-disclosure agreement.

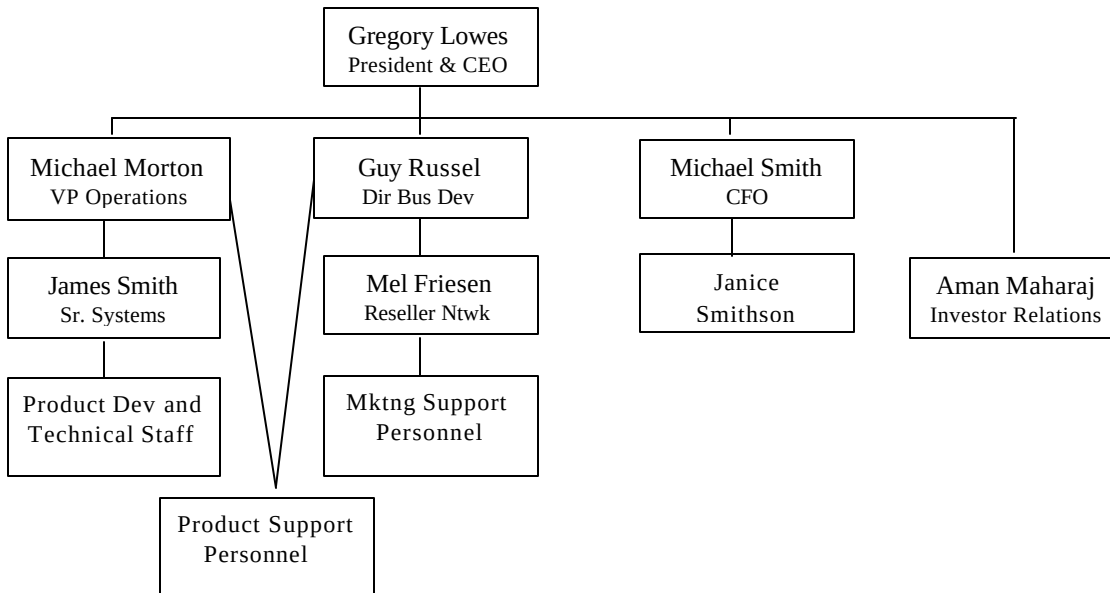
Carr Hatch, 51 yrs, became a director of DXSTORM.com upon completion of the Arrangement and is the Chief Executive Officer of Arimtec International Inc., a company involved in the document imaging and knowledge-based management business. Since September 1997, he has also been Chief Financial Officer of Axidata Inc., a company involved in the manufacturing and distribution of computer supplies and related peripheral equipment. From June 1996 to September 1997 and prior thereto since March 1986, he was Executive Vice-President and Chief Financial Officer of Tenex Data Corporation, a company in the computer supplies business. Mr. Hatch has a BA (Honours) in Business from the University of Western Ontario. Mr. Hatch anticipates that he will dedicate approximately 5 – 10 % of his working time to the affairs of the Company. He has entered into DXSTORM.com's standard non-disclosure agreement.

Donald A. Sheldon, 53 yrs, became Secretary of DXSTORM.com after completion of the Arrangement. He is a partner in Sheldon Huxtable, a law firm. Mr. Sheldon has a BAsC (University of Toronto), MASc (University of Toronto) and an LLB (Osgoode); he is also a professional engineer. He is an officer or director of several public companies.

See "Directors, Promoters and Other Members of Management".

Organizational Structure

The following chart sets forth the names and positions of the full and part-time employees and contractors required for DXSTORM.com to accomplish its stated business objectives.



Products

DXSTORM.com offers two e-commerce service packages based on DXSTORM.com's proprietary software and running on its own secure server hardware:

- **DXSHOP™** is a complete, turnkey, e-commerce solution for end user, small and medium sized businesses ("SMEs");
- **DXCART™** is a Web developer e-commerce solution that includes all the essential "back of the store" technology from DXSHOP™ without the constraints of a pre-packaged catalogue or user interface.

DXSTORM.com service packages support international languages, currency representation, tax models, shipping calculations and payment clearing, enabling merchants to support clients worldwide.

Features of DXSHOP™

DXSHOP™ is a front-to-back retail and commercial Internet e-commerce solution for small-to-medium sized businesses. Following easy step-by-step instructions, a new merchant can build, administer and maintain his DXSHOP over the Internet using a standard Web browser. No knowledge of Internet software, standards or programming is required. However, advanced users are free to customize almost every aspect of their DXSHOP.

Using the Web-based administration modules merchants can update content and copy, upload graphics, change formats, manage their product database, review statistics, pick up orders and much more. In fact, products can be added, prices changed and settings updated without interrupting customers who are shopping online.

DXSHOP is delivered as a "remote server solution". This means that the DXSHOP software resides on DXSTORM.com's own secure servers. As the clientele expands, additional servers can be added as necessary at DXSTORM.com's central site. To maintain performance levels world-wide, mirror sites can be set up by resellers. DXSTORM.com's pricing schedule allows for compensation to resellers who maintain the mirror sites. There is no need for merchants to worry about installing software, or making sure they have the current upgrades. They do not need to incur supplementary hosting charges, maintain software or hardware, make backups or worry about Internet security or system failures. Every

DXSHOP, world-wide, is automatically up-to-date with the latest version of the software. Hosting, backups, security, 24/7 system monitoring and technical support are all delivered by DXSTORM.com as part of the service package at a single monthly charge.

Some of the key features of DXSHOP include:

- Comprehensive site design templates with provision for graphics, corporate logos etc.
- Catalogue supports up to 12,000 products, with descriptions, images etc.
- Product database includes support for sale prices, display-only products, 'Quick Buy' for impulse purchases, organization into categories and sub-categories etc.
- Integrated membership system permits special pricing/discount structures, rapid checkout, and broadcast emailing.
- Shipping calculator with four different shipping models and up to six levels of shipping to over 230 different countries.
- International tax calculator handling both regional and federal taxes for Canada, the European Economic Community and the United States.
- Password controlled access to administration module.
- Supports multiple payment methods including credit card payment and electronic cheques.
- Security includes SSL (encryption format) for order processing and retrieval, protected and monitored autonomous network, DES3 (encryption format) encrypted data storage and other proprietary security systems.
- DXSHOP sites can be indexed and listed by search engines even though they are dynamic pages.
- Comprehensive site and sales statistics available online.

Features of DXCART™

DXCART is a remote server-based e-commerce transaction subsystem that integrates with any Web site, written in any language, hosted on any kind of server anywhere in the world. DXCART includes the DXSHOP shopping cart, international shipping and tax calculators, product database system, internal search engine, membership system, affiliate marketing system and administration modules. In fact, DXCART is DXSHOP except that it allows the merchant's in-house IT (information technology) staff or outside Web developers to build a completely customized Web interface and product catalogue, while taking advantage of the tested, secure, high performance e-commerce transaction engine from DXSTORM.com.

As with DXSHOP, the DXCART system software is hosted on DXSTORM.com's secure, fail-safe servers. A DXCART-enabled Web site invisibly and seamlessly reroutes visitors to these secure servers to make purchases and conduct online e-commerce transactions.

Related Service Offerings

DXSTORM.com also offers a range of related services to its e-commerce clients including:

- Custom development of e-commerce solutions based on DXSHOP/DXCART
- Technical support and training
- Custom upgrade modules for DXSHOP/DXCART
- Web marketing for DXSHOP merchants

Future Developments

The enhancement of DXSTORM.com products and services is ongoing. The costs are nominal as enhancements are done in the normal course of the DXSTORM.com business. DXSTORM.com intends to continue developing enhancements to its products and to develop and market complementary services in response to demand from the DXSTORM.com client base and specific opportunities as they arise. See "Marketing Plans and Strategies", "Attracting Resellers" and "Attracting and Supporting Brand Partners".

DXSTORM.com has also been designated as an "Elite Service Provider" for Sun Microsystems of Canada Inc. pursuant to a Service Provider Agreement dated July 21, 2000. As an Elite Service Provider the Company has the opportunity to offer its e-commerce solutions to small and medium sized business in co-operation with a leading manufacturer of computer equipment.

Patents, Proprietary Rights and Licenses

DXSTORM.com regards its software as proprietary and attempts to protect it with various intellectual property protection techniques including copyright, the common law of trademarks, reliance upon trade secret laws, contractual restrictions on disclosure and other methods (excluding patents). All third parties to whom proprietary DXSTORM.com information is disclosed are required to sign DXSTORM.com's standard non-disclosure agreement. DXSTORM.com is also including in its employment agreements with new employees, as well as its employment policies, certain acknowledgements and covenants regarding intellectual property, confidential information, restrictive covenants and non-solicitation obligations. By virtue of the nature of DXSTORM.com's business as an Application Service Provider ("ASP"), source codes, which are the most important components of DXSTORM.com's proprietary information, are wholly within the control of DXSTORM and disclosure of them is not required in the conduct of its business. DXSTORM.com does not intend to pursue patent, copyright or other intellectual property protection of its products as management considers that the registration process could require disclosure of information which could result in a loss of its competitive advantage.

Operations

Technical Provision of Services

As a service provider, DXSTORM.com delivers all services to the end user regardless of the sales channels responsible. At its leased head office in Mississauga, Ontario, DXSTORM.com maintains a secured network operations centre. See "Material Contracts" for details of the material terms of the lease. DXSTORM.com relocated from its previous premises in Oakville, Ontario in March, 2000. It has negotiated a sublease for the remaining three years of the previous lease. In the event that the subtenant defaults and DXSTORM.com is unable to further sublet the premises, it will be obligated to pay up to approximately \$96,000 in rent under the terms of its previous lease.

DXSTORM.com operates an autonomous multi-home network with Internet connectivity and peering provided by AT&T and UUNet through fibre optic connections capable of delivering a currently combined total of up to 255Mb of throughput. DXSTORM.com manages its own redundant CISCO routers. Services are delivered from Sun Microsystems servers ranging from Enterprise 450 up to Enterprise 6500. The network centre is independently climate controlled. All power is conditioned and backed up by redundant Matrix battery systems and is further backed up by a generator.

Managing its own network centre and servers reduces DXSTORM.com's reliance on outside contractors, increases reliability, increases flexibility, reduces costs, and substantially improves security.

Sales and Distribution Strategy: The DXRESELLER Network

DXSTORM.com's value proposition is to make high performance e-commerce vending solutions available and affordable to the widest possible range of online retailers and business-to-business merchants.

While individual client organizations can readily sign up for DXSTORM.com services over the Web, the focus of DXSTORM.com's business model and sales strategy is to build a global reseller network of companies, each of which can introduce DXSTORM.com solutions to its existing client base in return for an ongoing commission.

Organizations targeted as DXSTORM.com resellers include, for example, professional Web development firms, internet service providers ("ISPs"), traditional and online credit card processors. To become an authorized reseller, a company must demonstrate its ability to provide basic technical and design support to its clients for the e-commerce platform. Sales support and training are provided by DXSTORM.com.

DXSTORM.com will continue to develop the platform, maintain the computer infrastructure, and support the reseller network through marketing, public relations and co-operative advertising campaigns, as well as through sales support and training.

Types of Reseller

The DXRESELLER network plan is divided into three categories:

Tier 1 Resellers - smaller Web development shops or regional ISPs which serve a local market. A Tier 1 reseller should deliver at least 8 new clients to DXSTORM.com annually. Currently, DXSTORM.com has over 75 authorized Tier 1 resellers, most of whom have been active for less than 6 months. Attracting Tier 1 resellers is done through standard direct to market advertising targeted at prospective merchants. The process of signing up and supporting a Tier 1 reseller is completed remotely and creates no additional costs to DXSTORM.com.

Tier 2 Resellers - mid-sized ISPs, online payment processors, merchant agents and similar operators. The client base for a Tier 2 reseller generally exceeds 25,000. Tier 2 resellers have a strong interest in offering e-commerce services to this clientele. The target for a Tier 2 reseller is to deliver over 500 new accounts to DXSTORM.com annually. DXSTORM.com currently has two active Tier 2 resellers and is in negotiations with others.

An example of a Tier 2 reseller is Planet Payment, an internationally oriented merchant agent based in New York and affiliated with Authorize.net. Planet Payment arranges merchant credit card accounts for merchants outside the United States. Planet Payment has agreed to handle transaction clearing for DXSTORM.com in international currencies. In return, Planet Payment will market DXSTORM.com services as its recommended e-commerce solution. DXSTORM.com will receive a sign-up fee for account referrals as well as per transaction revenues. Tier 2 resellers are currently the focus of DXSTORM.com sales and marketing efforts. There are, for example, over 800 active merchant agent organizations in the United States.

Tier 3 Resellers – DXSTORM.com's top-level reseller is referred to as a Brand Partner. Brand Partnerships represent the ideal route to market for DXSTORM.com. A Brand Partner is typically a major corporation with 100,000 or more clients. DXSTORM.com re-brands the DXSHOP and DXCART solutions to operate under the Brand Partner's brand. The market will perceive that all elements of the service are provided by the Brand Partner. In actual fact, the Brand Partner is responsible only for marketing and brand support. DXSTORM.com provides the network, hardware, software, system support, product support (call centre, email tech support, hands-on trouble shooting), and account administration. This approach allows DXSTORM.com to take advantage of the brand recognition, market

presence, client base, and larger advertising budgets of other companies. The Brand Partner can extend an e-commerce offering to its own clients without the requirement for large and diverse resources thereby increasing the opportunity for success and profit with little risk.

DXSTORM.com has entered into an agreement with Canada Post Corporation ("Canada Post"), its first Brand Partner, pursuant to which DXSTORM.com is rebranding its e-commerce solutions under the Canada Post eParcel brand. eParcel is a shipping module developed by Canada Post that provides real time, client-integrated costing and options for online merchants. To the marketplace the DXSTORM.com solutions will be presented as Canada Post solutions, specifically as 'eParcel Stores for Medium to Large Business'. Canada Post will be responsible for marketing and promotion of the systems in conjunction with marketing its own eParcel solution. DXSTORM.com will be responsible for all aspects of network, hardware, software, online support, multilingual phone support, administration and billing for services. DXSTORM.COM is currently pursuing several more Brand Partners opportunities in Canada, the U.S., the Caribbean, the U.K., and in Europe.

Reseller Commissions

Reseller commissions for DXSHOP and DXCART are 35% and 42%, respectively. For 'referral only' resellers, the rates are 15% and 22%, respectively. The blended average is approximately 25% and 30% for the DXSHOP and DXCART service packages, respectively. A higher commission rate is offered on DXCART because the cost of delivery to DXSTORM.com is estimated at only 10% of the cost of delivering the more expensive DXSHOP service package.

Standard resellers act as VARs (Value Added Resellers). They typically assist the client in setting up their sites and provide additional services such as graphic design and training. With standard resellers, DXSTORM.com staff are minimally involved with the sales process. Standard resellers are responsible for ongoing client service. 'Referral' resellers assume no ongoing responsibility for the client once it has taken out a DXSHOP or DXCART service. DXSTORM.com completes the sale and provides client support and assistance. Both types of reseller partnership are governed by the terms of the DXSTORM.com Reseller License Agreement. The one year term of that agreement is automatically renewable.

Webmasters and Web developers typically wish to become standard resellers since they have the capacity to serve all the customers' needs and are well-equipped to answer questions surrounding e-commerce and the application of DXSTORM.com solutions. A company like Planet Payment, on the other hand, has substantial resources, lead generation capabilities and a range of services which are synergistic with DXSTORM.com. However, their business does not involve consulting, advising or providing support to the users of e-commerce software. Their role is to promote DXSTORM.com in conjunction with their own services, and to refer the merchant to DXSTORM.com for support.

Reseller Support

In addition to sales and technical support training provided by DXSTORM.com, the Reseller Network will be supported by DXSTORM.com's marketing efforts. Resellers are provided with sales and marketing materials including manuals, brochures, electronic presentations, and other sales materials and direction. Marketing and advertising of the brand will assist resellers in developing brand loyalty and product recognition. To further assist the resellers, DXSTORM.com staff are available to conduct product seminars at conventions, trade shows and information sessions.

Planet Payment Partnership

On October 21, 1999, DXSTORM signed a partnership agreement with Planet Payment of New York. Planet Payment provides Internet merchant accounts to allow businesses to accept VISA, MasterCard, and AMEX online. Planet Payment can provide merchant status to virtually any business world-wide and can settle transactions in Canadian Dollars, US Dollars, British Sterling, Hong Kong Dollars, Japanese

Yen, and the Euro, with more currencies expected to be available online shortly. DXSTORM.com and Planet Payment will use a joint pool of resellers to sell both DXSTORM.com and Planet Payment solutions. DXSTORM.com will receive fees on every credit card transaction and new merchant signup for all merchants who take the Planet Payment services as a result of the sales efforts of DXSTORM.com or any of its resellers.

Marketing Plans and Strategies

DXSTORM.com has developed and tested components of its marketing strategy since 1998. In mid-1999, external funding was completed to support a full-scale launch of the direct marketing program and some mixed marketing trials.

The marketing program has three primary objectives:

DIRECT SALES - solicit new customers for DXSHOP and DXCART

ATTRACT RESELLERS - solicit new Tier 1 and Tier 2 resellers

ATTRACT AND SUPPORT BRAND PARTNERS - gain the attention of and inquiries from potential Brand Partners

Direct Sales Advertising

DXSTORM.com's direct sales program employs targeted, and primarily Internet-based, advertising efforts. The goal of the advertising is to bring qualified potential customers to the DXSHOP and DXCART Web sites where visitors are encouraged to try the services free for 30 days. Once potential customers are using DXSTORM.com's services, the next step is to convert trial users to paying customers.

The return-on-investment for direct sales marketing is determined by a combination of three factors; cost per visitor, ratio of visitors who sign out demos, then finally the number of demo users who convert to paying customers. Each medium presents a different range of results in each category depending upon the demographics of the group. Even within the same medium type (banner ads for instance) there are variances. Therefore, to qualify any medium or specific channel within a medium, the average cost per new merchant as calculated over 90-120 days, must be at or below \$400 for each DXCART subscriber and \$670 for each DXSHOP subscriber.

To increase the direct effectiveness of any medium, the message and creative used in every campaign are constantly being tested and updated. The goal is to increase the number of targeted, qualified visitors to the DXSHOP and DXCART Web sites. The Web site presentation itself has the largest impact on the number of visitors who sign out a free service trial. The information presented within the sites, the calls to action, the appearance of the site, and the ease of access to the free demonstrations all impact the conversion of visitors to demonstration users. Therefore, the appearance of the Web sites is frequently updated and manipulated to improve visitor response. The DXSHOP, DXCART, and DXSTORM.com Web sites are all currently undergoing the fourth major set of improvements in 18 months. Finally, to convert a demonstration user to a paying customer, the system must be easy to use, easy to understand, and every facet of the service provided by DXSTORM.com must be exceptional.

The following summarize the media currently employed under direct sales marketing:

Direct Targeted Email: This is also referred to as a 'Permission Marketing' format where individuals elect to receive email advertising for specific products or services. DXSTORM.com can 'broadcast' email messages to groups of a few hundred to tens of thousands. Some direct target email is provided as part of complete online campaigns involving banners, ads or sponsorship.

Targeted Banner Advertising: While the overall effectiveness of banner advertising is declining, this remains a valuable medium in targeted Web sites. Web development, and e-commerce resource Web sites are preferred locations for DXSHOP and DXCART banners. In addition to standard banners, smaller side menu 'tile ads' and 'button ads' are mixed in order to improve results. The in-house creation and effectiveness measurement of new banners and ads is an ongoing endeavour.

Site Sponsorship / Channel Partnership: Many Web-based content providers are shifting their focus from banner advertising revenues to sponsorships and 'channel partnerships'. In such arrangements, rather than charging a fixed cost per thousand banners displayed, the site owner charges a fixed rate, plus commissions for sales generated, or some similar arrangement. The value provided to the advertiser is often quite unique as the site owner may use multiple techniques for generating traffic to the advertiser's site, this being in the best interest of the site owner given the stake in revenues.

DXSTORM.com is a channel partner with Internet.com, a substantial Web content provider with nearly 100 Web sites. DXSTORM.com is the only channel partner offering Web store solutions through Internet.com. DXSTORM.com is identified as a channel partner in several locations within the Internet.com family of sites. In more than one half of the sites a menu entitled 'Internet E-commerce' includes a link labelled 'Create a Web Store'. This text link is presented no less than 6 million times per month and is linked directly to the DXSHOP Web site. Further, small 'tile ads' appear throughout the Internet.com family of Web sites, also generating traffic to the DXSHOP Web site.

DXSTORM.com is also a channel partner with IPC Direct, a division of PC Chips Corporation ("IPC Direct"). IPC Direct has agreed pursuant to an agreement dated August 10, 2000 to bundle the Company's e-commerce service packages with all of the business computers it sells in Canada. The Company's service packages will also be bundled with the Internet services offered by IPC Direct to its customers.

Attracting Resellers

Tier 1 and Tier 2 resellers are attracted to DXSTORM.com most often by visibility. Specifically, they respond to the direct sales marketing efforts. For this reason, the copy and creative used in all DXSHOP and DXCART advertising includes consistent branding. The effort to include branding actually reduces the effectiveness of some advertising. However, the trade off is that DXSTORM.com can more quickly attract resellers without a substantial increase in advertising expenditure.

Attracting and Supporting Brand Partners

Attracting Brand Partners requires a combination of research, traditional advertising, brand marketing, and one on one contact and relationship building. Research and relationship building involve travel, trade show and conference attendance, third party data, and personnel time. Traditional advertising consists primarily of print ads in targeted publications, magazines and newspapers. Brand marketing, as it extends beyond the traditional advertising efforts, will consist of targeted public relations events surrounding major company events, Brand Partner launches, and other significant industry events. The goal is to attract and hold the attention of new potential Brand Partners.

In some instances, DXSTORM.com will participate directly with Brand Partner advertising efforts where it can further enhance the market response, and thus the revenues attributed to DXSTORM.com. However, the greater goal, where DXSTORM.com participates directly in such advertising, and is recognized, is to further promote the brand and attract further potential partners.

DXSTORM.COM Projected Marketing Expenditures – Feb 2000 to Jan 2001			
	Q2	Q3	Q4
Online Advertising	\$360,000	\$360,000	\$360,000
Print / Trade Advertising	\$135,000	\$180,000	\$180,000
Partner Targeting / Research	\$250,000	\$105,000	\$90,000
Other Advertising	\$85,000	\$135,000	\$240,000
Creative	\$50,000	\$45,000	\$45,000
Totals	\$880,000	\$825,000	\$915,000

Pricing Policy

DXSTORM.com has a single standard pricing scheme for the licensing of its software which is utilized by DXSTORM.com in respect of merchants with whom it deals directly as well as by DXSTORM.com's resellers and Brand Partners. Fees are paid monthly or quarterly in advance and vary only in relation to the scale of the store built by the particular client, the number of products in the shop and custom modifications required by clients.

Market

DXSTORM.com's targeted market segment is small to medium sized businesses operating in all jurisdictions other than those jurisdictions which are subject to trade sanctions imposed by the governments of Canada or the United States.

The would-be online retailer faces a complex range of choices ranging from e-commerce platforms from major vendors (e.g. IBM), through an array of "toolkit" software (from vendors such as Microsoft, Intershop, Inex Corp., and The Internet Factory), to CSP's.

The basic choice is "make or buy". If a would-be retailer decides either to use his in-house IT staff or hire a third party contractor, the retailer must be prepared to face both a considerable capital expenditure and costly time delays while taking the risk that the quality, security and reliability of the resulting system does not, at least initially, measure up to his needs. Apart from cases which really do require specialized functionality, using an e-commerce service provider is more prudent and cost-effective. An added benefit is gained from using an e-commerce service provider with the attributes offered by DXSTORM.com which is prepared to customize its own offering if required.

The "make or buy" choice is sufficiently clear to some of the largest and most powerful technology firms that the trend since mid-1998 has been to buy and, in some cases, rebrand independent CSP's. ViaWeb was purchased by Yahoo! and rebranded as Yahoo! Store. iCat was purchased by Intel as part of its e-commerce investment strategy. Net Ventures has been purchased by C/NET.

Competition

The market for e-commerce software and solutions is highly competitive and evolving quickly. Most participants, however, are either software product vendors or systems integrators. Participants include, for example, Microsoft, Netscape, IBM, Intershop, Inex Corp., iCat, and The Internet Factory. This approach requires the merchant to purchase software, hire Internet programming experts, and buy or lease the appropriate hardware and network connectivity. Such solutions are expensive. Microsoft's recently announced "Complete Commerce", a package of Web hosting, development and technical support for electronic commerce sites, costs US\$50,000 for development and 3 months of Web hosting in a typical business-to-consumer configuration. Ongoing hosting and maintenance charges are extra. iCat's "Electronic Commerce Suite" software alone is priced at between US\$3,500 and US\$10,000, before development and hosting costs.

DXSTORM.com does not compete directly with the e-commerce software vendors. It is positioned as an e-commerce service provider. Competitors in this market segment include Yahoo! Store, NetVentures SoHo Store and MindtheStore/MLEAP.COM. Yahoo! purchased the operations of Viaweb Inc. in the summer of 1998 and is marketing the solution as Yahoo! Store. The Viaweb e-commerce software offers a similar set of features to DXShop Version 3.0. Shopbuilder, from NetVentures, Inc., was launched in July 1997. ShopBuilder Version 2.0 appeared in December 1997. ShopBuilder also targets small and medium size businesses who conduct e-commerce on the Internet. DXSTORM.com's management is of the opinion that ShopBuilder does not offer a feature set comparable to that of DXShop or Yahoo! Store. All the e-commerce service providers follow a similar pricing model. In the United States particularly, DXSTORM.com is able to be very price competitive since many of its costs are in Canadian dollars (see "Risk Factors – Exchange Rates").

Unlike the preceding turnkey service offerings, DXCART is aimed at Webmasters and Web developers who require a low cost, yet full-featured e-commerce plug-in engine. Competition for DXCART is either complete solutions such as DXSHOP and Yahoo! Store, software toolkits, or freeware shopping cart software. Typical shopping cart software either provides very limited functionality or is so technically oriented that it is beyond the reach of most Web developers. DXCART takes the approach of DXSHOP for simplicity.

Potential sources of new competition for DXSTORM.com's business are firms involved in telecommunications, financial institutions and distribution companies (postal and courier) that develop or adopt e-commerce systems that are similar to those already developed by DXSTORM.com, for promotion and delivery to market places using methods similar to the DXSTORM.com Brand Partner program. These potential sources of competition are also potential allies and future Brand Partners.

Market acceptance of DXSTORM.com's products is demonstrated by use. There are currently 450 clients in over 35 countries using DXSTORM.com's products and an additional 2600 potential clients using DXSTORM.com Products on a demonstration basis.

As an ASP, DXSTORM.com operates in a business environment which is rapidly changing. Ongoing adaptation of existing products and research and development are essential to maintaining a competitive position. One of DXSTORM.com's business objectives is to ensure the continued evolution of DXSTORM.com products. See "Stated Business Objectives" and "Future Developments".

Administration

It is expected that DXSTORM.com will incur approximately \$1,118,400 in administrative costs to achieve its stated business objectives over the ensuing two years. A breakdown of the estimated administrative costs on a monthly basis for the next 12 months is set forth below.

Expense Categories	Monthly \$
Salaries and Wages – Administrative	25,000 ⁽¹⁾
Filing Fees	2,000
Office Expense, Rent and Telephone	4,600 ⁽¹⁾
Shareholder Communications	2,500
Management and Consulting Fees	1,800 ⁽¹⁾
Legal/Audit	5,800
Miscellaneous	4,900
TOTAL	46,600

- (1) Represents an estimate of the portion of total salaries, rent and consulting and management fees which will be attributable to administration. Additional salaries, rent and consulting and management fees will be payable in connection with operations.

USE OF PROCEEDS

The Company is using and anticipates continuing to use the gross proceeds of \$904,999.20 from the Private Placement, together with the proceeds of other recent financings (see "Prior Sales and Trading Information"), as follows:

Items	\$
To pay estimated costs of Offering (excluding agent's fees)	75,000.00
To pay costs of marketing and strategic alliances	2,620,000
To pay operating costs (including product development)	772,704
To pay general administrative expenses	559,200
TOTAL	4,026,904

There will be no cash proceeds from the issuance of the Common Shares on the exercise of the Special Warrants. No commission will be payable by the Company in connection with the issuance of Common Shares hereunder.

RISK FACTORS

In addition to the other information contained in this prospectus, the following factors should be considered carefully by potential purchasers when evaluating an investment in the securities being qualified hereby.

The holders of Special Warrants should carefully consider, in addition to matters set forth elsewhere in this prospectus, the following factors relating to the business of DXSTORM.com. The order in which risk factors appear is not intended as an indication of the relative weight or importance thereof. The holders of Special Warrants should carefully review all risk factors. Some information is presented as of the date hereof and is subject to change, completion or amendment without notice.

Early Operating Stage

DXSTORM.com is in the early stages of operation. Accordingly, the DXSTORM.com business operations are subject to all of the risks inherent in the establishment and maintenance of a new business enterprise, such as competition and viable operations management, and may not operate on a break-even basis during this period or at all. During the early stages of development the DXSTORM.com operations will be more sensitive to and more significantly affected by any cancellations of individual major contracts by customers; as DXSTORM.com's business grows to include larger numbers of customers, it will become less sensitive to such individual changes. Due to DXSTORM.com's limited operating history, and the emerging nature of its markets, the historical financial information of DXSTORM.com is of limited value in projecting DXSTORM.com's future business and prospects. There can be no assurance that DXSTORM.com will grow and be profitable.

Negative Cash Flow and Absence of Profits

DXSTORM.com has not earned profits to date, and there is no assurance that DXSTORM.com will earn profits in the future, or that profitability, if achieved, will be sustained. A significant portion of DXSTORM's financial resources have been directed to the development of the DXSTORM products and marketing activities. The success of DXSTORM.com will ultimately depend on its ability to generate revenues from its operations, such that the business development and marketing activities may be financed by revenues from operations instead of external financing. There is no assurance that future revenues will be sufficient to generate the required funds to continue the business development and marketing activities.

Future Capital Needs

DXSTORM.com may require significant further capital to finance the planned expansion of the DXSTORM.com business. Although the DXSTORM business is adequately funded in the short term, there is no guarantee that further funding will be available to it on acceptable terms (or at all) to meet future capital requirements. The ability of DXSTORM.com to arrange such financing in the future will depend in part on the prevailing capital market conditions as well as the business performance of DXSTORM.com.

Management and Key Employee

DXSTORM.com considers Gregory H. Lowes to be a key employee to the DXSTORM.com business. DXSTORM.com is currently negotiating with Mr. Lowes for a long-term employment agreement with a view to maintaining his commitment to the DXSTORM.com business though there is no certainty that he will not leave the DXSTORM.com business at some time in the future. DXSTORM.com considers that it would be a significant loss if Mr. Lowes were to leave his employment with the DXSTORM.com business. DXSTORM.com has purchased “key-man” insurance with respect to Mr. Lowes but has not purchased any for any of its other current or proposed directors, officers or key employees as at the date hereof.

DXSTORM.com believes that its future success will depend on its ability to attract and retain highly-skilled technical, managerial and marketing personnel, including, in particular, additional personnel in the areas of research and development and technical support. Competition for such personnel is intense. There can be no assurance that DXSTORM.com will be successful in attracting and retaining the personnel it requires.

Product Development and Technological Change

The market for e-commerce solutions is characterized by rapid technological change and frequent new product introductions. To a large degree, revenues of the DXSTORM.com business are dependent on DXSTORM.com’s ability to demonstrate and develop support for its products and to expand its customer base. Although management of DXSTORM.com believes the DXSTORM technology represents an advanced and commercial technology, there is no guarantee that the products of DXSTORM.com will remain advanced or commercial. Moreover, continued product development may require DXSTORM.com to invest substantial amounts in research and development on an ongoing basis.

The industry is characterized by rapid technological change, changes in user and customer requirements and new service or product introductions embodying new technologies that could render the DXSTORM.com proprietary technology obsolete. Performance of the DXSTORM.com business will depend, in part, on its ability to enhance its existing services, develop new proprietary technology that addresses the increasingly sophisticated and varied needs of its prospective customers, and respond to technological advances and practices on a timely and cost-effective basis. The development of proprietary technology entails significant technical and business risks. There can be no assurance that DXSTORM.com will be successful in using new technologies effectively or adapting proprietary technology to customer requirements.

Competition

The marketplace for e-commerce solutions has numerous competitors. Many of these competitors have significantly greater financial, technological, manufacturing, marketing and personnel resources than DXSTORM.com. There can be no assurance that the DXSTORM.com business will be able to compete successfully or that competition will not have a material adverse effect on the DXSTORM.com business, financial condition and results of operations.

Others with more significant resources may seize the available market opportunity. If DXSTORM.com fails to execute its strategy in a timely or effective manner, its competitors may capitalise on the DXSTORM.com identified market niche. The DXSTORM.com business strategy is complex and requires that it successfully and simultaneously complete a number of tasks, including the negotiation and securing of effective partnerships, successfully market its existing products and services and continue to develop economically attractive products and services and attract and retain highly-skilled industry-knowledgeable personnel.

Management of Growth

The DXSTORM.com business plan contemplates rapid growth resulting in higher levels of operating expenses. There can be no assurance that DXSTORM.com will be able to manage such growth effectively, or that its management, personnel or systems will be adequate to support DXSTORM.com's operations, or that DXSTORM.com will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses. The future success of the DXSTORM.com business also depends on its ability to continue to attract and retain highly qualified technical personnel for whom competition is intense.

The future growth requirements of DXSTORM.com may result in the need to hire personnel not currently residing in the geographic region of DXSTORM.com's principal office, and it may be difficult to successfully recruit such key personnel. In addition, the transition from a research and development organization to a more commercial organization may result in significant changes to the size and structure of the organization of DXSTORM.com or in the composition of its personnel, some of which have not been or cannot be anticipated.

Proprietary Technology

DXSTORM.com regards its software as proprietary and has attempted to protect it with various intellectual property protection techniques including copyrights, the common law of trademarks, trade secret laws, restrictions on disclosure and other methods rather than patents. Despite these precautions, it may be possible for unauthorized third parties to copy aspects of these products or to obtain and use information that DXSTORM.com regards as proprietary. Existing laws relating to proprietary rights and intellectual property afford only limited practical protection. In addition, the laws of some foreign countries do not protect proprietary rights to the same extent as do the laws of Canada and the United States. There can be no assurance that DXSTORM.com's means of protecting its proprietary rights will be adequate.

Although DXSTORM.com believes that it owns or has adequate rights to utilize all material technologies relating to its existing products, as it develops new products or creates enhancements to its existing products it anticipates that it may find it necessary or desirable to obtain licenses from third parties entitling it to use certain technologies. There can be no assurance that such licenses would be available to DXSTORM.com on acceptable terms or at all.

Exchange Rates

The DXSTORM.com business is operated from its head office in Mississauga, Ontario; accordingly, most of its costs are in Canadian dollars. However, its billings to customers are generally in United States dollars. Accordingly, any significant increase in the value of the Canadian dollar compared to the U.S. dollar would have a significant negative impact on DXSTORM.com's gross margins on the services it provides. Similar exchange rate risks will arise as DXSTORM.com's business expands into other markets and its business involves other currencies. The Company does not engage in any foreign currency hedging activities.

Network Failure

A failure of any major component of the Internet infrastructure could have a negative effect on the Company's ability to provide the DXSTORM.com services for the duration of the failure. The consequences of such risks cannot be estimated.

Dividends

DXSTORM.com has not paid dividends on its Common Shares and has no present intention to pay dividends on its Common Shares as it anticipates that all available funds will be invested to finance the growth of the DXSTORM.com business.

Conflicts of Interest

The directors and officers of DXSTORM.com may not devote all their time to the affairs of DXSTORM.com, but do devote such time as required to effectively manage DXSTORM.com. Some of the directors and officers are engaged and will continue to be engaged in business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with DXSTORM.com. Conflicts, if any, are dealt with in accordance with the relevant provisions of governing corporate legislation. Some of the directors and officers of DXSTORM.com are or may become directors or officers of other companies engaged in other business ventures.

Market Risk

The Common Shares are speculative securities. There can be no assurance that an active trading market for the Common Shares will be attained or that the market price of the Common Shares will not decline. The trading price of the Common Shares could also be subject to significant fluctuations. Accordingly, this investment should be considered only by those investors who are able to make a long term investment and can afford to suffer a total loss of their investment in the Common Shares. An investor should consider the merits of an investment in these securities and should consult professional advisers to assess income tax, legal and other aspects of such an investment.

Business Strategy Risk

DXSTORM.com's business strategy may not effectively address its targeted market and it may never realize a return on the resources it has committed. There is a risk that DXSTORM.com has chosen to focus on the wrong application areas or to work with the wrong partners; thus, there is no assurance of the ultimate success of DXSTORM.com's business model.

Developing Markets

The market for DXSTORM.com's services has only recently begun to develop and is rapidly changing. As is typical for new and rapidly evolving industries, demand and market acceptance for recently introduced services and products is subject to a high level of uncertainty and there exists few proven services and products. There can be no assurance that wide spread acceptance of DXSTORM.com's products will occur or that new markets will adopt DXSTORM.com's products and processes. Moreover, DXSTORM.com does not have extensive experience in successfully marketing its products and there can be no assurance that future efforts will be successful.

Government Regulation

DXSTORM.com is not currently subject to direct regulation by any government agency, other than applicable securities laws and regulations applicable to business generally. However, it is possible that a

number of laws and regulations may be adopted with respect to regulating user privacy, pricing and consumer protection, which may impose additional burdens on companies in this industry conducting business and thus increase DXSTORM.com's cost of doing business. There can be no assurance that any such new legislation or regulation will not be enacted, nor that the application of laws or regulations from jurisdictions whose laws do not currently apply to DXSTORM.com's business will subsequently become applicable.

Risk of Change in Foreign Regulations

DXSTORM.com markets its products to customers outside of Canada and, accordingly, is exposed to the risks of international business operations, including unexpected changes in foreign and domestic regulatory requirements, foreign exchange fluctuations, possible foreign currency controls, uncertain ability to protect and utilize its intellectual property in foreign jurisdictions, tariffs or other barriers, difficulties in staffing and managing foreign operations, difficulties in obtaining and managing vendors and distributors and potentially negative tax consequences. International sales are subject to certain inherent risks including trade barriers, staffing and operating foreign sales and service operations. There can be no assurance that any of these factors will not have a material adverse effect on DXSTORM.com's business, financial condition or the results of its operations.

DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holding

The names and municipalities of residence of each of the directors and officers of DXSTORM.com, the principal occupations in which each has been engaged during the immediately preceding five years, and the number of DXSTORM.com securities which they will beneficially own or control, directly or indirectly, upon completion of the Offering are as follows:

<u>Name, Position, Municipality of Residence</u>	<u>Age</u>	<u>Principal Occupation Previous Five Years</u>	<u>No. of Securities</u>	<u>% of Common Shares ^w</u>
Gregory H. Lowes⁽⁴⁾ Oakville, Ontario President/CEO/Director	33	President, DXSTORM Inc. – January 1997 to present; President WoW-Net Corp. (computer software development and services company) – 1995 to 1998.	7,950,000 shares ^{(2),(3)} 1,150,000 options	33.4%
Michael S. Morton Mississauga, Ontario VP Operations/Director	25	Vice President, operations, DXSTORM Inc. – September 1996 to present; Assistant ISO Registration, GE Service (a computer services company) – June 1994 to March 1998.	1,710,000 shares ⁽²⁾ ⁽³⁾ 450,000 options	7.2%
Daniel A. MacKenzie Georgetown, Ontario Director	45	President, e-Auction Global Trading Inc.(financial services company)– January, 2000 – present; President, Everyware Development Inc. (a web service company)– March 1989 to November 1998.	Nil shares 70,000 options	Nil
Tim Bowman Toronto, Ontario Director	48	President and CEO, Techbanc Inc. (a private investment company) – May 2000 to present; prior thereto President, Apex Capital Corp. – September 1986 to May 2000.	878,600 shares 70,000 options	3.7%

<u>Name, Position, Municipality of Residence</u>	<u>Age</u>	<u>Principal Occupation Previous Five Years</u>	<u>No. of Securities</u>	<u>% of Common Shares ^u</u>
Carr Hatch Toronto, Ontario Director	51	Chief Executive Officer – Arimtec International Inc., (a company involved in the document imaging and knowledge based management business), since September 1997; Chief Financial Officer of Axidata Inc., (a company involved in the manufacturing and distribution of computer supplies and related peripheral equipment), June 1996 to September 1997; and prior thereto since March 1986, Executive Vice-President and Chief Financial Officer of Tenex Data Corporation, (a company in the computer supplies business).	Nil shares 70,000 options	Nil
Michael G. Smith Toronto, Ontario Vice-President Finance and CFO	52	Chief Financial Officer, DXSTORM.com Inc. – June, 2000 to present; Chief Financial Officer, Domestic Science (an Internet application developer) – 1999 – June 2000; Chief Financial Officer, Sidus Systems Inc. (an electronics manufacturer) – November 1997 – January 1999; Chief Financial Officer, Simmonds Capital Limited (a wireless communications company) – October 1995 – January 1997.	Nil 400,000 options	Nil
Donald A. Sheldon Toronto, Ontario Secretary	53	Partner, Sheldon Huxtable (a law firm) – September, 1996 – present; partner, Bastedo Sheldon McGivney & Peck (a law firm) – September 1991 – September 1996.	Nil 20,000 options	Nil

- (1) Assuming that all DXSTORM.com Special Warrants are exercised into Common Shares.
- (2) Includes 500,000 escrow shares. See “Performance Shares and Escrow Securities”.
- (3) Assuming no exercise of DXSTORM.com stock options.
- (4) Gregory H. Lowes may be considered to have been the original promoter of DXSTORM on its inception in January 1997.
- (5) Subject to any necessary regulatory approvals.

Pursuant to an agreement dated June 3, 1999 between Gregory Lowes, Michael Morton and Trinity Wood, Gregory Lowes and Michael Morton agreed to exercise a voting rights in respect of DXSTORM common shares for the election of a nominee of Trinity Wood as a director of DXSTORM. The agreement continues to be in force and applies to the voting securities received by Mr. Lowes and Mr. Morton pursuant to the Arrangement. However, there is currently no nominee of Trinity Wood on the current board of directors of DXSTORM.com.

Aggregate Ownership of Securities

Assuming exercise of the DXSTORM.com Special Warrants and based upon information provided by the relevant individuals, the directors, officers and other members of management of DXSTORM.com as a group will beneficially own or control, directly or indirectly, a total of 10,545,600 Common Shares, representing 42% of the issued Common Shares, and a total of 2,230,000 options issued pursuant to the stock option plan, representing 73.5% of the outstanding options.

Other Reporting Issuers

To the knowledge of DXSTORM.com, based upon information provided by the relevant individuals, the directors and officers of DXSTORM.com who have been directors, officers and promoters of other

reporting issuers within the past five years prior to the date of this prospectus, including the periods during which they acted in such capacity are:

Name of Director Or Officer	Name of Company	Position	Term of Office
Tim Bowman	McCarvill Corp.	Director	Sept./98 to present
	YMG Capital Management Ltd.	Director	Jan./98 to present
	Club Monaco Inc.	Director	May/97 – June/99
Daniel MacKenzie	EAuction Global Trading Inc.	President/CEO	Jan./2000 to present
	Everyware Development Inc.	President/CEO	March/96 to Nov./98
Carr Hatch	Vincor International Inc. (formerly Brights Wines)	Director	1985 to present
Michael Smith	Sidus Systems Inc.	CFO	Nov./97 – Jan./99
	Simmonds Capital Limited	CFO	Oct./95 – Jan./97
Donald A. Sheldon	Greentree Gas & Oil Ltd.	Director	June 19/96 to present
	Vedron Gold Inc.	Treasurer	June 14/95 to present
	Wolfdon Resources Inc.	Secretary	Feb. 28/97 to present
	Redbird Gold Inc.	Director	Sept. 21/95 -- Sept.21/95
			Jan. 16/98 -- Feb. 10/00
	Adex Mining Corp.	Secretary	Sept. 21/95 to present
		Secretary	Aug. 12/96 -- July 17/97
		Director	Sept. 18/98 -- Dec. 7/98
	Plata Mining Limited	Secretary	Aug. 26/96 -- Dec. 7/98
		Director	Feb. 21/94 -- Sept. 8/97
		Secretary	Sept. 8/97 -- Oct. 22/98
	Northwest Explorations Inc. (now CGX Energy Inc.)	Secretary	Apr. 28/95 -- Feb. 22/96
	Megalode Corporation	Secretary	

Corporate Cease Trade Orders or Bankruptcies

No director, officer or other member of management of DXSTORM.com is, or within the five years prior to the date hereof has been, a director, officer or other member of management of any other issuer that, while that person was acting in the capacity of a director, officer or other member of management of that issuer, was the subject of a cease trade order or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than thirty consecutive days was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or appointed to hold the assets of that director, officer or promoter.

Penalties or Sanctions

No director, officer or other member of management of DXSTORM.com has, during the ten years prior to the date hereof, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of a publicly traded company, or involving fraud or theft.

Individual Bankruptcies

No director, officer or other member of management of DXSTORM.com has, during the five years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

The directors of DXSTORM.com are required by law to act honestly and in good faith with a view to the best interests of DXSTORM.com and to disclose any interests which they may have in any project or

opportunity of DXSTORM.com. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict must disclose his interest and abstain from voting on such matter. In determining whether or not DXSTORM.com will participate in any project or opportunity, the directors will primarily consider the degree of risk to which DXSTORM.com may be exposed and its financial position at that time.

To the best of DXSTORM.com's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among DXSTORM.com, its directors, officers or other members of management of DXSTORM.com as a result of their outside business interests except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies.

The directors and officers of DXSTORM.com are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and DXSTORM.com will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts must be disclosed by such directors or officers in accordance with the *Business Corporations Act* (Ontario) and they must govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. See "Related Party Transactions", "Payments to Insiders and Promoters – Executive Compensation".

Indebtedness of Directors, Officers and Other Management

There is no indebtedness of any director, executive officer or senior officer of DXSTORM.com or any associate or affiliate of them, to or guaranteed or supported by DXSTORM.com either pursuant to an employee stock purchase program of DXSTORM.com or otherwise, during the fiscal period August 11, 1999 to January 31, 2000 or the three month period ended April 30, 2000.

EXECUTIVE COMPENSATION

The following table (presented in accordance with the Regulations under the *Securities Act* (Ontario)) sets forth all annual and long-term compensation for services in all capacities to DXSTORM.com for the period from August 11, 1999 to January 31, 2000 and the three month period ended April 30, 2000 ("Interim Period") (to the extent required by the Rules) in respect of each of the individuals comprised of the Chief Executive Officer as at January 31, 2000 and the other compensated executive officers of DXSTORM.com as at January 31, 2000 regardless of the amount of compensation, and any individual who would have satisfied these criteria but for the fact that individual was not serving as such an officer at the end of the most recently completed financial year (the "Named Executive Officers"). At January 31, 2000 DXSTORM.com had two Named Executive Officers.

Summary Compensation Table

Name and Principal Position ⁽¹⁾	Annual Compensation				Long Term Compensation			All other Compensation (\$)
	Period	Salary (\$)	Bonu s (\$)	Other Annual Compen -sation (\$)	Awards		Payouts	
					Common Shares Under Options\ SAR's granted (#)	Restricted Shares or Restricted Share Units (\$)	LTIP Payouts (\$)	
Gregory H. Lowes, CEO, President and a Director of DXSTORM	First Quarter ⁽²⁾	31,384	Nil	Nil	Nil	Nil	Nil	Nil
	1999	81,730	Nil	Nil	Nil	Nil	Nil	Nil
	1998	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michael Morton, Vice-President and a Director	First Quarter ⁽²⁾	21,692	Nil	Nil	Nil	Nil	Nil	Nil
	1999	62,600	Nil	Nil	Nil	Nil	Nil	Nil
	1998	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John A. McAskill, CEO, President and a Director of West Park	Interim Period ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2000 ⁽⁵⁾	Nil	Nil	Nil	60,000	Nil	Nil	Nil
Rolf Kruse CFO, Secretary, Treasurer and a Director of West Park	Interim Period ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2000 ⁽⁵⁾	Nil	Nil	Nil	40,000	Nil	Nil	Nil

Notes:

- (1) Effective June 16, 2000, on completion of the Arrangement: Mr. McAskill resigned as President and CEO of West Park; Mr. Kruse resigned as a director of West Park; Mr. Lowes was appointed President, CEO and a director of West Park; and Mr. Morton was appointed Vice-President and a director of West Park. Effective June 19, 2000, on completion of the Continuance of the Company into Ontario: the Company changed its name to DXSTORM.com Inc. and Mr. McAskill resigned as a director.
- (2) Represents the period from January 1, 2000 to March 31, 2000 for DXSTORM Inc.
- (3) Prior to January 1, 1999, DXSTORM Inc. had no compensated officers.
- (4) Represents the period from February 1, 2000 to April 30, 2000 for West Park.
- (5) Represents the period from August 11, 1999 to January 31, 2000 for West Park. West Park was inactive and had no transactions and no compensated officers prior to August 11, 1999.
- (6) On completion of the Arrangement, Mr. Lowes and Mr. Morton were granted options to purchase 1,100,000 and 400,000 Common Shares, respectively, at \$1.25 per share (see "Stock Options").

Long Term Incentive Plan (LTIP) Awards

DXSTORM.com did not have a LTIP pursuant to which cash or non-cash compensation intended to serve as an incentive for performance (whereby performance is measured by reference to financial performance or the price of securities) was paid or distributed to the Named Executive Officers during the most recently completed financial year.

Option Grants During the Most Recently Completed Financial Year

Prior to the extraordinary meeting of shareholders held on May 5, 2000, DXSTORM.com (then known as West Park) did not have a formalized stock option plan for the granting of incentive stock options to the officers, employees and directors. However, DXSTORM.com did grant stock options to the directors and to certain consultants during the period August 11, 1999 to April 30, 2000. The purpose of granting such

options is to assist the Company in compensating, attracting, retaining and motivating the directors, officers and consultants of the Company and to closely align the personal interests of such persons to that of the shareholders. See “Options and Other Rights to Purchase Securities”.

At its extraordinary meeting of shareholders held on May 5, 2000 the shareholders of DXSTORM.com (then known as West Park) approved the implementation by the Company of an incentive stock option plan (the “Stock Option Plan”) for the granting of incentive stock options to the officers, employees and directors and service providers of the Company. The purpose of granting such options is to assist DXSTORM.com in compensating, attracting, retaining and motivating the directors, officers, employees and service providers of DXSTORM.com and to closely align the personal interests of such persons to that of the shareholders. The number of Common Shares reserved for issuance from time to time under the Stock Option Plan is limited to 4,561,142 Common Shares with no single individual holding more than 5%, with respect to any one optionee, of the issued and outstanding Common Shares of the Company at the date of the grant of the option. The Stock Option Plan will be administered by the board of directors of DXSTORM.com. At the time a stock option is granted the directors shall determine the number of Common Shares exercisable under the option, the date when the options are to vest and become exercisable subject to the other provisions of the Stock Option Plan and subject to applicable laws and regulations, all other terms and conditions of the option. The exercise price and term of each stock option is determined by the directors in accordance with the policies of the Exchange at the time the option is granted, provided that no stock option shall have a term exceeding five years. The current policies of the Exchange provide that the minimum vesting requirements shall be 25% of the option on the date which, 90 days following the date of the grant and 15% every quarter year thereafter which is the vesting period which has been adopted by the board of directors under the terms of the Stock Option Plan. The Stock Option Plan received regulatory approval on completion of the Arrangement.

The following table sets forth stock options granted since incorporation to the Named Executive Officers:

<u>Name</u>	<u>Year of Grant</u>	<u>Securities Under Options Granted</u>	<u>% of Total Options Granted in Fiscal Year</u>	<u>Exercise Price (\$/Security)</u>	<u>Market Value of Securities Underlying Options on Date of Reservation (\$/Security)</u>
John A. McAskill ⁽¹⁾	1999	60,000	24%	\$0.20	(1)
Rolf Kruse ⁽¹⁾	1999	40,000	16%	\$0.20	(1)
Gregory H. Lowes	2000	1,100,000	44%	\$1.25	(2)(3)
Michael Morton	2000	400,000	16%	\$1.25	(2)(3)

Notes:

- (1) The securities underlying the options were not listed on an exchange at the time of issuance of the options; therefore the offering price of West Park’s common shares in its initial public offering was used to establish the exercise price for the options granted to the then directors, officers and consultants of West Park.
- (2) The securities underlying the options were the subject of a “halt trade” pending completion of the Arrangement at the time of issuance of the options; therefore the offering price of West Park’s common shares in its prospectus dated May 26, 2000 and effective June 7, 2000 was used to establish the exercise price for the options granted prior to the resumption of trading on the Exchange.
- (3) On August 10, 2000, Mr. Lowes and Mr. Morton were each granted 50,000 additional stock options at an exercise price of \$1.25 per share.
- (4) As at the date of this Prospectus, options to purchase 3,035,000 Common Shares of DXSTORM.com have been granted and are currently outstanding.

Aggregate Options Exercised in Last Financial Year and Financial Year-End Option Values

The following table (presented in accordance with the Regulations) sets forth details of all exercises of stock options since incorporation by the Named Executive Officers, the number of unexercised options held by the Named Executive Officers and the value of unexercised in-the-money options as at January 31, 2000 on an aggregated basis.

Name	Securities Acquired On Exercise	Aggregate Value Realized	Unexercised Options/SAR's at Fiscal Year-End (#)	Value of Unexercised In-the-Money Options/SAR's at Fiscal Year-End (\$)⁽¹⁾
	(#)	(\$)	<u>Exercisable/Unexercisable</u>	<u>Exercisable/Unexercisable</u>
John A. McAskill	Nil	N/A	60,000/Nil	30,000/Nil
Rolf Kruse	Nil	N/A	40,000/Nil	20,000/Nil
Gregory H. Lowes	Nil	N/A	Nil/Nil	Nil/Nil
Michael Morton	Nil	N/A	Nil/Nil	Nil/Nil
(1) Based on the closing market price of Common Shares as a traded on CDNX on January 31, 2000, namely \$0.70 per share.				

Defined Benefit or Actuarial Plan Disclosure

DXSTORM.com has no defined benefit or actuarial plans.

Termination of Employment, Changes in Responsibility and Employment Contracts

DXSTORM.com has no compensatory plan or arrangement in respect of compensation received or that may be received by the Named Executive Officers of DXSTORM.com to compensate such executive officers in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change in control, where in respect of the Named Executive Officers the value of such compensation exceeds \$100,000. However, the Company is currently reviewing compensation and possible employment agreements with certain executive officers.

Compensation of Directors

Prior to August 8, 2000, DXSTORM.com had no arrangements, standard or otherwise, pursuant to which directors are compensated by DXSTORM.com or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. However, the Company implemented policies on August 8, 2000 to compensate directors for attendance at directors meetings and for their out-of-pocket expenses associated with such meetings in the current financial year and thereafter. Directors of the Company are entitled to receive an annual stipend of \$5,000, \$500 for each directors' meeting attended and \$500 (or a lesser amount as determined by the board of directors) for each committee meeting attended if the board of directors unanimously approves such payment to committee members. Directors are also entitled to be reimbursed for their out-of-pocket expenses associated with any such meeting.

The following table sets forth all stock options granted to directors (other than Named Executive Officers) of DXSTORM.com since incorporation.

Name and Municipality of Residence	Date of Grant	Number	Stock Option Exercise Price	Expiry Date
Alexander B. Korelin Vancouver, WA, U.S.A.	August 26, 1999	60,000	\$0.20	Nov. 26, 2004
D. William Campbell Vancouver, B.C.	August 26, 1999	20,000	\$0.20	Nov. 26, 2004
Edward J. Drummond West Vancouver, B.C.	August 26, 1999	20,000	\$0.20	Nov. 26, 2004
Tim Bowman Toronto, Ontario	June 16, 2000 August 10, 2000	20,000 50,000	\$1.25 \$1.25	June 15, 2004 August 9, 2004
Daniel McKenzie Georgetown, Ontario	June 16, 2000 August 10, 2000	20,000 50,000	\$1.25 \$1.25	June 15, 2004 August 9, 2004
Carr Hatch Toronto, Ontario	June 16, 2000 August 10, 2000	20,000 50,000	\$1.25 \$1.25	June 15, 2004 August 9, 2004

Related Party Transactions

Except as set out herein, no director, senior officer or associate of a director or senior officer of West Park nor, to the best of the knowledge of the directors and senior officer of DXSTORM.com, any person or company who beneficially owns, directly or indirectly, voting securities of DXSTORM.com carrying more than 10% of the voting rights attached to any class of voting securities of DXSTORM.com outstanding at the date hereof, or any associate or affiliate thereof, has an interest in any material transaction to which DXSTORM.com is a party or has been a party within three years prior the date hereof, except, after the Arrangement, the insiders of DXSTORM.com who held securities of DXSTORM and received DXSTORM.com securities in exchange therefor, and the insiders of West Park who received consideration for the transfer of escrow shares to insiders of DXSTORM. See “Performance Shares or Escrow Securities”.

DESCRIPTION OF SHARE CAPITAL

Authorized and Issued Share Capital

DXSTORM.com is authorized to issue an unlimited number of Common Shares. As at August 31, 2000, there were 23,832,855 Common Shares issued and outstanding.

Common Shares

Holders of Common Shares are entitled to one vote per Common Share at all meetings of shareholders, to receive dividends as and when declared by the directors, and to receive a pro rata share of the assets of DXSTORM.com available for distribution to shareholders in the event of a liquidation, dissolution or winding-up. There are no pre-emptive, conversion or redemption rights attached to the Common Shares. All of the outstanding Common Shares are fully paid and non-assessable.

CONSOLIDATED CAPITALIZATION OF THE COMPANY

Existing Share and Long-Term Debt Capital

Particulars of the existing share and long-term debt capital of DXSTORM.com are as follows:

	Number of Issued Securities ⁽²⁾	Price per Security (\$)	Total Consideration (\$)
Prior sales of securities by West Park during 1999 ⁽¹⁾	1,000,000	0.10	100,000
	1,550,000	0.20	310,000
Issued pursuant to the Arrangement	15,749,996 ⁽⁴⁾	⁽⁴⁾	2,462,603
Issued pursuant to West Park Prospectus dated May 29, 2000	2,000,000	1.25	2,500,000
	320,000 ⁽³⁾	--	--
Issued on exercise of other special warrants ⁽⁵⁾	2,962,859	0.70	2,074,001
SUBTOTAL			
To be issued on exercise of Special Warrants and Broker's Special Warrants ⁽⁴⁾	1,542,856	0.70	904,999 ⁽⁵⁾
TOTAL	25,125,711	--	8,376,229

(1) Aggregated on basis of same price and type of consideration.

(2) 15,749,996 of which represent DXSTORM.com Common Shares issued pursuant to the Arrangement and 4,505,715 of which represent Common Shares issued or to be issued upon the exercise of the special warrants issued pursuant to the Arrangement. See “Business of DXSTORM.com – Qualifying Transaction” and “DXSTORM.com Fully Diluted Share Capital”.

(3) Agent’s shares issued as part of agent’s compensation in connection with the public offering of West Park completed on June 16, 2000.

(4) The price per security represents the effective price paid per Common Share of DXSTORM.com. See “Business of DXSTORM.com – Qualifying Transaction”.

- (5) Does not include any amount for the Common Shares issuable upon exercise of the Broker's Special Warrants since they were issued for nil consideration.

In addition, as a result of completion of the Arrangement DXSTORM.com has capital lease obligations of \$39,359, and a further 3,535,000 Common Shares of DXSTORM.com are subject to rights, options and warrants. See “DXSTORM.com Fully Diluted Share Capital” for Common Shares reserved for issuance on exercise of outstanding stock options, warrants and other rights to purchase securities.

Consolidated Capitalization Table

Designation of Security	Authorized	Amount Outstanding as at Jan. 31, 2000	Amount Outstanding as at April 30, 2000	Amount Outstanding at June 19, 2000 ⁽²⁾	Amount Outstanding on Completion of the Offering ⁽¹⁾
Common Shares	Unlimited	\$336,790 (2,550,000 shs.)	\$336,790 (2,550,000 shs.)	\$6,592,271 (22,655,711 shs.)	\$7,977,303 (25,125,711 shs.)
Special Warrants					
Series 1		--	--	\$1,243,832 (1,110,000 wnts)	Nil (nil wnts)
Broker's Special Warrants					
Series 1		--	--	\$141,200 (125,000 wnts)	Nil (nil wnts)
Lease Obligations		\$66,883	\$45,976	\$39,359	\$39,359
				TOTAL	\$8,016,662

- (1) Assumes exercise of all outstanding special warrants of the Company.
(2) Includes 2,035,715 common shares issued for no additional consideration on exercise of 1,785,715 series 2 special warrants and 250,000 series 2 broker's special warrants.

Options and Other Rights to Purchase Shares

As at September 26, 2000 DXSTORM.com has granted various persons rights to purchase or acquire an aggregate of 3,535,000 additional Common Shares of DXSTORM.com, excluding the Common Shares issuable pursuant to the Special Warrants and the Broker's Special Warrants. See “Consolidated Capitalization of the Company – DXSTORM.com Fully Diluted Share Capital”.

Agents' Warrants

In connection with West Park's initial public offering Canaccord Capital Corporation (“Canaccord”) was granted non-transferable share purchase warrants entitling Canaccord to purchase up to 100,000 Common Shares at any time up to the close of business 18 months from December 20, 1999 (the date DXSTORM.com's Common Shares were listed, posted and called for trading on the Exchange), at a price of \$0.20 per share.

In connection with West Park's Prospectus dated May 26, 2000, Canaccord was granted non-transferable share purchase warrants entitling Canaccord to purchase up to 400,000 Common Shares at any time up to December 15, 2001 at a price of \$1.25 per share and a greenshoe option entitling Canaccord to sell up to 300,000 Common Shares pursuant to the West Park Prospectus dated May 26, 2000 at any time up to August 15, 2000 at a price of \$1.25 per share.

Outstanding Stock Options

The following table sets forth all outstanding options to purchase Common Shares :

Name of Optionees (1)	Number of Common Shares Subject to Option	Date of Grant	Exercise Price	Expiry Date	Market Price As at September 25, 2000	Market Price on Date of Grant
John A. McAskill	60,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Rolf Kruse ⁽¹⁾	40,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Alexander B. Korelin	60,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
D. William Campbell	20,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Edward J. Drummond	20,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Stuart Fred Bird	25,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Holly Crawford	25,000	Aug. 26/99	\$0.20	Nov 26/04	0.50	0.20 ⁽²⁾
Subtotal	250,000					
Gregory Lowes	1,100,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Gregory Lowes	50,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Michael Morton	400,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Michael Morton	50,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Guy Russel	400,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
James Smith	30,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Janice Lowes	30,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Peter Ong	10,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Chris Bruce	5,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Maria Pistilli	5,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
James Campbell	3,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Angela Cassivi	3,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Melanie Friesen	3,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Aman Maharaj	3,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
David Smith	3,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Michael Smith	400,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Tim Bowman	20,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Tim Bowman	50,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Daniel McKenzie	20,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Daniel McKenzie	50,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Carr Hatch	20,000	June 16/00	\$1.25	June 15/04	0.50	\$1.25 ⁽⁴⁾
Carr Hatch	50,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Donald Sheldon	20,000	Aug. 10/00	\$1.25	Aug. 9/04	0.50	\$0.64
Judson Woods ⁽⁵⁾	60,000	Aug. 30/00	\$1.25	Aug. 29/05	0.50	\$0.64
Subtotal	2,785,000					
TOTAL	3,035,000					

Notes:

- (1) Closing price on CDNX.
- (2) The Common Shares were not listed or posted for trading on any exchange or quotation system on the date of grant and the exercise price was based on the price of West Park's initial public offering.
- (3) All options granted on or after completion of the Arrangement have a term of 4 years and vest in accordance with the Stock Option Plan.
- (4) The securities underlying the options were the subject of a "halt trade" pending completion of the Arrangement at the time of issuance of the options; therefore the offering price of West Park's common shares in its prospectus dated May 26, 2000 and effective June 7, 2000 was used to establish the exercise price for the options granted prior to the resumption of trading on the Exchange.
- (5) Subject to any necessary regulatory approvals.

There are no assurances that the options, warrants or other rights described above will be exercised in whole or in part.

Post-Arrangement Special Warrants

Upon completion of the Arrangement DXSTORM.com issued to residents of Ontario 646,428 Special Warrants which are exercisable to acquire a total of 1,292,856 Common Shares for no additional consideration. In addition, DXSTORM.com issued 125,000 Broker's Special Warrants which are exercisable to acquire 250,000 Common Shares for no additional consideration. The certificates representing the DXSTORM.com Special Warrants contain provisions designed to protect the holders thereof against dilution on the happening of certain events. The Common Shares underlying these Special Warrants (and 125,000 of the 250,000 Common Shares underlying the Broker's Special Warrants) are being qualified for distribution pursuant to this Prospectus.

In addition to the 646,428 Special Warrants and 125,000 Broker's Special Warrants being qualified for distribution pursuant to this Prospectus, on completion of the Arrangement DXSTORM.com issued special warrants to residents of British Columbia and other jurisdictions as follows:

- (a) 1,785,715 series 2 special warrants of DXSTORM.com were issued to non-Ontario resident holders of series 2 special warrants of DXSTORM which had been cancelled on completion of the Arrangement. In addition, 250,000 series 2 broker's special warrants were issued to Canaccord as compensation in connection with those private placements. All 1,785,715 series 2 special warrants and all 250,000 series 2 broker's special warrants were exercised for no additional consideration into 1,785,715 and 250,000 Common Shares, respectively, of DXSTORM.com immediately following completion of the Arrangement.
- (b) 463,572 series 1 special warrants of DXSTORM.com were issued to non-Ontario resident holders of series 1 special warrants of DXSTORM which had been cancelled on completion of the Arrangement. Each series 1 special warrant is exercisable for no additional consideration into 2 Common Shares. As at the date of this Prospectus, all of these series 1 special warrants held by non-Ontario resident holders had been exercised for no additional consideration into 927,144 Common Shares of DXSTORM.com.

DXSTORM.com Fully Diluted Share Capital

The fully diluted issued and outstanding share capital of DXSTORM.com, assuming the exercise of all outstanding options and warrants to acquire common shares and the issue of all Common Shares issuable pursuant to the Special Warrants, as at September 26, 2000, is set out below:

	Number of Securities	Percentage of Total (%)
(a) Issued by DXSTORM.com as at August 31, 2000	23,832,855	82.4%
(b) To be issued hereby to holders of Special Warrants and Broker's Special Warrants	1,542,856	5.3%
(c) Securities reserved for future issue by DXSTORM.com	3,535,000	12.2%
-agents warrants 500,000		
-existing options 3,035,000		
Total (fully diluted)	28,910,711	100%

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of DXSTORM.com, no person beneficially owns, directly or indirectly or exercises control or direction over shares of DXSTORM.com carrying more than 10% of the voting rights attached to all shares of DXSTORM.com following the Offering, except:

Name	No. of Common Shares Owned or Controlled	Type of Ownership	Percentage of Outstanding Common Shares
Gregory H. Lowes	7,950,000	Direct	33.4%

As at September 26, 2000, assuming exercise of all of the DXSTORM.com special warrants, the directors and senior officers of DXSTORM.com, as a group, beneficially will own or control, directly or indirectly, 10,545,600 Common Shares, representing 42% of the Common Shares.

Performance Shares or Escrow Securities

Prior to completion of the Arrangement, principals of West Park deposited an aggregate of 1,000,000 Common Shares in escrow pursuant to an Escrow Agreement dated August 26, 1999 (the "First Escrow Agreement"). On completion of the Arrangement the holders of the escrowed shares transferred the escrowed shares to nominees of DXSTORM.com, Mr. Gregory Lowes (500,000 shares) and Mr. Michael Morton (500,000 shares), at \$0.25 per share.

In addition, pursuant to the policies of the Ontario Securities Commission, Mr. Lowes and Mr. Morton entered into an Escrow Agreement dated as of September 26, 2000 (the "Second Escrow Agreement") to place 6,782,486 Common Shares and 1,458,874 Common Shares, respectively, in escrow. Pursuant to the terms of the Second Escrow Agreement, the escrowed shares (including the 1,000,000 Common Shares escrowed pursuant to the First Escrow Agreement) will be automatically released in accordance with the following schedule:

- (a) 10% will be released nine (9) months from the date that the receipt is issued by the Ontario Securities Commission for this final prospectus (the "Receipt Date");
- (b) 20% will be released on the first anniversary of the Receipt Date;
- (c) 20% will be released on the second anniversary of the Receipt Date;
- (d) 20% will be released on the third anniversary of the Receipt Date; and
- (e) 30% will be released on the fourth anniversary of the Receipt Date.

Notwithstanding the provisions for automatic releases, the number of Common Shares released from escrow may not exceed:

- (a) one third (1/3) of the original number of shares escrowed before the first anniversary of the Receipt Date;
- (b) two thirds (2/3) of the original number of shares escrowed before the second anniversary of the Receipt Date; and
- (c) the balance of the original number of shares escrowed before the third anniversary of the Receipt Date.

The escrowed shares may not be transferred within escrow, released from escrow or otherwise dealt with prior to their respective release dates without the prior express consent of the Ontario Securities Commission.

DETAILS OF THE ISSUANCE

Pursuant to the Arrangement an aggregate of 1,110,000 series 1 special warrants were issued by DXSTORM.com to holders of 1,110,000 series 1 special warrants of DXSTORM which had been cancelled. Of these, 646,428 series 1 special warrants were held by residents of Ontario (the "Special Warrants"). In addition, 125,000 series 1 broker's warrants were issued by DXSTORM.com to Trinity Wood which had held 125,000 series 1 broker's warrants of DXSTORM which were cancelled on completion of the Arrangement. Each Special Warrant and each Broker's Special Warrant is exercisable for no additional consideration into 2 Common Shares of DXSTORM.com.

The Special Warrants may be exercised at any time on or before 5:00 p.m. (Toronto time) the ("Expiry Time") until the earlier of: (i) the sixth day from the date of issuance of a receipt (the "Final Receipt") by the Ontario Securities Commission for this prospectus in its final form qualifying the distribution of

Common Shares upon exercise or deemed exercise of the Special Warrants (the "Qualification Date") and (ii) January 31, 2001. In the event that the Final Receipt is issued on or before January 31, 2001, the exchange right will be deemed to have been exercised by all holders of Special Warrants who fail to exercise their Special Warrants on or before the earlier of January 31, 2001 and the 6th day from the date of issuance of the Final Receipt. A holder of Special Warrants may, at any time before the Expiry Time and subject to applicable law, exercise all or any number of the Special Warrants held by such holder and take delivery of the Common Shares. If a holder of Special Warrants elects to exercise Special Warrants at any time when a receipt for the prospectus has not been issued by the applicable securities regulatory authority, any Common Shares issued or delivered upon such exercise may be subject to a hold period or other re-sale restriction under applicable securities legislation.

This prospectus is being filed to qualify the issue and distribution of the 1,292,856 Common Shares to be issued on the exercise or deemed exercise of the Special Warrants and to qualify the issue and distribution of 125,000 Common Shares to be issued on the exercise or deemed exercise of one-half of the Broker's Special Warrants.

DILUTION

The issue price of each Common Share will exceed the net tangible book value per Common Share as at April 30, 2000, on a pro forma basis by \$0.53. The Offering represents an immediate dilution of \$0.51, or 72% per Common Share to investors purchasing the Common Shares in this Offering determined as follows:

Pro Forma Dilution Calculations

Offering price.....	\$0.70
Net tangible book value prior to the offering.....	\$0.17
Increase of net tangible book value attributable to the offering.....	\$0.02
Net tangible book value after the offering.....	\$0.19
Dilution to subscribers of common shares	\$0.51
Dilution as percentage of offering price.....	72%

PRIOR SALES

DXSTORM.com has issued the following securities during the 12 months preceding the date of this prospectus:

<u>Date of Issue</u>	<u>Securities Issued</u>	<u>Price</u>	<u>Reason for Issue</u>
August 26, 1999	550,000	\$0.20	seed capital
August 26, 1999	1,000,000	\$0.10	seed capital
December 17, 1999	1,000,000	\$0.20	Initial public offering
June 16, 2000	2,320,000	\$1.25	Public offering and agent's shares
June 16, 2000	15,749,996	(1)	Arrangement
June 19, 2000	2,642,859	(2)	Exercise of special warrants
July 11, 2000	120,000	(2)	Exercise of special warrants
July 20, 2000	70,000	(2)	Exercise of special warrants
July 24, 2000	130,000	(2)	Exercise of special warrants

Notes:

- (1) See "Business of DXSTORM.com – Qualifying Transaction".
- (2) See "Business of DXSTORM.com – Qualifying Transaction".

TRADING INFORMATION

The Common Shares were listed and posted for trading on the Exchange on December 20, 1999 and traded until February 10, 2000. Trading in the Common Shares was halted at the request of DXSTORM.com on February 11, 2000, in connection with its Qualifying Transaction. On June 20, 2000 following completion of the Arrangement and the Continuance, trading resumed. The following table sets forth the high and low trading price and volume of trading of the Common Shares on the Exchange during the periods indicated.

CDNX				
	Monthly	High	Low	Volume
Year	Summary	(\$)	(\$)	(No. of Shares)
1999	December 20 – 31	0.45	0.44	26,000 ⁽¹⁾
2000	January	0.77	0.38	110,500
	February ⁽²⁾	0.80	0.63	76,800
	June	2.00	0.90	972,645
	July	1.20	0.70	608,277
	August	0.75	0.50	538,000
	September 1 – 25	0.61	0.45	333,260

Note:

- (1) Represents less than a full month or week, as applicable.
- (2) On February 10, 2000, the last day Common Shares traded before announcement of the intention of DXSTORM.com to enter into the Arrangement, the closing market price of the Common Shares as traded on the Exchange was \$0.77 per share. Trading in the Common Shares resumed on June 20, 2000 and the closing price on that day was \$1.41 per share.

DIVIDEND POLICY

DXSTORM.com has not paid dividends since its inception. DXSTORM.com currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

INVESTOR RELATIONS ARRANGEMENTS

Aman Maharaj, MBA, LLB., has, since April 3, 2000 been employed by DXSTORM.com in, among other things, an investor relations capacity, pursuant to an oral employment agreement. Mr. Maharaj is paid a salary of \$40,000 per annum and has received options to purchase 3,000 Common Shares of DXSTORM.com at a price of \$1.25 per share at any time on or before June 15, 2004. Mr. Maharaj holds 47,172 shares of DXSTORM.com. He holds no other securities of DXSTORM.com and does not maintain a market-making account with the Exchange. From August 1998 until joining DXSTORM.com in March 2000, Mr. Maharaj was engaged in the practice of law as a sole practitioner. Between 1996 and 1998 he was employed as a management consultant by J.C. Williams Group. In 1994 and 1995 Mr. Maharaj practised law with the firm Aird & Berlis in Toronto, Ontario. Mr. Maharaj's duties include attending industry conferences as the investor relations representative of DXSTORM.com, organizing seminars and information sessions for investors, brokers and analysts, responding to inquiries from shareholders, brokers and potential investors, and preparing material and information packages on DXSTORM.com and its business.

LEGAL MATTERS

Certain legal matters relating to the issue and sale of the Common Shares will be passed upon for DXSTORM.com by Sheldon Huxtable, Toronto, Ontario.

LEGAL PROCEEDINGS

DXSTORM.com is not a party to any legal proceedings and DXSTORM.com is not aware of any such proceedings known to be contemplated.

AUDITORS OF DXSTORM.COM

The auditors of DXSTORM.com are PriceWaterhouseCoopers LLP, Toronto, Ontario.

REGISTRAR AND TRANSFER AGENT OF DXSTORM.COM

The Registrar and Transfer Agent for the Common Shares is Pacific Corporate Trust Company, 625 Howe Street, Suite 830, Vancouver, B.C., V6C 3B8.

PROMOTERS

Gregory H. Lowes was the promoter and sole shareholder of DXSTORM when he founded DXSTORM in 1997. In 1998, Mr. Lowes and four others subscribed for additional shares of DXSTORM at a nominal price. As a result, Mr. Lowes owned 3,720,000 shares or approximately 81% of the then issued and outstanding shares. At that time, Michael Morton subscribed for 600,000 shares of DXSTORM, representing approximately 13% of the then issued and outstanding shares, at a nominal price. As a result, Mr. Lowes and Mr. Morton may be considered to be the promoters of DXSTORM.

In February 2000, Mr. Lowes negotiated an agreement with management of West Park whereby it was agreed that West Park and DXSTORM would enter into a business combination. As a result, the Arrangement Agreement dated as of March 27, 2000 was signed and, on June 16, 2000 was completed. Mr. Lowes received 7,440,000 Common Shares of DXSTORM.com on completion of the Arrangement and purchased 500,000 Common Shares subject to escrow. Mr. Lowes also recently purchased an additional 10,000 Common Shares for fair market value in the market.

MATERIAL CONTRACTS

Particulars of Material Contracts

The following are the contracts to which DXSTORM.com and the Subsidiary (or its predecessor DXSTORM) are a party and which can reasonably be regarded as presently material to a prospective investor:

1. Sponsorship / Agency Agreement dated September 8, 1999 between DXSTORM.com and Canaccord Capital Corporation.
2. The Arrangement Agreement dated for reference March 27, 2000 referred to under "Business of DXSTORM.com – Qualifying Transaction";
3. Sponsorship Agreement dated March 30, 2000 between DXSTORM.com, DXSTORM and Canaccord Capital Corporation.
4. Agency Agreement dated May 29, 2000 between DXSTORM.com and Canaccord Capital Corporation in respect of the prospectus (dated May 26, 2000 effective June 7, 2000) offering by DXSTORM.com.
5. Lease Agreement dated February 7, 2000 between the Subsidiary (as successor to DXSTORM) and Bodycote Property Holdings Inc. for premises located at Suite 2200, 2395 Speakman Drive, Mississauga, Ontario referred to under "Business of DXSTORM.com – Operations". The lease covers the 11,205 square feet of area from which DXSTORM.com and the Subsidiary conduct their operations and administration in Mississauga, Ontario. The term of the lease is 5 years, expiring February 28, 2005, with a 5 year renewal term. Basic Rent is \$75,633 per annum plus approximately \$45,256 in improvements rent payable over the original five year term of the lease. Basic Rent is payable in equal monthly instalments in advance. The tenant is also responsible for paying for realty taxes, repairs, utilities and maintenance. The lease is in good standing. The Subsidiary and Bodycote Property Holdings Inc. are arm's length..

6. Cross-Marketing Agreement dated October 21, 1999 between the Subsidiary (as successor to DXSTORM) and Planet Payment referred to under "Operations - Types of Reseller" and "Operations - Planet Payment Partnership".
7. Brand Licence Agreement between the Subsidiary (as successor to DXSTORM) and Canada Post Corporation dated January 14, 2000 referred to under "Operations - Types of Reseller".
8. Commerce Partner Agreement dated November 16, 1999 between the Subsidiary (as successor to DXSTORM) and Internet.Com Corporation referred to under "Operations - Site Sponsorship/Channel Partnership".
9. Voting Trust Agreement dated June 3, 1999 among Gregory Lowes, Michael Morton, Trinity Wood and DXSTORM.com (as assignee of DXSTORM) referred to under "Directors and Officers".
10. Interim Employment Contract (undated term sheet) between DXSTORM.com (as assignee of DXSTORM) and Gregory Lowes regarding employment and restrictions on dispositions of DXSTORM.com shares, pursuant to which DXSTORM.com and Mr. Lowes have agreed to enter into a definitive employment agreement having the following basic terms: (a) five year employment term commencing upon completion of the definitive agreement; (b) Mr. Lowes will be subject to DXSTORM.com's standard form of non-disclosure, non-competition, non-solicitation covenants; (c) there will be contractual resale restrictions on shares of DXSTORM.com held by Mr. Lowes; and (d) 12 month notice for termination or resignation; (e) Mr. Lowes' compensation and benefits over the term of the agreement are to be determined and reviewed annually by the Board of Directors.
11. Agency Agreement dated as of February 4, 2000 between the Subsidiary (as successor of DXSTORM) and Trinity Wood Capital Corporation ("Trinity Wood") in respect of the Private Placements of 1,110,000 DXSTORM series 1 special warrants at \$1.40 per series 1 special warrant which was completed March 9, 2000. Mr. Peter Browning was a director of DXSTORM at that time and also a director and officer of Trinity Wood. Trinity Wood received cash commissions of \$155,400 and 125,000 brokers special warrants, exercisable without additional consideration into 250,000 DXSTORM common shares.
12. Agency Agreement between the Subsidiary (as successor of DXSTORM) and Canaccord dated February 4, 2000 in respect of the Private Placement of 1,785,715 DXSTORM series 2 special warrants at a price of \$0.70 per series 2 special warrant which closed on April 7, 2000.
13. Finders Fee Agreement dated as of February 2, 2000 between Hawk Capital Corporation and the Subsidiary (as successor to DXSTORM), referred to under "Business of DXSTORM.com – Qualifying Transaction".
14. Advisory and Consulting agreement between DXSTORM.com (as assignee of DXSTORM) and Trinity Wood dated May 1, 1999, pursuant to which Trinity Wood has provided financial consulting services to DXSTORM.com since May, 1999. The Agreement had an initial term of one year and is automatically renewable each year unless terminated on 30 days advance notice. Fees for services rendered by Trinity Wood are as mutually agreed between the parties. In March, 2000 Trinity Wood received 800,000 common shares of DXSTORM and in November, 1999, Trinity Wood received options/warrants exercisable to acquire 965,000 common shares of DXSTORM, in consideration for services rendered under the advisory and consulting agreement. As part of a reorganization of the capital of DXSTORM in March, 2000, the options/warrants were exchanged for common shares of DXSTORM on a three option/warrant for one share basis. In May 2000, the agreement was renewed for an additional year.

15. Channel Partner Agreement dated August 10, 2000 between DXSTORM.com Inc. and IPC Direct, a division of PC Chips Corporation referred to under "Operations – Site Sponsorship/Channel Partnership".
16. Service Provider Agreement dated July 21, 2000 between DXSTORM.com Inc. and Sun Microsystems of Canada Inc. referred to under "Future Developments".

Inspection of Contracts and Reports

A copy of any material contract or report of DXSTORM.com may be inspected during distribution of the securities being offered under this Prospectus during normal business hours at Suite 1801, 180 Dundas Street West, Toronto, Ontario M5G 1Z8.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities proposed to be offered and not disclosed elsewhere in this prospectus.

PURCHASERS' STATUTORY RIGHTS

Sections 71, 130 and 138 of the *Securities Act* (Ontario) (the "Act") provide, in effect, that when a security is offered in the course of a distribution or a distribution to the public:

- (a) if a prospectus, together with an amendment to the prospectus, contains a misrepresentation, a purchaser who purchases a security offered thereby during the period of distribution shall be deemed to have relied on such misrepresentation, if it was a misrepresentation at the time of purchase, subject to the limitations set forth in the Act, and
 - (1) has a right of action for damages against,
 - (i) the issuer or a selling security holder on whose behalf the distribution was made,
 - (ii) each underwriter required to sign the certificate required under Section 59 of the Act;
 - (iii) every director of the issuer at the time the prospectus or amendment was filed;
 - (iv) every person or company whose consent has been filed pursuant to a requirement of the regulations to the Act, but only with respect to reports, opinions or statements that have been made by them; and
 - (v) every other person or company who signed the prospectus or the amendment,
 - (2) where the purchaser purchased the security from a person or company referred to in (i) or (ii) above or from another underwriter of the securities, he may elect to exercise a right of rescission against such person, company or underwriter, in which case he shall have no right of action for damages against such person, company or underwriter; and
- (b) no action shall be commenced to enforce a right mentioned above more than:
 - (1) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

- (2) in the case of any action other than an action for rescission, the earlier of:
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction that gave rise to the cause of action.

Reference is made to the aforesaid Act for the complete text of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

CONTRACTUAL RIGHT OF ACTION FOR RESCISSION

In the event that a holder of Special Warrants, who acquires a Common Share upon the exercise of a Special Warrant as provided for in this prospectus, is or becomes entitled under applicable legislation to the remedy of rescission by reason of this prospectus or any amendment thereto containing a misrepresentation, the holder shall be entitled to rescission not only of the holder's exercise of its Special Warrant but also for the private placement transaction pursuant to which the Special Warrant was initially acquired, and shall be entitled, in connection with such rescission, to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant. In the event the holder is a permitted assignee of the interest of the original Special Warrant subscriber, that permitted assignee shall be entitled to exercise the rights of rescission and refund granted hereunder as if the permitted assignee was the original subscriber. The foregoing is in addition to any other right or remedy available to a holder of a Special Warrant under Section 130 of the *Securities Act* (Ontario) or otherwise at law.

FINANCIAL STATEMENTS

Attached to and forming a part of this prospectus are:

- (a) the audited financial statements of West Park Resources Inc. (now DXSTORM.com Inc.) for the period August 11, 1999, to April 30, 2000 presenting the balance sheet of West Park as at April 30, 2000 and a statement of operations and deficit and statement of cash flow for the period ended April 30, 2000,
- (b) the unaudited financial statements of DXSTORM Inc. for the three-month period ended April 30, 2000 and the audited financial statements of DXSTORM Inc. for the three years ended January 31, 2000, and
- (c) the unaudited pro-forma combined balance sheet and statement of operations for the three months ended April 30, 2000 which gives effect to the acquisition of DXSTORM as though the Arrangement had been approved by shareholders of DXSTORM.com and DXSTORM effective April 30, 2000;

the unaudited proforma combined statement of operations as though the Arrangement had been approved by shareholders of DXSTORM.com and DXSTORM effective January 31, 2000.

DXSTORM Inc.

Financial Statements
April 30, 2000

March 20, 2000

(except for notes 15(a)(b)(c), which are as of June 16, 2000 and
note 15(d) which is as of September 26, 2000)

Auditors' Report

To the Directors of DXSTORM Inc.

We have audited the balance sheets of **DXSTORM Inc.** as at January 31, 2000 and 1999 and the statements of operations and deficit and cash flows for the years ended January 31, 2000, 1999 and 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at January 31, 2000 and 1999 and the results of its operations and its cash flows for the years ended January 31, 2000 and 1999 and 1998 in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

DXSTORM Inc.

Balance Sheets

	April 30, 2000 \$ (Unaudited)	January 31,	
		2000 \$	1999 \$
Assets			
Current assets			
Cash and cash equivalents	1,547,678	67,314	4,196
Accounts receivable	19,203	13,674	3,294
Other assets (note 3)	7,740	99,132	2,713
	1,574,621	180,120	10,203
Capital assets (note 6)	411,317	148,200	9,910
Deposits (note 4)	79,578	74,097	-
Deferred acquisition costs (note 5)	147,550	-	-
	2,213,066	402,417	20,113
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	147,612	104,653	36,449
Deferred revenue	44,000	45,362	-
Due to shareholders (note 12)	-	19,020	21,071
Capital lease obligation - current portion (note 7)	42,527	53,325	-
	234,139	222,360	57,520
Long-term portion of lease obligation (note 7)	3,449	13,558	-
	237,588	235,918	57,520
Shareholders' Equity (Deficiency)			
Share capital and other equity (note 9)	3,541,929	1,065,818	48
Deficit	(1,566,451)	(899,319)	(37,455)
	1,975,478	166,499	(37,407)
	2,213,066	402,417	20,113

Approved by the Board of Directors

"Gregory H. Lowes"

Gregory H. Lowes, Director

"Michael S. Morton"

Michael S. Morton, Director

DXSTORM Inc.

Statements of Operations and Deficit

	Three months ended April 30,		Years ended January 31,		
	2000 \$ (Unaudited)	1999 \$ (Unaudited)	2000 \$	1999 \$	1998 \$
Sales					
E-commerce service packages	67,587	35,922	118,792	69,493	10,562
Consulting services	16,257	24,872	133,403	31,754	-
	83,844	60,794	252,195	101,247	10,562
Expenses					
General and administration	390,908	58,697	559,324	67,877	29,583
Selling and marketing	202,583	6,878	364,957	16,754	3,933
Operations	73,974	3,225	71,430	13,340	15,107
Development costs	46,388	16,588	66,353	-	-
Amortization	34,743	1,070	42,184	1,806	346
Bank charges	262	142	702	407	111
Interest on lease obligation	2,118	-	9,109	-	-
	750,976	86,600	1,114,059	100,184	49,080
Net income (loss) for the period	(667,132)	(25,806)	(861,864)	1,063	(38,518)
Deficit - Beginning of period	(899,319)	(37,455)	(37,455)	(38,518)	-
Deficit - End of period	(1,566,451)	(63,261)	(899,319)	(37,455)	(38,518)
Net earnings (loss) per share (note 14)	(0.05)	(0.00)	(0.09)	0.01	(19,259)

DXSTORM Inc.

Statements of Cash Flows

	Three months ended April 30,		Years ended January 31,		
	2000 \$ (Unaudited)	1999 \$ (Unaudited)	2000 \$	1999 \$	1998 \$
Cash provided by (used in)					
Operating activities					
Net income (loss) for the period	(667,132)	(25,806)	(861,864)	1,063	(38,518)
Item not affecting cash					
Amortization	34,743	1,070	42,184	1,806	346
Net change in non-cash working capital	15,157	20,319	100,295	10,845	40,668
	(617,232)	(4,417)	(719,385)	13,714	2,496
Investing activities					
Purchase of capital assets - net of lease obligation assumed	(297,860)	(818)	(113,591)	(9,753)	(2,309)
Deposits	(5,481)	-	(74,097)	-	-
	(303,341)	(818)	(187,688)	(9,753)	(2,309)
Financing activities					
Proceeds of preferred share issue - net of issuance costs and subscriptions receivable	-	-	970,191	-	-
Receipt of preferred share subscriptions receivable	93,283	-	-	-	-
Proceeds of common share issue	1,667	-	-	47	-
Proceeds of warrant issues	2,474,444	-	-	-	-
Payments on lease obligation	(20,907)	-	-	-	-
Deferred acquisition costs	(147,550)	-	-	-	-
	2,400,937	-	970,191	47	-
Increase (decrease) in cash and cash equivalents during the period	1,480,364	(5,235)	63,118	4,008	187
Cash and cash equivalents - Beginning of period	67,314	4,196	4,196	188	1
Cash and cash equivalents (bank indebtedness) - End of period	1,547,678	(1,039)	67,314	4,196	188
Supplementary disclosure					
Interest paid in the period	2,118	-	9,109	-	-

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

1 General

Nature of business, incorporation and continuance

DXSTORM Inc. (the Company or DXSTORM) was incorporated on January 21, 1997 under the laws of the Province of Ontario. Its principal business is the provision of e-commerce solutions to small and medium-sized companies in Canada and the United States, from its operations based in Canada.

The Company's continued operations are dependent upon its ability to obtain financing from other sources and its ability to achieve future profitability.

The accompanying financial statements have been prepared on the basis that the Company will continue as a going concern. Accordingly, they do not purport to give effect to adjustments, if any, that may be necessary should the Company be unable to continue operations and therefore be required to realize its assets and discharge its liabilities and commitments in other than the ordinary course of business.

Unaudited financial information

Financial statements as at April 30, 2000 and for the three months ended April 30, 2000 and 1999 and information presented in these financial statements related thereto, as well as any information subsequent to April 30, 2000 have not been subjected to audit procedures.

2 Summary of significant accounting policies

Basis of presentation

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles.

Revenue recognition

Revenues from the sale of the e-commerce service packages are recognized rateably over the terms of contracts which generally range from one month to 12 months. Cash received in advance of revenues is recorded as deferred revenue.

Revenue from consulting services is recognized when contracts are complete and billed.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and highly liquid short-term interest bearing securities. Interest earned is recognized immediately in the statements of operations and deficit.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

Capital assets

Capital assets are carried at cost less accumulated amortization. Assets are amortized from the date of acquisition and are computed on a straight-line basis method using the half-year rule.

Computer equipment	2 to 3 years
Office furniture and equipment	5 years

Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Income taxes

Income taxes are provided based on the liability method. Future income taxes arise due to the temporary differences in the assets and liabilities between their accounting and income tax basis. Deferred assets, such as net operating loss carry forwards, are recognized to the extent that realization of such benefits is more likely than not.

Foreign currency

Transactions in foreign currencies are translated at monthly average rates and period-end balances at the then current rate. Any gain or losses are recorded directly in operations.

3 Other assets

Included in other assets at January 31, 2000 is \$93,283 due in respect of the issue of preferred shares (note 9) issued in the year ended January 31, 2000. This amount was received by to the Company during the quarter ended April 30, 2000.

4 Deposits

Included in deposits is \$50,000 (unaudited) (January 31, 2000 - \$50,000; January 31, 1999 - \$nil) of restricted cash deposits that serves as security on the Company's corporate charge card.

5 Deferred acquisition costs

Deferred acquisition costs represent professional fees incurred to date in respect of the Plan of Arrangement with West Park Resources Inc. (note 15(a)).

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

6 Capital assets

	April 30, 2000 \$ (Unaudited)	January 31, 2000 \$ 1999 \$	
Cost			
Computer equipment	278,331	169,729	7,152
Office furniture and equipment	183,198	19,005	4,912
Leasehold improvements	25,065	3,802	-
	486,594	192,536	12,064
Accumulated amortization			
Computer equipment	66,921	41,073	1,662
Office furniture and equipment	7,938	2,883	492
Leasehold improvements	418	380	-
	75,277	44,336	2,154
Net			
Computer equipment	211,410	128,656	5,490
Office furniture and equipment	175,260	16,122	4,420
Leasehold improvements	24,647	3,422	-
	411,317	148,200	9,910

At April 30, 2000, computer equipment in the amount of \$74,480 (unaudited) (January 31, 2000 - \$89,380; January 31, 1999 - \$nil) net of accumulated amortization of \$44,694 (unaudited) (January 31, 2000 - \$29,794; January 31, 1999 - \$nil) is financed by a capital lease.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

7 Capital lease obligation

The following is a schedule of future minimum lease payments together with the balance of the obligation set out by fiscal year, of the Company's capital lease, which has a two-year term and bears interest at 10%:

	Minimum lease payments \$ (Unaudited)	Imputed interest \$ (Unaudited)	April 30, 2000 \$ (Unaudited)
2001	46,065	3,538	42,527
2002	3,490	41	3,449
	<u>49,555</u>	<u>3,579</u>	45,976
Less: Current portion			<u>42,527</u>
			<u>3,449</u>

8 Financial instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, due to shareholders and capital lease obligation. The carrying values of these instruments approximate fair values due to the short-term nature of the instruments and the normal trade credit terms of these instruments.

9 Share capital and other equity

The authorized capital stock of the Company consists of an unlimited number of common shares.

The other equity consists of 1,110,000 Series 1 and 1,785,715 Series 2 special warrants as well as 125,000 Series 1 and 250,000 Series 2 brokers' warrants. The Series 1 special and Series 1 brokers' warrants may be exercised, for no additional consideration, into two DXSTORM common shares. The Series 2 special and Series 2 brokers' warrants may be exercised, for no additional consideration, into one DXSTORM common share.

Share capital and other equity transactions comprised the following:

a) Three months ended April 30, 2000 (unaudited)

On March 9, 2000 and April 7, 2000, the Company issued 1,110,000 Series 1 special warrants and 1,785,715 Series 2 special warrants, respectively, through private placements for total proceeds of \$2,474,444, net of issue costs of \$338,556. In addition to cash fees of \$338,556, the brokers for these private placements received Series 1 and Series 2 brokers' warrants issued by the Company, for no additional compensation. The proceeds from the issue have been allocated among the special and brokers' warrants.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

On March 15, 2000, 3,900,000 outstanding share purchase warrants were exchanged for 1,299,996 common shares, for no cash consideration following a change in the terms of share purchase warrants. On the same date, the 1,300,000 outstanding share options were exercised for no consideration and the Company issued 433,334 common shares to the option holders.

On March 13, 2000, all 5,408,333 issued and outstanding common shares were, by shareholder resolution, split two for one. In addition, the 1,300 issued and outstanding preferred shares were converted on the basis of 2,000 common shares for each preferred share, thereby resulting in the issue of an additional 2,600,000 common shares.

On March 6, 2000, 8,333 common shares were issued for \$0.20 per share, for total cash consideration of \$1,667.

On February 1, 2000, the holder of the 300,000 agent warrants issued during fiscal 2000 were exercised, and the Company issued, for no additional consideration 300,000 common shares and 300,000 additional share purchase warrants entitling the holder of each share purchase warrant to purchase a common share for \$1.00.

b) Year ended January 31, 2000

Between May 1999 and November 1999, the Company issued 1,200,000 options to purchase common shares to one company executive and in addition to external consultants who are also shareholders. The options may be exercised, at any time on or before April 30, 2002, into common shares at a rate of \$1.00 per share for each option granted. No options were exercised, forfeited, or expired during the year, and no compensation expense is recorded when the options are granted.

On May 19, 1999, the Company authorized an unlimited number of preferred shares and 1,300 preferred shares were issued for \$1,065,770, net of share issue costs of \$234,230 cash and 400,000 common shares with a value of \$400,000. The common shares were issued on November 1, 1999. At the same time, 3,600,000 share purchase warrants were issued to the holders of the preferred shares, which allow the holder of each warrant to acquire a common share for \$1.00 on or before April 30, 2002. These share purchase warrants have been recorded at the nominal value of \$0.0005 per 1,000 share purchase warrants.

Also on May 19, 1999, 300,000 agent warrants were issued as additional consideration for services performed in conjunction with the May 19, 1999 preference share issue. These agent warrants allow the holder to exchange, for no additional consideration, each warrant for one common share. These agent warrants are valued at \$1.00 per agent warrant, for a total value of \$300,000.

c) Year ended January 31, 1999

On January 20, 1999, 4,699,999 common shares were issued for \$47. On the same date, 100,000 options to purchase common shares were issued to certain company executives who are also shareholders. The options are convertible into common shares at a rate of \$1.00 per share for each option granted. No options were exercised, forfeited, or expired during the year, and no compensation expense is recorded when the options are granted.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

Outstanding share capital and other equity consists of:

	April 30, 2000		January 31,			
			2000		1999	
	Number outstanding (Unaudited)	Amount \$ (Unaudited)	Number outstanding	Amount \$	Number outstanding	Amount \$
Common shares	15,149,996	1,067,485	5,100,000	400,048	4,700,000	48
Preferred shares	-	-	968	272,240	-	-
Preferred shares subscribed but not paid	-	-	332	93,528	-	-
Agent warrants	-	-	300,000	300,000	-	-
Share purchase warrants	-	-	3,600,000	2	-	-
Series 1 special warrants	1,110,000	1,243,832	-	-	-	-
Series 1 brokers' warrants	125,000	141,200	-	-	-	-
Series 2 special warrants	1,785,715	952,588	-	-	-	-
Series 2 brokers' warrants	250,000	136,824	-	-	-	-
		<u>3,541,929</u>		<u>1,065,818</u>		<u>48</u>

10 Commitments (unaudited)

The Company has future minimum lease payments under operating leases relating to premises and computer equipment as follows:

	\$
2001	231,404
2002	174,652
2003	134,074
2004	132,098
2005	73,922
	<u>746,150</u>

On February 7, 2000, the Company entered into a five-year operating lease relating to a new premises with an annual lease payment of \$86,325.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

11 Income taxes

The Company has had no taxable income to date. As April 30, 2000, losses available for carry-forward amount to \$1,494,848 (unaudited) (January 31, 2000 - \$864,423; January 31, 1999 - \$16,636). The benefit of these loss carry-forwards is not recorded in the financial statements. The benefit is not recorded until it is more likely than not that the Company will have future taxable income. Loss carry-forward amounts can be utilized by the Company against future income taxes and expire as follows:

	\$ (Unaudited)
Year of expiry	
2005	16,636
2006	-
2007	847,787
2008	630,425

Significant components of the Company's future tax position are as follows:

	April 30, 2000 \$ (Unaudited)	Years ended January 31,	
		2000 \$	1999 \$
Future income tax assets resulting from temporary differences	7,331	2,640	4,493
Future income tax assets resulting from loss carry-forwards	316,271	183,125	4,169
Valuation allowance	(323,602)	(185,765)	(8,662)
Net future income tax asset	-	-	-

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

The Company's computation of income tax expense is as follows:

	April 30, 2000 \$ (Unaudited)	2000 \$	Years ended January 31, 1999 \$ 1998 \$	
Net income (loss) before income taxes	(667,132)	(861,864)	1,063	(38,518)
Timing differences between deduction for tax and accounting	34,712	12,499	-	19,897
Other	1,995	1,578	(1,063)	662
Loss carry-forwards for which a valuation allowance has been recorded	630,425	847,787	-	17,959
	-	-	-	-

12 Related party transactions

Due to shareholders includes amounts that were paid on behalf of the Company for the purchase of capital assets, and amounts due in respect of consulting services provided by a shareholder. Purchases of capital assets by a shareholder of \$6,397 were made during the year ended January 31, 1999 (year ended January 31, 1998 - \$3,000) and a repayment of \$19,020 (unaudited) was made to the shareholder during the three months ended April 30, 2000 (year ended January 31, 2000 - \$3,877; year ended January 31, 1999 - \$nil; year ended January 31, 1998 - \$nil). The consulting fee charged by a shareholder in 1998 was \$13,500.

13 Sales by geographic area

The Company operates in one segment which is business to business e-commerce services, and all operations and all capital assets are located in Canada. Sales are principally to customers in Canada and the United States, with Canadian sales representing approximately 30% (unaudited) of total revenues for the three months ended April 30, 2000 (year ended January 31, 2000 - 44%; year ended January 31, 1999 - 37%).

14 Net earnings (loss) per share

Net earnings (loss) per share is calculated using the weighted average number of common shares outstanding in each period adjusted for stock splits. For each period presented, fully diluted earnings (loss) per share are anti-dilutive.

DXSTORM Inc.

Notes to Financial Statements

April 30, 2000

15 Subsequent events

a) Reverse takeover

On June 16, 2000, pursuant to a Plan of Arrangement, West Park Resources Inc. (West Park) and the shareholders of West Park acquired all of the outstanding securities of DXSTORM for consideration of common shares and special warrants of West Park. As a result of this transaction the DXSTORM shareholders became the shareholders of West Park and accordingly, the transaction is accounted for as a reverse takeover, with DXSTORM identified as the acquirer. The cost of the purchase of \$2,462,603 is based on the fair value of the net assets of West Park acquired through the reverse takeover. Included within the net assets and share capital of West Park is the effect of the issue of common shares of West Park, described in note 15(c).

West Park subsequently changed its name to DXSTORM.COM Inc.

The allocation of the purchase price to the assets and liabilities of West Park is as follows:

	\$
Cash	2,210,931
Accounts receivable and deposits	11,206
Deferred share issue costs	92,916
Value of public listing	147,550
	<u>2,462,603</u>

b) Other common shares issued

Prior to the reverse takeover, the Company issued, for no cash consideration, 500,000 common shares as a finders' fee to a party who helped facilitate the takeover. Additionally, immediately prior to the Arrangement, the Company issued 100,000 common shares for \$1.25 per share, to its employees for total proceeds of \$125,000.

c) West Park share issue

Concurrent with the reverse takeover (note 15(a)), West Park issued 2,000,000 common shares on the Canadian Venture Exchange, for gross proceeds of \$2,500,000. Issue costs amounted to \$374,300, plus 320,000 additional common shares issued to the offering sponsor.

d) Ontario prospectus

On September 26, 2000, DXSTORM.COM Inc., filed a prospectus with the Ontario Securities Commission to qualify for distribution 1,292,856 common shares, issuable for no additional consideration, upon the exercise of 646,428 DXSTORM.COM Inc. special warrants.

DXSTORM.COM Inc.

Unaudited Pro Forma Combined Financial Statements
April 30, 2000

September 8, 2000

Compilation Report

**To the Directors of
DXSTORM.COM Inc.**

We have reviewed, as to compilation only, the accompanying unaudited pro forma combined balance sheet of **DXSTORM.COM Inc.** as at April 30, 2000 and the unaudited pro forma combined statement of operations for the three months then ended, which have been prepared for inclusion in the prospectus relating to the distribution of 1,292,856 common shares issuable for no additional consideration upon the exercise of 646,428 special warrants.

In our opinion, the unaudited pro forma combined balance sheet as at April 30, 2000 and the unaudited pro forma combined statements of operations for the three months ended April 30, 2000 and the year ended January 31, 2000 have been properly compiled to give effect to the proposed transaction and the assumptions described in note 1.

PricewaterhouseCoopers LLP

Chartered Accountants

DXSTORM.COM Inc.

Unaudited Pro Forma Combined Balance Sheet

As at April 30, 2000

	DXSTORM Inc. \$	DXSTORM.COM Inc. \$	Adjustments ⁽¹⁾ \$	Pro forma combined \$
Assets				
Current assets				
Cash and cash equivalents (notes 2(b)(c))	1,547,678	177,700	2,625,000	4,350,378
Accounts receivable	19,203	9,670	-	28,873
Other assets	7,740	-	-	7,740
	1,574,621	187,370	2,625,000	4,386,991
Capital assets	411,317	-	-	411,317
Deposits	79,578	20,300	-	99,878
Deferred acquisition costs	147,550	-	-	147,550
Deferred share issue costs	-	92,916	(92,916)	-
	2,213,066	300,586	2,532,084	5,045,736
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	147,612	31,464	-	179,076
Deferred revenue	44,000	-	-	44,000
Capital lease obligation - current portion	42,527	-	-	42,527
	234,139	31,464	-	265,603
Long-term portion of lease obligation	3,449	-	-	3,449
	237,588	31,464	-	269,052
Shareholders' Equity				
Share capital and warrants (notes 2(a)(c)(f))	3,541,929	336,790	2,464,416	6,343,135
Deficit	(1,566,451)	(67,668)	67,668	(1,566,451)
	1,975,478	269,122	2,532,084	4,776,684
	2,213,066	300,586	2,532,084	5,045,736

¹⁾ Includes items noted in the referenced notes to the unaudited pro forma combined financial statements.

DXSTORM.COM Inc.

Unaudited Pro Forma Combined Statement of Operations For the three months ended April 30, 2000

	DXSTORM Inc. \$	DXSTORM.COM Inc. \$	Pro forma combined \$
Sales			
E-commerce service packages	67,587	-	67,587
Consulting services	16,257	-	16,257
	83,844	-	83,844
Expenses			
General and administration	390,908	47,747	438,655
Selling and marketing	202,583	-	202,583
Operations	73,974	-	73,974
Development costs	46,388	-	46,388
Amortization	34,743	-	34,743
Bank charges	262	51	313
Interest on lease obligation	2,118	-	2,118
	750,976	47,798	798,774
Loss for the period	(667,132)	(47,798)	(714,930)

DXSTORM.COM Inc.

Unaudited Pro Forma Combined Statement of Operations ...continued

For the year ended January 31, 2000

	DXSTORM Inc. \$	DXSTORM.COM Inc. \$	Pro forma combined \$
Sales			
E-commerce service packages	118,792	-	118,792
Consulting services	133,403	-	133,403
	<u>252,195</u>	<u>-</u>	<u>252,195</u>
Expenses			
General and administration	559,324	19,743	579,067
Selling and marketing	364,957	-	364,957
Operations	71,430	-	71,430
Development costs	66,353	-	66,353
Amortization	42,184	-	42,184
Bank charges	702	127	829
Interest on lease obligation	9,109	-	9,109
	<u>1,114,059</u>	<u>19,870</u>	<u>1,133,929</u>
Loss for the year	<u>(861,864)</u>	<u>(19,870)</u>	<u>(881,734)</u>

DXSTORM.COM Inc.

Notes to Unaudited Pro Forma Combined Financial Statements

(Unaudited)

April 30, 2000

1 Basis of preparation

Pursuant to a Plan of Arrangement, as outlined in the Joint Information Circular for Special and Extraordinary General Meetings of the Securityholders of West Park Resources Inc. (West Park) and DXSTORM Inc. (DXSTORM) dated March 27, 2000 (Information Circular) and approved on June 16, 2000, West Park and the shareholders of West Park approved the acquisition of all of the outstanding securities of DXSTORM for consideration of common shares and special warrants of West Park. These statements refer to West Park as DXSTORM.COM Inc. (DXSTORM.COM), as the company changed its name to DXSTORM.COM Inc. from West Park at the date of the Plan of Arrangement.

The Plan of Arrangement results in the former shareholders of DXSTORM acquiring control of DXSTORM.COM. For accounting purposes, the acquisition has been accounted for as a reverse takeover with DXSTORM being identified as the acquirer.

This unaudited pro forma combined balance sheet reflects the pro forma combined financial position of DXSTORM.COM, as if the Plan of Arrangement had been approved by the shareholders of DXSTORM.COM and DXSTORM as at April 30, 2000. Accordingly, this unaudited pro forma financial statement reflects the audited balance sheet of DXSTORM.COM and unaudited balance sheet of DXSTORM as at April 30, 2000, as adjusted for the transactions that occurred as a result of the Plan of Arrangement, and as described in the notes to these financial statements.

A combined statement of operations for the three months ended April 30, 2000 and the year ended January 31, 2000 are presented. These unaudited pro forma combined statements of operations for the three months ended April 30, 2000 and the year ended January 31, 2000, give effect to the acquisition of DXSTORM as though the Plan of Arrangement had been approved by the shareholders of DXSTORM.COM and DXSTORM effective February 1, 2000 and May 1, 1999, respectively. The unaudited pro forma combined statements of operations have been prepared from the unaudited statement of operations of DXSTORM for the three months ended April 30, 2000 and the audited statement of operations of DXSTORM.COM for the three months ended April 30, 2000 and from the audited statement of operations of DXSTORM.COM and DXSTORM for the period from August 11, 2000 to January 31, 2000, and the year ended January 31, 2000, respectively.

The pro forma adjustments are based upon available information and certain assumptions that the company believes are reasonable under the circumstances. Pro forma adjustments are applied to the historical financial statements of the company to account for the reverse takeover of West Park, accounted for by the purchase method of accounting. Under the purchase method, estimated acquisition cost will be allocated to West Park's assets and liabilities based on their relative face values which are considered to be their fair values given the nature of these assets and liabilities. Allocations have not been audited for the purpose of these pro forma statements and accordingly allocations may differ from the accounts recorded herein. Any adjustments will result in a corresponding change to the purchase price. (note 2(e))

DXSTORM.COM Inc.

Notes to Unaudited Pro Forma Combined Financial Statements

(Unaudited)

April 30, 2000

The unaudited pro forma combined financial information has been prepared in accordance with Canadian generally accounting principles.

The unaudited pro forma combined financial information and related notes are provided for information purposes only and do not purport to be indicative of what the company's results of operations would have been on completion of the Plan of Arrangement at June 16, 2000, nor do they purport to project the company's results from operations for any future periods.

2 Unaudited pro forma combined balance sheets

The unaudited pro forma combined balance sheet of DXSTORM Inc. reflects the following:

- a) Prior to the completion of the Plan of Arrangement, DXSTORM issued 500,000 DXSTORM common shares to a party who helped facilitate the Plan of Arrangement (finder), pursuant to an agreement between DXSTORM and the finder.
- b) Prior to the completion of the Plan of Arrangement, DXSTORM issued 100,000 common shares to its employees for \$1.25 per share, for total proceeds of \$125,000.
- c) Concurrent with the Plan of Arrangement, DXSTORM.COM issued 2,000,000 common shares on June 16, 2000 for gross proceeds of \$2,500,000. This share issue and the related proceeds are included as a pro forma adjustment at April 30, 2000. On June 16, 2000, the effective date of the Plan of Arrangement, the proceeds of the share issue are included in the balance sheet of DXSTORM.COM and accordingly, are included in the net assets acquired at that date.
- d) In connection with the issue of 2,000,000 common shares (note 2(c)), DXSTORM.COM issued 320,000 common shares to the sponsor of the share offering, for no consideration.
- e) Purchase price allocations to the identifiable assets of DXSTORM.COM as at April 30, 2000 resulting from the reverse takeover are as follows:

	\$
Total consideration ⁽¹⁾	416,672
Net assets acquired	416,672

- ¹⁾ Consideration paid to the former shareholders of DXSTORM consisted of 15,749,996 common shares, 2,895,715 Series 1 and Series 2, special warrants and 375,000 Series 1 and Series 2, brokers' warrants of DXSTORM.COM, with a value of \$176,206. Upon receipt of the 15,149,996 common shares, 2,895,715 Series 1 and Series 2, special warrants and 375,000 Series 1 and Series 2, brokers' warrants of DXSTORM.COM by the former shareholders and warrant holders of DXSTORM, all the shares, Series 1 and Series 2, special warrants and Series 1 and Series 2 brokers' warrants of DXSTORM were cancelled.

DXSTORM.COM Inc.

Notes to Unaudited Pro Forma Combined Financial Statements

(Unaudited)

April 30, 2000

- f) The following table summarizes the effect of the share capital reorganization and issuance of shares and warrants by DXSTORM.COM to the former shareholders of DXSTORM:

Common shares issued and outstanding

DXSTORM	note	West Park/ DXSTORM.COM	note
15,149,996 ⁽¹⁾		2,550,000 ⁽¹⁾	
500,000	2(a)		
100,000	2(b)		
		2,000,000	2(c)
		320,000	2(d)
<u>(15,749,996)</u>	2(e)	<u>15,749,996</u>	2(e)
<u>-</u>		<u>20,619,996</u>	

Warrants issued and outstanding

DXSTORM				DXSTORM.COM				note
Special shares		Brokers' warrants		Special warrants		Brokers' warrants		
Series A	Series B	Series A	Series B	Series A	Series B	Series A	Series B	
1,110,000 ⁽²⁾	1,785,715 ⁽²⁾	125,000 ⁽²⁾	250,000 ⁽²⁾	- ⁽²⁾	- ⁽²⁾	- ⁽²⁾	- ⁽²⁾	
<u>(1,110,000)</u>	<u>(1,785,715)</u>	<u>(125,000)</u>	<u>(250,000)</u>	<u>1,110,000</u>	<u>1,785,715</u>	<u>125,000</u>	<u>250,000</u>	2(e)
-	-	-	-	1,110,000	1,785,715	125,000	250,000	

¹⁾ Common shares issued and outstanding at the period ended April 30, 2000.

²⁾ Warrants issued and outstanding at the period ended April 30, 2000.

West Park Resources Inc.

Financial Statements
April 30, 2000

September 8, 2000

Auditors' Report

To the Directors of West Park Resources Inc.

We have audited the balance sheet of **West Park Resources Inc.** as at April 30, 2000 and the statements of operations and deficit and cash flows for the period from August 11, 1999, date of commencement of business, to April 30, 2000. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at April 30, 2000 and the results of its operations and its cash flows for the period from August 11, 1999, date of commencement of business, to April 30, 2000, in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

Toronto, Ontario

West Park Resources Inc.

Balance Sheet

As at April 30, 2000

	\$
Assets	
Current assets	
Cash	177,700
Accounts receivable and other assets	<u>29,970</u>
	207,670
Deferred share issue costs (note 2)	<u>92,916</u>
	<u>300,586</u>
Liabilities	
Current liabilities	
Accounts payable	<u>31,464</u>
Shareholders' Equity	
Share capital (note 3)	336,790
Deficit	<u>(67,668)</u>
	<u>269,122</u>
	<u>300,586</u>

Approved by the Board of Directors

"Gregory H. Lowes" Gregory H. Lowes, Director

"Michael S. Morton" Michael S. Morton, Director

West Park Resources Inc.

Statement of Operations and Deficit

For the period from August 11, 1999, date of commencement of business, to April 30, 2000

	\$
Expenses	
Legal	10,743
Accounting and other costs	32,880
Regulatory filing and transfer fees	23,213
Incorporation expense	832
Loss for the period and deficit - End of period	67,668
Net loss per share (note 6)	0.03

West Park Resources Inc.

Statement of Cash Flows

For the period from August 11, 1999, date of commencement of business, to April 30, 2000

\$

Cash flows provided by (used in)

Operating activities

Loss for the period	(67,668)
Increase in accounts receivable	(29,970)
Increase in accounts payable	<u>31,464</u>
	<u>(66,174)</u>

Financing activities

Issue of share capital for cash	410,000
Share issue costs	<u>(166,126)</u>
	<u>243,874</u>

Increase in cash and cash - End of period	<u>177,700</u>
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West Park Resources Inc.

Notes to Financial Statements

April 30, 2000

1 Incorporation and nature of operations

The company was incorporated on October 6, 1993 under the laws of the Province of British Columbia, but remained inactive and had no transactions until August 11, 1999. The company presently has no business or assets, other than cash and other assets consisting primarily of amounts receivable, but has filed a prospectus in accordance with policies of the Canadian Venture Exchange and the British Columbia Securities Commission and issued 1,000,000 shares to the public. The company was acquired by DXSTORM Inc. on June 16, 2000, through a reverse takeover, as described in note 7.

2 Deferred share issue costs

The company has incurred legal costs in respect of the shares to be issued under the Plan of Arrangement described in note 7. These costs will be offset against share issue proceeds when the shares are issued.

3 Share capital

Authorized

100,000,000 common shares without nominal or par value

Issued and full paid

	\$
1,000,000 shares at \$0.10	100,000
550,000 shares at \$0.20	110,000
1,000,000 shares at \$0.20	<u>200,000</u>
	410,000
Less: Share issue costs	<u>(73,210)</u>
2,550,000 shares	<u>336,790</u>

1,000,000 of the issued shares have been placed in escrow to be released, subject to regulatory approval, one third per year for three years after an approved acquisition (note 1).

On August 26, 1999, the company issued 550,000 common shares through a private placement for net proceeds of \$110,000. On November 22, 1999, the company issued 1,000,000 common shares to the public, on the Canadian Venture Exchange for gross proceeds of \$200,000.

West Park Resources Inc.

Notes to Financial Statements

April 30, 2000

Directors and consultants to the company hold options to purchase up to 250,000 treasury shares at \$0.20 per share until November 26, 2004.

Brokers' non-transferable warrants are outstanding to purchase up to 100,000 treasury shares at \$0.20 per share until May 26, 2001.

4 Income taxes

The company has had no taxable income. As at April 30, 2000, losses available for carry-forward amount to \$67,668. The benefit of these loss carry-forwards has not been recorded in the financial statements, and will not be recorded until it is more likely than not that the company will have future taxable income. Losses can be utilized against future income taxes and expire in 2008.

5 Financial instruments

The company's financial instruments consist of cash and accounts receivable. The carrying values of these instruments approximate fair values due to the short-term nature of these instruments and normal trade credit terms of these instruments.

6 Net loss per share

Net loss per share is calculated using the weighted average number of common shares outstanding. Fully diluted loss per share is anti-dilutive.

7 Subsequent events

Plan of arrangement

On May 5, 2000, the shareholders of the company approved a Plan of Arrangement whereby West Park Resources Inc. would be acquired through a reverse takeover by DXSTORM Inc. (DXSTORM), an Ontario based e-commerce application service provider. The Plan of Arrangement also included the continuance of the company from British Columbia to Ontario, and the change of name from West Park Resources Inc. to DXSTORM.com Inc. (DXSTORM.com).

West Park Resources Inc.

Notes to Financial Statements

April 30, 2000

On June 16, 2000, the company issued 15,749,996 common shares and 3,270,715 Series 1 and Series 2 special and brokers' warrants to the existing common shareholders and warrant holders of DXSTORM, on the basis of one special and brokers' warrants share or warrant for each issued and outstanding common share or warrant of DXSTORM. The existing common shares, special and brokers' warrants of DXSTORM were then cancelled, and the former common shareholders of DXSTORM became the controlling shareholders of DXSTORM.com (formerly West Park Resources Inc.). After the completion of the transaction, DXSTORM became the legal subsidiary of DXSTORM.com. For accounting purposes, DXSTORM was identified as the acquirer.

In an additional share issue concurrent with the reverse takeover, the company issued 2,000,000 common shares on the Canadian Venture Exchange, for gross proceeds of \$2,500,000. Issue costs amounted to \$374,300, plus 320,000 additional common shares issued to the offering sponsor.

CERTIFICATE OF DXSTORM.COM INC.

DATED: this 26th day of September, 2000

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part XV of the *Securities Act* (Ontario), and the regulations thereunder.

“Gregory Lowes”

“Michael Smith”

Gregory Lowes
President & Chief Executive Officer

Michael Smith
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Daniel McKenzie”

“Michael Morton”

Daniel McKenzie
Director

Michael Morton
Director