

*This is an important document that requires your careful review and consideration. If you are in doubt as to how to respond to the Offer, you should consult with your investment dealer, stockbroker, bank manager, lawyer or other professional advisor. Enquiries concerning the information in this document should be directed to the Senior Vice-President, Corporate Development and Chief Operating Officer of InBusiness Solutions Inc., Rick Clements (613) 761-9436.*

# **INBUSINESS SOLUTIONS INC.**

## **Directors' Circular**

Relating to the Offer by

### **TREKLOGIC TECHNOLOGIES INC.**

to purchase all of the outstanding Common Shares of

### **INBUSINESS SOLUTIONS INC.**

at Cdn\$0.15 per Common Share.

#### **RECOMMENDATION**

**The Board of Directors of InBusiness Solutions Inc. unanimously recommends that Shareholders ACCEPT the Offer and TENDER their Common Shares to the Offer.**

#### **NOTICE TO SHAREHOLDERS IN THE UNITED STATES**

*The Offer referred to herein is made for the securities of a Canadian issuer and the Offer is subject to Canadian disclosure requirements. These disclosure requirements are different from those of the United States and other non-Canadian jurisdictions. The enforcement of civil liabilities under the United States federal securities laws may be adversely affected by the fact that InBusiness Solutions Inc. is incorporated under the laws of Canada and that the majority of its officers and directors are residents of Canada, and that all or a substantial portion of the assets of InBusiness Solutions Inc. and those persons may be located in Canada.*

**December 11, 2003**

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# INBUSINESS SOLUTIONS INC.

## DIRECTORS' CIRCULAR

This Directors' Circular is issued by the Board of Directors (the "Board") of InBusiness Solutions Inc. (the "Corporation") in connection with the offer dated December 11, 2003 (the "Offer") made by TrekLogic Technologies Inc. (the "Offeror" or "TrekLogic") to purchase all of the issued and outstanding Common Shares (the "Common Shares") in the capital of the Corporation not already owned by the Offeror, and its affiliates and associates.

The consideration under the Offer is \$0.15 in cash for each Common Share deposited under the Offer. The Offer will be open for acceptance until 5:00 p.m. (Toronto time) (the "Expiry Time") on January 15, 2004 (the "Expiry Date"), unless extended or withdrawn.

The terms and conditions of the Offer, the method of acceptance of the Offer and other information relating to the Offer, the Corporation and the Offeror are set out in the Offer, the circular (the "Circular") which accompanies and forms part of the Offer, and the Letter of Transmittal and the Notice of Guaranteed Delivery which accompany the Offer.

All currency amounts in this Directors' Circular are expressed in Canadian dollars. Unless otherwise indicated, all references to outstanding Common Shares in this Directors' Circular mean outstanding Common Shares at the date hereof. **All capitalized words not otherwise defined herein have the meanings respectively ascribed to them in the Offer and Circular, unless the context otherwise requires.**

## FORMATION AND DELIBERATIONS OF INDEPENDENT COMMITTEE

On March 5, 2003, the Corporation issued to the Offeror a convertible debenture in the principal amount of \$500,000 (the "First Convertible Debenture"). The First Convertible Debenture was convertible into units at a price of \$0.05 per unit, each unit consisting of one Common Share and one warrant to purchase one Common Share at \$0.10 per share. On April 17, 2003, the Corporation issued to the Offeror, a convertible debenture in the principal amount of \$1,500,000 (the "Second Convertible Debenture"). The Second Convertible Debenture was convertible into units at a price of \$0.075 per unit, each unit consisting of one Common Share and one warrant to purchase one Common Share at \$0.10 per share. On April 29, 2003, both the First Convertible Debenture and the Second Convertible Debenture were automatically converted (on receipt of approval of the Corporation's shareholders) into 30,000,000 Common Shares and 30,000,000 warrants to purchase Common Shares.

On April 21, 2003, 1434670 Ontario Inc., a company controlled by John McKimm and James Penturn, both directors and shareholders of the Offeror, purchased \$600,000 of a \$1,000,000 convertible debenture previously issued by the Corporation to Ted and Betty Riback (the "Riback Debenture") and obtained an option to purchase \$300,000 of the remaining \$400,000 of the Riback Debenture. The Riback Debenture is convertible into units at a price of \$0.10 per unit, each unit consisting of one Common Share and one warrant to purchase one Common Share at a price of \$0.10 per share. 1434670 Ontario Inc. presently holds a debenture

convertible into 6,000,000 Common Shares and Warrants to purchase 6,000,000 Common Shares. If 1434670 Ontario Inc. exercises its option to purchase a further \$300,000 of the Riback Debenture and converts all debentures and warrants then owned by it, it shall hold 9,000,000 Common Shares and warrants to purchase 9,000,000 in Common Shares.

On September 19, 2003, the Offeror expressed to the Board an interest in extending an offer to acquire Common Shares of the Corporation that the Offeror did not already own. At that time the Board established an Independent Committee of directors to, among other things, assess the propriety of any specific offer that might be proposed and to retain an independent valuator and supervise the preparation of a formal valuation in order to be able to respond to any transaction that might be proposed. The members of the Independent Committee were Derek Nelson and David Robertson.

On September 26, 2003, the Independent Committee retained Crosbie & Company Inc. to provide an independent valuation of the Common Shares and an opinion as to the fairness from a financial point of view to the holders of Common Shares, other than the Offeror and its affiliates and associates (the "Minority Shareholders"), of any offer that might be made. The Independent Committee was satisfied that, based upon its representations, Crosbie & Company Inc. was qualified and independent of the Offeror. A formal engagement letter was executed on October 23, 2003.

The Independent Committee met formally on September 24, September 26, September 30, October 30 and December 8, 2003. Mr. Nelson and Mr. Robertson also had numerous informal telephone conferences.

On October 30, 2003, Crosbie & Company Inc. made a presentation to the Independent Committee of its preliminary opinion as to the range of values of the Common Shares as of October 30, 2003. The Independent Committee discussed whether the range of values would change if the Offeror failed to exercise outstanding Common Share purchase warrants held by it. Crosbie & Company Inc. noted that the valuation was based on an assumption that the Offeror would exercise its warrants. Crosbie & Company Inc. indicated that it believed that this assumption was appropriate given the Offeror's financial incentive to do so for the purposes of determining the value attributable to the Minority Shareholders. Based on the presentation and their deliberations, the members of the Independent Committee were of the view that the value of the Corporation was in a range of \$0.12 to \$0.15 per share, and the Independent Committee communicated to the Offeror that a price of \$0.15 per Common Share would in their view represent consideration that they could determine would be fair from a financial point of view to the Minority Shareholders. On November 4, 2003, the Offeror, by way of press release, announced its proposal to acquire for cash, all the Common Shares held by the Minority Shareholders at a price of \$0.15 per share and that the Independent Committee had concluded that such price was within the range of values established by the independent valuator.

On December 8, 2003, the Independent Committee reviewed a draft of the Offer and the Circular. Following a review of the Offer, and in particular the conditions attached thereto, the Independent Committee expressed some concern with the condition set out in Section 4(h) of the Offer. In particular, the Independent Committee was uncertain whether all outstanding options or other rights or entitlements to acquire authorized and unissued Common Shares will have been

exercised in full or will terminate upon expiry of the Offer or will otherwise be resolved to the satisfaction of the Offeror, taking into account that the Corporation's Stock Option Plan requires approval of the option holder prior to such option holder's rights being altered or terminated. However, in light of the members of the Independent Committee conclusions that the price of \$0.15 per Common Share was fair to the Minority Shareholders, the Independent Committee resolved to recommend to the Board that it recommend Minority Shareholders accept the Offer on the basis that the Offer was fair, from a financial point of view, to the Minority Shareholders.

On November 28, 2003 Crosbie & Company Inc. delivered its formal valuation (the "Valuation") to the Independent Committee which concludes that the range of values for the Common Shares is \$0.12 to \$0.15 and its opinion (the "Fairness Opinion") that it considers that the Offer is fair from a financial point of view to the Minority Shareholders. The full text of the Crosbie & Company Inc. Valuation and Fairness Opinion is attached to the Circular as Appendix A. See "Valuation and Fairness Opinion".

Based upon the recommendation of the Independent Committee on December 8, 2003, the Board resolved at a meeting held on December 8, 2003 to recommend to Minority Shareholders to accept the Offer and tender their Common Shares to the Offer. John McKimm, Stanley Yu, Raj Singh and Jim Penturn, all of whom are officers and/or directors of both the company and TrekLogic, declared their interest and abstained from voting in respect of these resolutions.

#### **DIRECTORS' RECOMMENDATION**

**The Board of Directors of the Corporation unanimously recommends that Shareholders ACCEPT the Offer and TENDER their Common Shares to the Offer.**

#### **REASONS FOR RECOMMENDATION**

The Independent Committee has carefully considered the Offer and has, among other things, received the benefit of advice from the financial and legal advisors to the Corporation. The Independent Committee has concluded that the price offered under the Offer is fair to the Minority Shareholders. In reaching this conclusion, as well as its decision to recommend that Shareholders accept the Offer, the Independent Committee and the Board considered a number of factors, including the following:

- (a) **Crosbie & Company Inc. Valuation.** The price offered under the Offer is at the top of the range of values for the Common Shares determined by Crosbie & Company Inc. of \$0.12 to \$0.15 per share.
- (b) **Crosbie & Company Inc. Fairness Opinion.** Crosbie & Company Inc. has provided an opinion to the Independent Committee that, subject to the assumptions, limitations and qualifications contained in the Valuation and Opinion, the Offer is fair, from a financial point of view, to the Minority Shareholders.

- (c) **Market Price.** The Offer price was at a 25% premium to \$0.12, being the price of the last trade on the TSX Venture-NEX Exchange prior to the announcement of the proposed Offer. The Offer price is the same price as the highest market price for the Common Shares over the previous 12 months.
- (d) **Cash Consideration.** The consideration for the Common Shares tendered is in cash only.
- (e) **Liquidity.** The current market for the Common Shares is not liquid. The Offer allows shareholders to liquidate their investment for cash consideration of \$0.15 per share.
- (f) **Minimum Listing Requirements.** The Corporation has been downgraded from the TSX Venture Exchange to the TSX Venture-Nex Exchange. The Corporation cannot currently maintain the minimum listing requirements for the TSX Venture-Nex Exchange which will cause the Corporation to be de-listed, resulting in less liquidity for shareholders. The Offer will allow for shareholder liquidity prior to a de-listing.
- (g) **Offer Conditions.** The Offer contains a condition that all unexercised options to purchase Common Shares will be cancelled or terminated. While the Corporation will use its best efforts to satisfy this condition, the satisfaction of this condition is beyond the Corporation's control. In the event the Corporation is unable to satisfy this condition, the Offeror may elect not to take up the Common Shares pursuant to the Offer.
- (h) **Credit Facilities.** The Corporation cannot currently meet the conditions to maintain the existing credit facilities of the Corporation without the assistance of TrekLogic. If the Offer is not accepted, it is not known whether TrekLogic will continue to support the Corporation's requirements in connection with its credit facilities.
- (i) **Tax Considerations.** The tax treatment of Minority Shareholders accepting the Offer will be advantageous when compared to alternative forms of transactions. A "Subsequent Acquisition Transaction" (as defined in the Circular) will give rise to a different tax treatment for Minority Shareholders. See "Certain Canadian Federal Income Tax Considerations" in the Circular.
- (j) **Alternatives.** In view of the Corporation's current prospects, the fact that TrekLogic holds a significant majority of the Common Shares, and the fact that consideration available pursuant to the Offer is at the top of the range of values established for the Corporation, it is highly unlikely that there would be an alternative transaction available to the Minority Shareholders.

## VALUATION AND FAIRNESS OPINION

On November 28, 2003, Crosbie & Company Inc. delivered its written report which contains its opinion that, subject to the assumptions, limitations and qualifications contained therein:

- the fair market value per Common Share, as of such date, was in the range of \$0.12 to \$0.15; and
- the Offer was, at such date, fair, from a financial point of view, to the Minority Shareholders.

A copy of the Valuation and Fairness Opinion is attached to this Directors' Circular as Schedule A. The Offeror has included a summary of the Valuation in the Circular in order to comply with its disclosure obligations under applicable securities laws.

The following is a summary of the Fairness Opinion which should be read in conjunction with the summary of the Valuation. Furthermore, the following summary is qualified in its entirety by, and should be read in conjunction with, the Valuation and Fairness Opinion. The Fairness Opinion is subject to the scope of review and assumptions and limitations as set out in the summary of the Valuation.

In considering the fairness from a financial point of view of the Offer to the Minority Shareholders, Crosbie & Company Inc. reviewed, considered and relied upon, among other things, the following:

- (a) the proposed terms of the Offer being all cash and subject to limited conditions; and
- (b) a comparison of the Offer price to the fair market value range of the Common Shares determined pursuant to the Valuation.

Based upon and subject to the foregoing, and such other matters as it considered relevant, Crosbie & Company Inc. was of the opinion that as of November 28, 2003, the Offer is fair, from a financial point of view, to the Minority Shareholders.

**The Minority Shareholders should carefully review and consider the Crosbie & Company Inc. Valuation and Fairness Opinion in its entirety.**

## SHARE CAPITAL OF THE CORPORATION

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at December 9, 2003, there were 48,158,307 Common Shares and no Preferred Shares issued and outstanding. Options ("Options") to purchase 1,616,928 Common Shares are outstanding under the Corporation's stock option plan (including 1,271,671 of which are exercisable at a price of \$0.15 or less). Additionally, there are outstanding warrants to purchase 40,000,000 Common Shares at a price

of \$0.10 per share, outstanding warrants to purchase 700,000 Common Shares at a price of \$0.65 per share, and convertible debentures convertible into 10,000,000 Common Shares at a price of \$0.10 per share. See “Ownership of Securities of the Corporation’s Directors and Senior Officers” and “Principal Holders of Securities of the Corporation”.

The outstanding Common Shares are listed and posted for trading on the TSX Venture-NEX Exchange under the symbol “BIZ.H”.

**INTENTIONS OF DIRECTORS, SENIOR OFFICERS  
AND PRINCIPAL SHAREHOLDERS OF THE CORPORATION  
WITH RESPECT TO THE OFFER**

Each of the directors and senior officers of the Corporation has indicated that as at the date hereof he or she intends to accept the Offer, both with respect to Common Shares currently owned by him or her, directly or indirectly, and Common Shares issuable upon the exercise of Options held by him or her. The directors have no knowledge as to the intention of any other Shareholder to accept or reject the Offer.

**OWNERSHIP OF SECURITIES OF THE  
CORPORATION BY DIRECTORS AND SENIOR OFFICERS**

The names of the directors and senior officers of the Corporation and the number and designation of any securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by each such director and senior officer and, where known after reasonable inquiry, by their respective associates, are as set forth below:

Name and Position Held	Number of Common Shares	Approximate Percentage of Outstanding Common Shares	Number of Common Shares on a fully diluted basis <sup>(1)</sup>	Percentage on a fully diluted basis
Mark Quigg, Vice-President, Sales	2,854,334 <sup>(2)</sup>	5.9%	3,004,334	3.0%
Derek Nelson, Director	—	—	100,000	0.1%
John McKimm, Director and James Penturn, Director	—	—	18,000,000 <sup>(3)(4)</sup>	18.1%
David L. Robertson, Director	—	—	500,000	0.5%
Rick Clements Chief Operating Officer	4,000	.008%	104,000	0.1%

(1) Assumes all convertible securities with an exercise price of \$0.15 or less are converted.

(2) Includes 528,450 Common Shares held by Mark Quigg and Julianne Wright through the Quigg Wright Family Trust and 692,857 Common Shares held by Julianne Wright personally.

- (3) Held by 1434670 Ontario Inc. which is controlled by Mr. McKimm and Mr. Penturn.
- (4) Assuming that 1434670 Ontario Inc. exercises its option to purchase \$300,000 in convertible debentures from Ted and Betty Riback and exercises all debentures and warrants then owned by it.

### PRINCIPAL HOLDERS OF SECURITIES OF THE CORPORATION

To the knowledge of the directors and senior officers of the Corporation, after reasonable enquiry, there is no person acting jointly or in concert with the Corporation who beneficially owns, directly or indirectly, or exercises control or direction over any securities of the Corporation, nor are there any securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by any person holding or exercising control or direction over more than 10% of the outstanding Common Shares, except as set forth below:

Name	Number and Designation of Securities	Percentage of Common Shares (undiluted) <sup>(1)</sup>	Percentage of Common Shares (fully diluted) <sup>(2)</sup>
Offeror	30,000,000 Common Shares and warrants to purchase 30,000,000 Common Shares	62.3%	60.3%
John McKimm and James Penturn	convertible debenture convertible into 18,000,000 Common Shares <sup>(3)(4)</sup>	—	18.1%

- (1) Percentage of Common Shares issued and outstanding as of December 9, 2003.
- (2) Percentage of Common Shares on fully-diluted basis in the event that all convertible securities at an exercise price of less than \$0.15 are exercised.
- (3) Held by 1434670 Ontario Inc. which is controlled by Mr. McKimm and Mr. Penturn.
- (4) Assuming 1434670 Ontario Inc. exercises its option to purchase \$300,000 of convertible debentures from Ted and Betty Riback.

### OWNERSHIP OF SECURITIES OF THE OFFEROR

None of the Corporation, the directors or senior officers of the Corporation or, to the knowledge of the directors and senior officers of the Corporation, after reasonable enquiry, any associate of any director or senior officer of the Corporation, any person holding or exercising control or direction over more than 10% of the outstanding Common Shares or any person acting jointly or in concert with the Corporation, beneficially owns, directly or indirectly, or exercises control or direction over any securities of the Offeror, except as follows:

<b>Name</b>	<b>Number of Common Shares</b>	<b>Percentage of Total Common Shares</b>	<b>Options to Purchase Common Shares</b>	<b>Percentage of Total Options</b>	<b>Warrants to Purchase Common Shares</b>	<b>Percentage of Total Warrants</b>
John McKimm	1,773,761	5%	962,000	22%	1,464,294	36%
Stanley Yu	1,632,200	5%	100,000	2%	—	0%
Raj Singh	800,000	2%	1,000,000	23%	175,000	4%
Jim Penturn	392,095	1%	100,000	2%	—	0%
1434760 Ontario Inc.	1,700,000	5%	—	0%	—	0%
Bob Prentice	195,500	1%	150,000	3%	144,500	4%
Rick Clements	—	0%	50,000	1%	—	0%

### **TRADING IN SECURITIES OF THE CORPORATION**

None of the Corporation, the directors or senior officers of the Corporation or, to the knowledge of the directors and senior officers of the Corporation, after reasonable enquiry, any associate of any director or senior officer of the Corporation, any person holding or exercising control or direction over more than 10% of the outstanding Common Shares or any person acting jointly or in concert with the Corporation, has traded any securities of the Corporation during the six months preceding the date of this Directors' Circular.

### **CERTAIN ISSUANCES OF SECURITIES OF THE CORPORATION**

There have been no Common Shares or securities convertible into Common Shares issued to the directors or senior officers of the Corporation during the two year period preceding the date of this Directors' Circular, except for the debentures purchased by John McKimm (see Principal Holders of Securities of the Corporation) and options convertible into Common Shares as set forth below:

<b>Name</b>	<b>Date of Transaction</b>	<b>Number of Options Issued</b>	<b>Exercise Price per Common Share</b>
Derek Nelson	December 5, 2001	100,000	\$0.30
	August 7, 2002	100,000	\$0.11
Mark Quigg	August 7, 2002	150,000	\$0.11
Rick Clements	August 7, 2002	100,000	\$0.11
David Robertson	October 1, 2002	500,000	\$0.10

### **RELATIONSHIP BETWEEN THE OFFEROR AND THE DIRECTORS AND SENIOR OFFICERS OF THE CORPORATION AND OTHERS**

Except as discussed below, under "Interests of Directors, Senior Officers and Principal Shareholders in Material Contracts of the Offeror", there are no arrangements, agreements,

commitments or understandings made or proposed to be made between the Offeror and any of the directors or senior officers of the Corporation, including arrangements, agreements, commitments or understandings with respect to any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Offer is successful.

None of the directors or senior officers of the Corporation is currently a director or senior officer of the Offeror or any of their respective subsidiaries except for John McKimm who is the Chairman, Chief Executive Officer and a director of the Offeror, Stanley Yu who is the President, Solutions Division and a director of the Offeror, Raj Singh who is President, Staffing Division and a director of the Offeror, Jim Penturn who is a director of the Offeror, Robert Prentice who is the Chief Financial Officer and Corporate Secretary of the Offeror and Rick Clements who is Senior Vice-President Corporate Development of the Offeror.

#### **AGREEMENTS BETWEEN THE CORPORATION AND ITS DIRECTORS AND SENIOR OFFICERS**

There are no arrangements or agreements made or proposed to be made between the Corporation and any of the directors or senior officers of the Corporation pursuant to which a payment or other benefit is to be paid or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Offer is successful.

#### **INTERESTS OF DIRECTORS, SENIOR OFFICERS AND PRINCIPAL SHAREHOLDERS IN MATERIAL CONTRACTS OF THE OFFEROR**

None of the directors or senior officers of the Corporation or any of their respective associates or, to the knowledge of the directors and senior officers of the Corporation, after reasonable inquiry, any person or company holding or exercising control or direction over more than 10% of the outstanding Common Shares, has any interest in any material contract to which the Offeror is a party.

#### **OTHER TRANSACTIONS**

Except as otherwise disclosed in this Directors' Circular, no negotiations involving the Corporation are currently underway in response to the Offer which relate to or would result in: (a) an extraordinary transaction such as a merger or reorganization involving the Corporation or any of its subsidiaries; (b) the purchase, sale or transfer of a material amount of assets by the Corporation or any of its subsidiaries; (c) an issuer bid for or other acquisition of securities by or of the Corporation; or (d) any material change in the present capitalization or dividend policy of the Corporation.

## **MATERIAL CHANGES AND OTHER INFORMATION**

Except as otherwise described in this Directors' Circular or as publicly disclosed by the Corporation, the directors and senior officers of the Corporation are not aware of any information that indicates any material change in the affairs of the Corporation since July 31, 2003, the date of the Corporation's last published interim financial statements. Except for the information which follows with respect to prior expressions of interest in the Corporation, there is no other information known to the directors of the Corporation and not disclosed in this Directors' Circular which would reasonably be expected to affect the decision of Shareholders to accept or reject the Offer.

The Corporation received, during the 24 month period preceding the announcement of the Offer, two expressions of interest from parties other than the Offeror to purchase the Corporation or substantially all its assets. Both of these proposals were made in conjunction with the purchase by the Offeror of the First Convertible Debenture and Second Convertible Debenture, and were inferior to the transaction completed with the Offeror in that they would have resulted in shareholders receiving little or no value for their shares. The first proposal was for the shareholders to receive approximately \$0.08 per share, while the secured creditors of the Corporation (the Bank of Montreal and Ted and Betty Riback) would be paid the book value of their debt less a \$1,620,000 discount. In the event the secured creditors would not accept payment at a discount, which the Corporation, after investigating the matter, determined would be the case, the increased payment to the secured creditors would be deducted from the consideration paid to shareholders. The second proposal was to buy the assets of the Corporation out of a pre-arranged bankruptcy, with the proceeds of the sale used to pay the Corporation's secured and unsecured creditors. After the Corporation's creditors would have been paid, there would have been no proceeds remaining to distribute to shareholders. In the context of the transaction then proposed by the Offeror in which it would purchase \$2,000,000 in convertible debentures (as described previously), the Corporation determined that the prior proposals were not in the best interest of the Corporation's shareholders.

## **STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides Shareholders with, in addition to any other right they have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or notice required to be delivered to such Shareholders. However, such rights must be exercised within the prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

## **APPROVAL OF DIRECTORS' CIRCULAR**

The contents of this Directors' Circular have been approved and the delivery thereof has been authorized by the Board.

**CONSENT OF CROSBIE & COMPANY INC.**

December 11, 2003

**To: The Board of Directors of InBusiness Solutions Inc.**

Gentlemen:

We refer to our opinion letter dated November 28, 2003 with respect to the valuation of the Common Shares (the “Common Shares”) of InBusiness Solutions Inc. (the “Corporation”) and the fairness from a financial point of view to the holders of the Common Shares of the \$0.15 per Common Share in cash to be offered to such holders under a takeover bid (the “Offer”) to be made by TrekLogic Technologies Inc. (the “Offeror”).

We hereby consent to the reference to our name and our valuation and fairness opinion dated November 28, 2003 and to the inclusion of the text of our valuation and fairness opinion in the Directors’ Circular in connection with the Offer.

Toronto, Ontario

[Signed] Crosbie & Company Inc.

## CERTIFICATE

DATED: December 11, 2003

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. Furthermore, the foregoing does not contain any misrepresentations likely to affect the value or the market price of the Common Shares within the meaning of the *Securities Act* (Ontario).

On behalf of the Board of Directors

(Signed) Derek Nelson  
Director

(Signed) David Robertson  
Director

**SCHEDULE A**  
**VALUATION AND FAIRNESS OPINION OF CROSBIE & COMPANY INC.**



November 28, 2003

The Independent Committee of the Board of Directors of  
InBusiness Solutions Inc.  
1686 Woodward Drive  
Ottawa, Ontario  
K2C 3B8

To the Independent Committee of the Board of Directors:

**RE: VALUATION AND FAIRNESS OPINION**

Crosbie & Company Inc. (“Crosbie”) understands that TrekLogic Technologies Inc. (“TrekLogic”) intends to offer (the “Transaction”) to acquire, for cash of \$0.15 per share, all the issued and outstanding common shares of InBusiness Solutions Inc. (the “Company” or “InBusiness”) not already owned by TrekLogic, including common shares issuable on exercise or conversion of options, warrants and other convertible securities (collectively, the “Shares”). Crosbie further understands that TrekLogic presently owns, directly and indirectly, approximately 62.3% of the outstanding common shares of InBusiness (60.3% assuming the conversion of all convertible securities and exercise of all options and warrants with a conversion/exercise price of \$0.15 or less). Crosbie also understands that the terms of the Transaction will be more fully described in a take-over bid circular and a directors’ circular (collectively, the “Circulars”), both of which are to be mailed to shareholders of InBusiness.

As the Transaction is considered a “related party transaction” for the purposes of Ontario Securities Commission Rule 61-501 and Policy Q-27 of the Commission des valeurs mobilières du Québec (collectively, the “Policies”) and is subject to the valuation requirements of the Policies, the Board of Directors of InBusiness (the “Board”) has created a committee of its independent directors (the “Independent Committee”) to review the Transaction and make recommendations to the Board in relation to the Transaction. In accordance with the Policies and other relevant provincial securities laws, the Independent Committee has retained Crosbie to provide a formal written valuation (the “Valuation”) of the Shares, and an opinion (the “Opinion”) as to the fairness, from a financial point of view, of the Transaction to the shareholders of InBusiness other than TrekLogic or any of its affiliates or associates, as such terms are defined in the Ontario Securities Act (the “Minority Shareholders”).

**Engagement of Crosbie by the Independent Committee**

Crosbie was verbally retained by the Independent Committee on September 26, 2003 to prepare the Valuation and the Opinion in connection with the Transaction (the “Engagement”). Crosbie’s

engagement is documented in an engagement letter executed on October 23, 2003 (the “Engagement Letter”). Pursuant to the terms of the Engagement Letter, Crosbie will receive a fee of \$75,000 plus GST for its services and is also entitled to be reimbursed for reasonable out-of-pocket expenses. InBusiness has agreed to indemnify Crosbie, subject to certain limitations, against certain losses, claims, actions, causes of action, suits, proceedings, damages and liabilities arising out of the Engagement. Fees payable to Crosbie pursuant to the Engagement are not contingent in whole or in part on the success of the Transaction or on the conclusions reached in the Valuation and the Opinion and Crosbie has no financial interest in InBusiness or its respective associates or affiliates that may be affected by the success of the Transaction.

Crosbie understands that a copy of the Valuation and the Opinion will be appended to each of the Circulars and that a summary thereof will be included in each of the Circulars. Subject to the terms of the Engagement, Crosbie consents to such disclosure. In addition, pursuant to the requirements of applicable securities law, copies of the Valuation and of the Opinion may be filed with Canadian securities regulatory authorities.

### **Independence of Crosbie**

Crosbie is not an “insider”, “associate” or “affiliate” (as such terms are defined for the purpose of the Policies) of InBusiness or any of its associates or affiliates. Having reviewed the provisions of the Policies and considered its past, present and anticipated future involvement with InBusiness and any of its affiliates, Crosbie believes that in connection with the preparation of the Valuation and the Opinion, it is a qualified and independent valuer, as such terms are used in the Policies.

Crosbie has not been engaged to provide any financial advisory services nor has it participated in any financing involving InBusiness or any of its associates or affiliates during the 24 months preceding the date Crosbie was first contacted in respect of the Valuation and the Opinion.

No understandings or agreements exist between Crosbie and InBusiness or any of their respective associates or affiliates with respect to future financial advisory or investment banking services. Crosbie may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for InBusiness or any of its respective associates or affiliates.

### **Credentials of Crosbie**

Crosbie is a Canadian-based specialty investment banking firm providing advisory services in relation to mergers, acquisitions, divestitures, debt and equity private placements, financial and corporate restructurings, management and employee buyouts, business and securities valuations and fairness and regulatory opinions. The Valuation and Opinion expressed herein represent opinions of Crosbie as an entity and the form and content hereof has been reviewed and

approved for release by a group of Crosbie senior investment banking professionals, each of whom is experienced in merger, acquisition, divestiture, debt and equity capital markets and valuation and fairness opinion matters.

## **Scope of Review**

In preparing the Valuation and the Opinion, Crosbie obtained information from public sources, InBusiness and TrekLogic. Where considered appropriate, Crosbie has reviewed and relied upon (without attempting to verify independently the completeness or accuracy of), or carried out, among other things, the following:

1. Annual Reports of the Company, including audited consolidated financial statements, for the four fiscal years ended April 30, 2003;
2. the Company's most recently available Annual Information Form dated September 17, 2002;
3. the unaudited quarterly consolidated financial statements of the Company for the fiscal quarter ended July 31, 2003;
4. the unaudited consolidated interim statement of operations and the unaudited consolidated interim balance sheet of the Company for the five months ended September 30, 2003;
5. forecasts for the Company prepared by the management of InBusiness ("InBusiness Management") for fiscal 2004, fiscal 2005, fiscal 2006 and fiscal 2007;
6. the Notice of Annual and Special Meeting of Shareholders and Management Proxy Circular, dated April 2, 2003;
7. the Letter of Intent between InBusiness and Peter Evans, dated September 1, 1999 and further amended in June 2000, to purchase all of the issued and outstanding shares of Crystalline Data Structures Inc.;
8. the Purchase and Sale Agreement between InBusiness and Annit Information Technology Solutions Inc. ("Annit"), dated March 1, 2001, to purchase all of the issued and outstanding shares of Annit;
9. the Purchase and Sale Agreement between InBusiness and PortalSphere Inc., dated July 31, 2001, to purchase all of the issued and outstanding shares of PortalSphere;
10. the Purchase and Sale Agreement between SVN Media Inc. and InBusiness, dated November 7, 2002, for the sale of all of the issued and outstanding shares of Silicon Valley NORTH;

11. InBusiness' Canadian federal and provincial corporate income tax returns for the fiscal years ended April 30, 2001 and April 30, 2002;
12. terms and conditions of the standard subcontracting agreement between InBusiness and its subcontracted consultants;
13. discussions with InBusiness Management, which included discussions regarding the information referred to above and other issues deemed relevant, including the outlook for the Company's business;
14. discussions with PricewaterhouseCoopers, LLP, the Company's tax advisor, regarding the amount of and potential utilization of all or part of the Company's non-capital tax losses;
15. discussions with management of TrekLogic regarding their plans for InBusiness and the extent of any distinctive benefit that might accrue to them as a result of the Transaction;
16. minutes of meetings of the Board for the period November 12, 2002 through the date hereof;
17. representations contained in a certificate (the "InBusiness Certificate") addressed to Crosbie, dated as of the date hereof, from InBusiness Management as to the completeness and accuracy of the information provided by InBusiness upon which the Valuation and the Opinion are based;
18. current and historical stock market trading information regarding InBusiness;
19. public information with respect to selected transactions and other public companies considered relevant and comparable to InBusiness;
20. the InBusiness website and other marketing and product information provided by InBusiness Management; and
21. such other corporate, financial and market information, investigations and analyses as Crosbie considered necessary or appropriate in the circumstances.

Crosbie conducted such analyses, investigations, research and testing of valuation assumptions as were considered by it to be appropriate in the circumstances. Crosbie was provided access to InBusiness Management and InBusiness' advisors. Crosbie, to its knowledge, was not denied any information which might be considered to be material to the Valuation and the Opinion.

## **Key Assumptions and Limitations**

Crosbie has, in accordance with the terms of the Engagement, and subject to the exercise of its professional judgement, relied upon and assumed the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions or representations obtained by it from public sources, InBusiness Management, advisors to InBusiness and TrekLogic (collectively, the “Information”) and has not attempted to independently verify the accuracy or completeness of the Information. The Valuation and the Opinion assume, and are conditional upon, the completeness, accuracy and fair presentation of the Information.

InBusiness Management and TrekLogic have represented to Crosbie that, the Information was, at the date the Information was provided, and is at the date hereof, complete, true and correct in all material respects and did not and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the Information not misleading in light of the circumstances in which it was made.

The Valuation and the Opinion are rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the condition and prospects, financial or otherwise, of InBusiness as they were reflected in the Information and documents reviewed by Crosbie and as they were represented in discussions with InBusiness Management, advisors to InBusiness and TrekLogic. In its analysis and in preparing the Valuation and the Opinion, Crosbie has made certain assumptions with respect to general business and economic conditions and other matters, many of which are beyond the control of Crosbie or any party involved in the Transaction. Although Crosbie believes that the assumptions used herein are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.

With respect to the internal financial forecasts and estimates that it reviewed relating to InBusiness, Crosbie assumed, at InBusiness’ direction, that they were reasonably prepared on a basis reflecting the best currently available estimates of InBusiness Management as to the future financial performance of InBusiness.

The Valuation and Opinion do not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available with respect to InBusiness or InBusiness’ underlying business decision to recommend the Transaction to the Minority Shareholders. Crosbie was not asked to, and did not, offer any opinion as to the terms of the Transaction.

Crosbie has assumed, with InBusiness’ consent, that all governmental, regulatory or other consents and approvals necessary for the completion of the Transaction would be obtained.

The Valuation and Opinion do not constitute a recommendation to any shareholder of InBusiness as to how such shareholder should respond to the Transaction.

The preparation of a valuation is a complex process and it is not appropriate to extract partial analyses. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Crosbie believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Valuation.

The Valuation and the Opinion have been provided for the use of the Independent Committee and may not be used by any other person or relied upon by any other person other than the Independent Committee without the express prior written consent of Crosbie. Crosbie will be entitled, at any time prior to the completion of the Transaction, to withdraw, change or supplement the Valuation and the Opinion if Crosbie concludes that there has been a material change in the business, affairs, financial condition or prospects of InBusiness, a change in a material fact, an omission to state a material fact, a material change in the factors upon which the Valuation and the Opinion are based, or if Crosbie becomes aware of any information not previously known by Crosbie, regardless of the source, which in its opinion would make the Valuation and the Opinion misleading in any material respect.

### **Reporting Currency**

Unless otherwise stated herein, all dollar amounts are in Canadian dollars.

### **Prior Bona Fide Offers**

InBusiness Management has represented to Crosbie that, other than the Transaction and as set out in the InBusiness directors' circular and as set out in the InBusiness Certificate, no bona fide offers for InBusiness have been received from third parties within two years of the date hereof.

### **Prior Valuations**

InBusiness Management has represented to Crosbie that, to the best of its knowledge, there have been no independent valuations or appraisals or material non-independent valuations or appraisals relating to InBusiness or any of its businesses, material assets or securities prepared as of a date within the two years prior to the date of this report which would, in the opinion of InBusiness, constitute prior valuations as defined for the purposes of the Policies, and no valuation or appraisal has been commenced by InBusiness or is known by InBusiness Management to be in the course of preparation other than pursuant to the Engagement.

## **Overview of the Company**

### *Description of InBusiness*

InBusiness is a Canadian publicly listed company specializing in information technology staffing and comprehensive solutions and services in the practice areas of Business Intelligence, Systems Integration, Oracle Solutions and Wireless/e-Business Portal Solutions. The IT staffing business primarily comprises of supplying specialized project management and technical people on a per diem basis to clients to assist in projects that the client usually retains control of and manages. The IT solutions and services business typically consists of developing and implementing a comprehensive IT solution on a fixed-price project basis.

With a team of over 120 IT professionals (both employees of the Company and independent consultants on contract), InBusiness manages its solutions and services using a practice team model. Over 70% of the Company's revenues come from various departments of the Canadian federal government and the balance of InBusiness' revenues comes primarily from both Fortune 500 corporations and smaller companies located in Canada and the United States.

Review of InBusiness' Operating Results

The following table summarizes InBusiness' consolidated historical operating results for the three months ended July 31, 2003 and 2002 and the three fiscal years ended April 30, 2003:

<b>INBUSINESS SOLUTIONS INC.</b>					
<b>OPERATING RESULTS</b>					
<i>(C\$ 000's)</i>					
	<u>3 Months Ended July 31,</u>		<u>Fiscal Years Ended April 30,</u>		
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b>Revenue:</b>					
Sales	\$5,018	\$5,920	\$21,655	\$24,590	\$21,282
Cost of Sales	4,060	4,777	17,163	19,803	17,091
Gross Profit	958	1,143	4,492	4,788	4,191
<b>Expenses:</b>					
Sales and marketing	319	327	1,321	1,531	1,480
General and administrative	312	524	1,787	2,067	2,165
Depreciation and amortization	106	113	489	375	153
Interest and financing	72	127	467	419	22
	810	1,092	4,064	4,392	3,820
<b>Income from operations:</b>	148	51	427	395	371
Other income	(10)	3	13	18	182
Income before taxes and amortization and write-down of goodwill	138	54	441	414	553
Amortization and write-down of goodwill	-	-	-	184	41
Income before taxes (EBT)	138	54	441	230	512
Provision for (recovery of) income taxes	-	46	59	(190)	335
Net income from continuing operations	138	8	381	420	177
Net loss from discontinued operations - net of tax	-	(139)	(294)	(18,083)	(1,264)
<b>Net income (loss):</b>	<u>\$138</u>	<u>(\$131)</u>	<u>\$87</u>	<u>(\$17,663)</u>	<u>(\$1,087)</u>
Basic and diluted earnings (loss) per common share					
- from continuing operations	\$0.00	\$0.00	\$0.02	\$0.02	\$0.01
- from discontinued operations	\$0.00	(\$0.01)	(\$0.01)	(\$1.00)	(\$0.07)
Basic and diluted loss per common share	<u>\$0.00</u>	<u>(\$0.01)</u>	<u>\$0.01</u>	<u>(\$0.98)</u>	<u>(\$0.06)</u>

Sources: Fiscal 2001, 2002, and 2003 Audited Consolidated Financial Statements and Unaudited July 31, 2003 Interim Consolidated Financial Statements, including the Unaudited Comparative July 31, 2002 Interim Consolidated Financial Statements.

Review of InBusiness' Financial Position

The following table summarizes InBusiness' unaudited consolidated balance sheet as at July 31, 2003 and its audited consolidated balance sheet as at April 30, 2003:

<b>INBUSINESS SOLUTIONS INC.</b>		
<b>CONSOLIDATED BALANCE SHEET</b>		
<i>(C\$ 000's)</i>		
	<u>July 31, 2003</u>	<u>April 30, 2003</u>
<b>Assets</b>		
<b>Current assets</b>		
Accounts receivable	\$3,829	\$3,183
Share subscription receivable	-	350
Prepaid expenses and deferred charges	161	239
Current assets of discontinued operations	-	136
	<u>3,990</u>	<u>3,907</u>
<b>Capital assets</b>	710	775
<b>Other assets</b>	934	973
<b>Future income tax asset</b>	609	609
	<u>\$6,242</u>	<u>\$6,264</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Bank indebtedness	\$1,359	\$1,028
Accounts payable and accrued liabilities	2,917	2,909
Income taxes payable	18	27
Current portion of long-term obligations	97	386
Deferred revenue	204	409
Current liabilities of discontinued operations	12	13
	<u>4,608</u>	<u>4,773</u>
<b>Convertible debenture</b>	982	977
	<u>\$5,590</u>	<u>\$5,750</u>
<b>Shareholders' equity</b>		
Capital stock	19,610	19,610
Deficit	(18,958)	(19,095)
	<u>652</u>	<u>515</u>
	<u>\$6,242</u>	<u>\$6,264</u>

Sources: Fiscal year ended April 30, 2003 Audited Consolidated Financial Statements and Fiscal Year 2004 First Quarter Interim Report

Income Tax Losses

As of July 31, 2003, the Company had unutilized federal and provincial non-capital tax loss carryforwards of \$8.7 million, of which \$5.4 million were from continuing operations and approximately \$3.3 million were from discontinued operations. These tax loss carryforwards expire between 2007 and 2011.

Equity Securities and Principal Holders of Equity Securities

The authorized capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares. As at the date hereof the Company has 48,158,307 issued and outstanding common shares and no preferred shares. As at July 31, 2003, the end of the most recent fiscal quarter for which financial results have been released, the Company's total shareholders' equity was \$652,000 consisting of capital stock of \$19,610,000 and a deficit of \$18,958,000.

The Company's fully diluted shares outstanding as at the date hereof is set out below:

<b>INBUSINESS SOLUTIONS INC.</b>	
<b>DILUTION ANALYSIS</b>	
	<b>Shares issued upon conversion / exercise</b>
Common Shares issued and outstanding as at November 28, 2003	48,158,307
Assumed Conversion/Exercise:	
- 30MM TrekLogic Warrants (exercise price of \$0.10)	30,000,000
- \$1MM Convertible Debenture (convertible at \$0.10)	10,000,000
- 10 MM Convertible Debenture Warrants (exercise price of \$0.10)	10,000,000
- Vested Options (exercise price of \$0.10)	921,671
- Vested Options (exercise price of \$0.11)	350,000
- Vested Options (exercise price of > \$0.30)	333,607
- Warrants related to Conv. Deb. Financing (exercise price of \$0.65)	700,000
<b>Total</b>	<b>100,463,585</b>

InBusiness Management has confirmed that to the best of its knowledge, except for TrekLogic, no other person or entity holds more than 10% of InBusiness common shares. Currently, TrekLogic holds approximately 62.3% of the outstanding common shares of InBusiness (60.3% assuming the conversion of all convertible securities and exercise of all options and warrants with a conversion/exercise price of \$0.15 or less). 1434670 Ontario Inc., which is controlled by John McKimm (the majority shareholder of TrekLogic and an officer and director of both

TrekLogic and InBusiness), owns \$600,000 of the principal amount of the \$1,000,000 Convertible Debenture (the “Debenture”) and has an option to acquire a further \$300,000 principal amount. Therefore, assuming conversion of all convertible securities and exercise of all options and warrants with a conversion/exercise price of \$0.15 or less, 1434670 Ontario Inc. would own approximately 12.0% of the common shares of InBusiness and this would increase to approximately 18.1% if 1434670 Ontario Inc. exercises its option to acquire a further \$300,000 principal amount of the Debenture.

The InBusiness common shares are listed and posted for trading on the TSX Venture Exchange – NEX under the ticker symbol “BIZ.H”.

## **Valuation Definition**

For the purpose of this Valuation, fair market value means the best price available in an open and unrestricted market between informed, prudent parties acting at arm’s length and under no compulsion to act, expressed in terms of money or money’s worth, without any downward adjustment to reflect lack of a controlling interest.

## **Valuation of the Shares**

### Valuation Methodologies

Crosbie approached the Valuation by valuing the Shares on a going concern basis. In preparing the Valuation, Crosbie considered valuation methodologies that would be appropriate in the determination of fair market value of companies in the IT staffing and IT solutions and services industries. The methodologies Crosbie considered most appropriate in the circumstances were comparable transactions analysis and comparable trading analysis.

Crosbie tends to put more weight on comparable transactions analysis in determining the *en bloc* value of a business as the valuation multiples reflect the price a buyer is willing to pay for a business, including a premium for control. Valuation multiples derived from comparable trading analysis, on the other hand, do not reflect such a premium for control. For this reason and other issues regarding the comparability of the public companies selected (discussed more fully below), Crosbie put more weight on comparable transactions analysis than comparable trading analysis in determining the fair market value of InBusiness. While Crosbie considered several valuation multiples for our comparable transactions analysis and comparable trading analysis, we believe that the most relevant multiple is TEV (total enterprise value) to EBITDA (earnings before interest, taxes, depreciation and amortization).

Crosbie also considered other valuation methodologies, including discounted cash flow (“DCF”) analysis and market trading analysis. However, these methodologies were deemed to have limited applicability in the circumstances for valuing InBusiness.

A DCF analysis requires that certain assumptions be made regarding, among other things, growth in future cash flows, discount rates and terminal values. As a basis for the DCF, Crosbie reviewed the financial forecast for the fiscal years 2004 through 2007 prepared by InBusiness Management. Given the relatively short forecast period, the DCF valuation is very sensitive to assumptions as to an appropriate level of sustainable EBITDA on which to base the terminal value.

Market trading analysis can provide a useful basis for valuing companies that have a large public float, liquid trading and a broad following in the investment community. As InBusiness does not fit this profile, Crosbie did not utilise market trading analysis in valuing InBusiness. Notwithstanding that this valuation methodology was not utilised, the conclusions reached by Crosbie as to the value of InBusiness, based on the methodologies discussed above, were broadly consistent with the trading price of the Shares.

## Valuation of InBusiness

### Determination of Sustainable EBITDA

The reported financial results for InBusiness for fiscal 2002 and fiscal 2003 were significantly influenced by a number of non-recurring expenses and to a lesser extent non-recurring revenues. In order to determine an appropriate level of sustainable EBITDA for InBusiness to base the Valuation upon, Crosbie reviewed a list of proposed normalizing adjustments prepared by InBusiness Management and normalized the Company's reported EBITDA for fiscal 2002, fiscal 2003 and forecast fiscal 2004 as follows:

<b>NORMALIZED EBITDA</b>			
<i>(C\$000's)</i>			
	<b>12 Months Ending April 30,</b>		
	<b>2002</b>	<b>2003</b>	<b>2004F</b>
Unadjusted EBITDA	\$1,208	\$1,398	\$2,389
Total Normalizing Adjustments	532	670	(300)
Normalized EBITDA	<u>\$1,740</u>	<u>\$2,068</u>	<u>\$2,089</u>

Based on this analysis of normalized EBITDA, Crosbie concluded that an appropriate level of sustainable EBITDA for InBusiness is \$2.1 million. This level of sustainable EBITDA is consistent with the normalized EBITDA for fiscal 2003 and that forecast for fiscal 2004.

Comparable Transactions Analysis

Crosbie reviewed the available public information with respect to over 20 transactions involving IT staffing and IT solutions and services companies occurring during the period from January 1, 2002 to the present. However, meaningful public information with respect to valuation multiples was available for only five of these transactions. A summary of the multiples implied by the prices paid in these transactions is provided below:

<b>PRECEDENT TRANSACTIONS</b>				
<b>IT SOLUTIONS AND SERVICES AND IT STAFFING COMPANIES</b>				
<i>(C\$, except where noted as US\$)</i>				
<b>Announced Date</b>	<b>Acquiror</b>	<b>Target</b>	<b>Deal Value 100% (\$MM)</b>	<b>Deal Value/LTM EBITDA</b>
9-Jul-03	Computer Horizons Corp.	RGII Technologies Inc.	Pre-earnout: US\$21.8 Post-earnout: US\$31.8	6.2x 9.0x
29-Apr-03	TrekLogic Technologies Inc.	InBusiness Solutions	\$4.7	3.3x
21-Apr-03	Ciber, Inc.	AlphaNet Solutions Inc.	US\$6.3	neg
4-Feb-03	SCB Computer Technology	Remtech Services Inc.	US\$12.1	5.0x
9-Aug-02	Hall & Kinion	OnStaff	Pre-earnout: US\$21.0 Post-earnout: US\$34.0	neg neg
<b>Average (including pre-earnout multiples) <sup>(1)</sup></b>				<b>5.6x</b>
<b>Average (including post-earnout multiples) <sup>(1)</sup></b>				<b>7.0x</b>

Note:

1) Average excludes TrekLogic's acquisition of 62.3% of InBusiness.

Of the five selected precedent transactions, two of the transactions involved target companies with negative EBITDA. Of the remaining three transactions, one was TrekLogic's acquisition of 62.3% of InBusiness in April of 2003 which was deemed not to be a good comparable as the very low valuation reflected the considerable financial distress of the Company at that time.

Based on the remaining two transactions (RGII Technologies Inc. and Remtech Services Inc.), the range of TEV/EBITDA multiples was from a low of 5.0 times to a high of 6.2 times excluding the RGII earnout and 9.0 times including the RGII earnout.

Comparable Trading Analysis

Crosbie reviewed the trading multiples of 19 public IT staffing and IT solutions and services companies in Canada and the United States and selected 11 of these as relevant comparable companies. The trading multiples of these companies are summarized below:

<b>COMPARABLE COMPANY ANALYSIS</b>					
<b>IT SOLUTIONS AND SERVICES AND IT STAFFING COMPANIES</b>					
<i>All figures in millions, except per share data (C\$, except where noted as US\$)</i>					
<b>Company</b>	<b>Share Price</b>	<b>Market Cap</b>	<b>Net Debt</b>	<b>TEV</b>	<b>TEV/LTM EBITDA</b>
	<b>Nov 21-03</b>	<b>(\$MM)</b>	<b>(\$MM)</b>	<b>(\$MM)</b>	
Alternative Resources Corp	US\$0.60	10.3	28.6	38.9	9.1x
Calian Technology Ltd.	\$10.05	79.9	(26.6)	53.4	5.7x
Nexxlink Technologies Inc	\$4.94	26.5	(1.4)	25.1	4.8x
OAo Tech. Solutions, Inc	US\$3.11	54.5	(0.0)	54.5	5.6x
OnX Enterprise Solutions Inc	\$0.39	25.0	1.0	26.0	6.6x
RCM Technologies, Inc	US\$7.23	77.0	2.5	79.5	7.0x
SCB Computer Tech, Inc	US\$2.03	51.3	20.0	71.3	6.9x
Sierra Systems Group Inc	\$6.66	62.1	(7.2)	54.9	5.6x
TechTeam Global	US\$6.29	61.1	(40.4)	20.7	4.8x
Tier Technologies Inc	US\$8.00	149.0	(36.9)	112.1	5.8x
TrekLogic Technologies Inc. <sup>(1)</sup>	\$1.93	62.4	4.0	66.4	15.4x
TSR, Inc.	US\$6.50	29.5	(10.3)	19.2	5.0x
<b>Average, excluding TrekLogic</b>					<b>6.1x</b>
<b>InBusiness Solutions Inc. <sup>(2)</sup></b>	<b>\$0.12</b>	<b>11.9</b>	<b>(2.7)</b>	<b>9.3</b>	<b>4.4x</b>

*Notes:*

- 1) The TrekLogic TEV/EBITDA multiple is based on EBITDA from TrekLogic's pro-forma income statement for the year ended September 30, 2003, prepared on a basis as if all acquisitions made during the year were made on October 1, 2002. Crosbie further adjusted this EBITDA to reflect the impact of the subsequent acquisition of Protec Global Staffing.
- 2) The InBusiness TEV/EBITDA multiple was determined using a market capitalization based on the closing price on September 18, 2003 (the day prior to the announcement of the Transaction), assumed conversion of all convertible securities and exercise of all options and warrants with a conversion/exercise price of \$0.15 or less (resulting in \$4.1 million of proceeds to the Company) and normalized EBITDA for fiscal 2003. No adjustment was made for contingent assets/liabilities.

The TEV/EBITDA multiples based on the latest twelve-month results for these public companies range from 4.8 times to 9.1 times (excluding TrekLogic) with an average of 6.1 times. TrekLogic trades at a much higher TEV/EBITDA multiple than the other public companies. Crosbie believes that the market ascribes a premium multiple to TrekLogic for a number of reasons including the high growth rate that is expected with the execution of TrekLogic's consolidation strategy and the expectation that TrekLogic will be able to substantially increase the profitability of its recent and future acquisitions by eliminating redundant costs.

### *Conclusions Regarding Valuation Multiples*

In determining an appropriate range of TEV/EBITDA multiples for valuing InBusiness, Crosbie considered the comparable transactions analysis and comparable trading analysis outlined above as well as the following specific factors relevant to InBusiness:

- The small size of InBusiness relative to many of the comparable public companies identified.
- The considerable concentration of the Company's sales with various departments of the Canadian federal government making InBusiness susceptible to a slowdown in overall federal government spending.
- The high proportion of normalized EBITDA that comes from normalizing adjustments. Approximately \$669,000 or 32% of the normalized EBITDA of \$2.1 million for fiscal 2003 results from normalizing adjustments. In Crosbie's experience, buyers tend to discount their valuation multiples when they are presented with heavily normalized financial results even if the individual normalization adjustments appear to be justifiable.
- Crosbie's experience in working with private IT staffing and IT solutions and services companies and other companies in related businesses. In our experience, where these companies are similar in size to InBusiness and have modest growth potential, they tend to be valued at multiple levels consistent with the lower end of the ranges identified for the comparable transactions and comparable public companies outlined above.

Based on these factors, Crosbie believes that InBusiness should be valued at the lower end of the multiple range for precedent transactions and comparable public companies. Accordingly, Crosbie concluded that an appropriate TEV/EBITDA multiple range for valuing InBusiness is between 4.5 times and 5.5 times. Applying this multiple range to the sustainable EBITDA of \$2.1 million determined by Crosbie, yields a TEV range for InBusiness of \$9.5 million to \$11.6 million.

### Value of Tax Losses

Based on information provided by InBusiness Management, Crosbie understands that as at July 31, 2003, the Company had approximately \$5.4 million of unutilized non-capital tax losses from continuing operations, \$3.3 million of unutilized non-capital tax losses from discontinued operations and an insignificant amount of capital losses. Crosbie further understands that these non-capital tax loss carryforwards expire between 2007 and 2011. InBusiness Management has indicated that the amount of unutilized non-capital tax losses and capital losses has not changed materially between July 31, 2003 and the date hereof.

Crosbie understands, based on discussions with the Company's tax adviser, that TrekLogic's acquisition of 62.3% of InBusiness in April of 2003 constitutes a change of control for tax purposes. Accordingly, the ability of InBusiness (or any acquiror) to utilize the Company's tax losses would be subject to the restrictions regarding the preservation and utilization of tax losses where a change of control has occurred.

Based on discussions with the Company's tax adviser, Crosbie understands that it is highly unlikely that any value can be realized from the tax losses from discontinued operations as the businesses that generated the losses have either been sold through an asset sale or closed. Crosbie further understands, based on these discussions, that there is also uncertainty as to the extent to which InBusiness will be able to utilize the tax losses from continuing operations to reduce future taxable income or taxes payable.

In determining the value of the Company's non-capital tax losses, Crosbie estimated the tax savings that could be realized if the tax losses from continuing operations were available to reduce InBusiness' projected taxable income or taxes payable over the next several years. Crosbie discounted these estimated tax savings at discount rates ranging from 25% to 50% to reflect the considerable risk associated with InBusiness being able to utilize such tax losses. Based on this analysis, Crosbie estimated the value of the Company's non-capital tax losses from continuing operations to be between \$900,000 and \$1.3 million and Crosbie ascribed no value to the Company's non-capital tax losses from discontinued operations.

### Contingent Assets and Liabilities

In assessing the value of the Shares, Crosbie considered the value of the Company's contingent assets and liabilities. Based on discussions with InBusiness Management and legal counsel to the Company, Crosbie concluded that it was appropriate to attribute value to the contingent asset associated with the ongoing royalty due to InBusiness in connection with the sale of the Silicon Valley NORTH business journal on December 20, 2002, the contingent liability associated with the terminated acquisition arrangement with Crystalline Data Structures Inc. and the contingent liability associated with the acquisition of PortalSphere Inc. on August 1, 2001. Crosbie determined that an appropriate value adjustment for these three contingent assets/liabilities, on a combined basis, was a reduction in value of between \$200,000 and \$1,166,000.

Exercise or Conversion of Options, Warrants and Convertible Securities

The number of Shares outstanding at the date hereof is less than half the number of shares calculated on a fully diluted basis. Accordingly, the calculation of value per Share is quite sensitive to the conversion/exercise assumptions made with respect to options, warrants and convertible securities. In determining the value per Share, Crosbie assumed that all options, warrants and conversion rights that would be in-the-money based on our Valuation would be exercised/converted and any proceeds from options/warrants exercised would be included in the equity value of InBusiness. The following table summarizes the impact of these assumptions in terms of the assumed shares outstanding and the incremental proceeds to InBusiness for the purposes of our calculation of value per Share:

<b>INBUSINESS SOLUTIONS INC.</b>		
<b>EXERCISE/CONVERSION ANALYSIS</b>		
	<u>Shares issued upon conversion / exercise</u>	<u>Proceeds to the Company upon conversion / exercise</u>
Common Shares issued and outstanding as at November 28, 2003	48,158,307	
Assumed Conversion/Exercise:		
- 30MM TrekLogic Warrants (exercise price of \$0.10)	30,000,000	\$3,000,000
- \$1MM Convertible Debenture (convertible at \$0.10)	10,000,000	-
- 10 MM Convertible Debenture Warrants (exercise price of \$0.10)	10,000,000	1,000,000
- Vested Options (exercise price of \$0.10)	921,671	92,167
- Vested Options (exercise price of \$0.11)	350,000	38,500
- Vested Options (exercise price of > \$0.30)	333,607	na <sup>(1)</sup>
- Warrants related to Conv. Deb. Financing (exercise price of \$0.65)	700,000	na <sup>(1)</sup>
<b>Total</b>	<u><b>100,463,585</b></u>	<u><b>\$4,130,667</b></u>

Note:

1) These options and warrants are assumed not to be exercised as they are out-of-the-money based on the Valuation.

Benefits Accruing to Interested Parties

In arriving at a conclusion regarding the fair market value of the Shares, Crosbie reviewed and considered whether any distinctive material benefit would accrue to TrekLogic through the acquisition of the Shares as contemplated under the Transaction. Crosbie had discussions with both the management of TrekLogic and InBusiness Management as to whether any such distinctive material benefit would result from the Transaction. Crosbie understands that a number of operational synergies have already been realized to the benefit of both InBusiness and TrekLogic, since TrekLogic acquired its majority equity interest in InBusiness in April, 2003 and that additional operational synergies are expected be realized by combining certain sales and financial functions within the two companies whether or not the proposed Transaction is completed.

In addition to these operational synergies, Crosbie understands that there may be an opportunity for TrekLogic to realize additional financial benefits from the proposed Transaction by utilizing some of InBusiness' excess office space in the integration of planned future acquisitions and potentially faster utilization of the Company's tax loss carryforwards (to the extent that such tax losses can be utilized). Based on our discussions with the management of TrekLogic and InBusiness Management regarding the likelihood and magnitude of such potential additional financial benefits, Crosbie concluded that any additional benefit that might accrue to TrekLogic through the Transaction would not be material and accordingly no adjustment was made in the Valuation, in this respect.

### Valuation Summary

The conclusions of Crosbie's valuation analysis are summarized in the following table:

<b>VALUATION SUMMARY</b>		
<i>(C\$000's unless otherwise indicated)</i>		
	<u>Low</u>	<u>High</u>
Unadjusted Total Enterprise Value (TEV)	\$9,450	\$11,550
Value Adjustments:		
Tax Savings from Non-Capital Tax Losses	900	1,300
Contingent Assets/Liabilities	<u>(1,166)</u>	<u>(200)</u>
Adjusted TEV	9,184	12,650
Less:		
Bank Debt as at October 31, 2003	<u>(1,471)</u>	<u>(1,471)</u>
Unadjusted Equity Value	7,713	11,179
Proceeds from Warrants/Options Assumed Exercised	<u>4,131</u>	<u>4,131</u>
Adjusted Equity Value	11,843	15,310
Shares Outstanding Post Exercise (000's)	99,430	99,430
Value per Share	<u><u>\$0.12</u></u>	<u><u>\$0.15</u></u>

*The Independent Committee  
of the Board of Directors  
InBusiness Solutions, Inc.  
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### **Valuation Conclusion and Fairness Opinion**

Based on and subject to all of the foregoing, it is Crosbie's opinion that, as of the date hereof, the fair market value of the Shares is in the range of \$0.12 to \$0.15 per Share.

In considering the fairness of the Transaction, from a financial point of view, Crosbie principally considered and relied upon the fact that the proposed consideration of \$0.15 per Share under the Transaction is at the upper end of the range of fair market value determined by Crosbie for the Shares.

Based upon and subject to the foregoing, Crosbie is of the opinion that, as at the date hereof, the Transaction is fair from a financial point of view to the Minority Shareholders.

Yours very truly,

*Crosbie & Company Inc.*

CROSBIE & COMPANY



