THE PERSONS LISTED AS SHAREHOLDERS OF COMMOBILITY INC. IN SCHEDULE 3.1.5

- and -

INTERTAINMENT MEDIA INC.

SHARE PURCHASE AGREEMENT

June 29, 2011

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SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made this 29th day of June, 2011,

B E T W E E N:

THE PERSONS LISTED AS SHAREHOLDERS OF COMMOBILITY INC. IN SCHEDULE 3.1.5

(the "**Vendors**")

- and -

INTERTAINMENT MEDIA INC., a corporation existing under the laws of Alberta

(the "**Purchaser**")

RECITALS:

A. The Vendors wish to sell the shares held by them in the capital of the Corporation and the Purchaser wishes to purchase such shares, on and subject to the terms and conditions of this Agreement; and

B. The Vendors own all of the issued and outstanding shares of the Corporation.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement,

1.1.1 **"Affiliate"** has the meaning attributed to such term in the *Business Corporations Act* (Ontario) except that for the purposes of sections 3.1.36 and 3.2.4, "Affiliate" has the meaning attributed to such term in the *Competition Act* (Canada);

1.1.2 **"Agreement"** means this agreement and all schedules attached to this agreement, in each case as they may be amended, restated, replaced or supplemented from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this agreement; and unless otherwise indicated, references to Articles and sections are to Articles and sections in this agreement;

1.1.3 **"Business"** means any business, venture, activity or undertaking being carried on or contemplated by the Corporation as of the date of hereof, including, without limitation, the business of software development for mobile devices;

1.1.4 **"Business Day"** means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario or the Province of Alberta;

1.1.5 **"Charge"** means any security interest, lien, charge, pledge, encumbrance, mortgage, adverse claim or title retention agreement of any nature or kind;

1.1.6 **"Claim"**, **"Purchaser's Claim"** and **"Third Party Claim"** have the meanings attributed to such terms respectively in section 6.2;

1.1.7 **"Closing"** means the completion of the sale and purchase of the Purchased Shares pursuant to this Agreement at the Time of Closing;

1.1.8 **"Closing Date"** means June 30, 2011 or such earlier or later date as may be agreed upon in writing by the parties;

1.1.9 **"Closing Documents "** means, collectively, the agreements, instruments and documents required to be executed and delivered at the Time of Closing and listed in section 4.1.10;

1.1.10 **"Computer Dependent Equipment"**, **"Computer Systems Contracts"**, **"Computer Systems Hardware"**, **"Computer Systems Permits"** and **"Computer Systems Software"** have the meanings attributed to such terms respectively in section 3.1.37;

1.1.11 **"Consideration Shares"** has the meaning ascribed thereto in section 2.2;

1.1.12 **"Consulting Agreement"** means the consulting agreement to be entered into substantially in the form attached as Schedule 4.1.10.4 (which form will be modified in each individual case to reflect the circumstances of the applicable consultant and such consultant's specific future arrangement with the Purchaser);

1.1.13 **"Corporation"** means Commobility Inc., a corporation existing under the laws of the Province of Ontario;

1.1.14 **"Employee Plans"** means all oral or written plans, arrangements, agreements, programs, policies, practices or undertakings with respect to some or all of the current or former directors, officers, employees, independent contractors or agents of the Corporation which provide for or relate to:

1.1.14.1 bonus, profit sharing or deferred profit sharing, performance compensation, deferred or incentive compensation, share compensation, share purchase or share option purchase, share appreciation rights, phantom stock, vacation or vacation pay, sick pay, employee loans, or any other compensation in addition to salary;

1.1.14.2 retirement or retirement savings, including, without limitation, registered or unregistered pension plans, pensions, supplemental pensions, registered retirement savings plans and retirement compensation arrangements; or

1.1.14.3 insured or self-insured benefits for or relating to income continuation or other benefits during absence from work (including short term disability, long term disability and workers compensation), hospitalization, health, welfare, legal costs or expenses, medical or dental treatments or expenses, life insurance, accident, death or survivor's benefits, supplementary employment insurance, day care, tuition or professional commitments or expenses or similar employment benefits;

1.1.15 **"Environment"**, **"Environmental Law"** and **"Environmental Permits"** have the meanings attributed to such terms respectively in section 3.1.22;

1.1.16 **"Financial Statements"** means the balance sheet of the Corporation as at Statements Date and the accompanying statement of retained earnings and statement of operations for the period then ended attached as Schedule 1.1.16;

1.1.17 **"Governmental Charges"** means all taxes, levies, assessments, reassessments and other charges together with all related penalties, interest and fines, due and payable to any domestic or foreign government (federal, provincial, municipal or otherwise) or to any regulatory authority, agency, commission or board of any domestic or foreign government, or imposed by any court or any other law, regulation or rulemaking entity having jurisdiction in relevant circumstances;

1.1.18 **"Incentive Plans"** has the meaning attributed to such term in section 1.1.14.1;

1.1.19 **"Incorporation Date"** means March 21, 2011;

1.1.20 **"Indemnifying Parties"** means each of Aleksandar Zivkovic, Marvin Igelman and 1516713 Ontario Limited and such Person's successor;

1.1.21 **"Intellectual Property"** means trade marks and trade mark applications, trade names, certification marks, patents and patent applications, copyrights, know-how, formulae, processes, inventions, technical expertise, research data, trade secrets, industrial designs and other similar property, whether registered or unregistered, and includes computer software;

1.1.22 **"Intertainment Share"** means one fully paid and non-assessable common share in the share capital of the Purchaser;

1.1.23 **"Parties"** means, collectively, the Vendors and the Purchaser.

1.1.24 **"Permits"** has the meaning attributed to such term in section 3.1.28;

1.1.25 **"Person"** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

1.1.26 **"Personal Information"** means any information about an identifiable individual;

1.1.27 **"Premises"** has the meaning attributed to such term in section 3.1.22;

1.1.28 **"Privacy Legislation"** means all laws, regulations, by-laws and ordinances that regulate the collection, use or disclosure of Personal Information or information about entities other than identifiable individuals in each jurisdiction in which the Corporation carries on the Business, and includes any guidelines or directives of any governmental agency or regulatory authority to which the Corporation adheres or is subject in order to qualify to carry on the Business in, or in connection with, any jurisdiction;

1.1.29 **"Purchase Price"** has the meaning attributed to such term in section 2.1;

1.1.30 **"Purchased Shares"** has the meaning attributed to such term in section 2.1;

1.1.31 **"Share Escrow Agreement"** means the share escrow agreement dated as of the date hereof, substantially in the form attached as Schedule 2.1;

1.1.32 **"Statements Date"** means June 30, 2011;

1.1.33 **"subsidiaries"** has the meaning attributed to such term in the *Business Corporations Act* (Ontario) as the same may be amended from time to time and any successor legislation thereto;

1.1.34 **"Substance"** has the meaning attributed to such term in section 3.1.22;

1.1.35 **"Tax Reassessment Period"** has the meaning attributed to such term in section 3.4;

1.1.36 **"Third Party"** has the meaning attributed to such term in section 6.2;

1.1.37 **"Third Party Claim"** has the meaning attributed to such term in section 6.3.2;

1.1.38 **"Time of Closing"** means 9 a.m., Toronto time, on the Closing Date or such other time on the Closing Date as may be agreed upon by the parties;

1.2 Schedules

The following are the schedules attached to this Agreement:

Schedule 1.1.16	-	Financial Statements
Schedule 2.1	-	Share Escrow Agreement
Schedule 3.1.5	-	Capital of the Corporation
Schedule 3.1.8	-	Restrictions on Transfer and Shareholders Agreements
Schedule 3.1.10	-	Approvals and Consents
Schedule 3.1.13	-	Liabilities and Guarantees, etc.
Schedule 3.1.14	-	Indebtedness
Schedule 3.1.16	-	Non-Arm's Length Transactions
Schedule 3.1.17	-	Contracts
Schedule 3.1.18	-	Employment Matters
Schedule 3.1.20	-	Description of Real Property
Schedule 3.1.22	-	Environmental Matters
Schedule 3.1.25	-	Employee Plans
Schedule 3.1.26	-	Insurance
Schedule 3.1.27	-	Intellectual Property
Schedule 3.1.28	-	Permits
Schedule 3.1.30	-	Litigation
Schedule 3.1.33	-	Bank Accounts, etc.
Schedule 3.1.37	-	Computer Systems, etc.
Schedule 4.1.6	-	Non-Competition, Non-Solicitation and Confidentiality Agreement
Schedule 4.1.10.4	-	Consulting Agreement

1.3 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include all genders or the neuter, and words importing the neuter include all genders.

1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian currency.

1.6 Generally Accepted Accounting Principles

In this Agreement, except to the extent otherwise expressly provided, references to "generally accepted accounting principles" mean, for all principles stated in the Handbook of the Canadian Institute of Chartered Accountants, such principles so stated.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect. The parties shall engage in good faith negotiations to replace any provision which is declared invalid or unenforceable with a valid and enforceable provision, the economic effect of which comes as close as possible to that of the invalid or unenforceable provision which it replaces.

1.8 Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with such subject matter except as specifically set forth or referred to in this Agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made either prior to, contemporaneous with, or after entering into this Agreement, or any amendment or supplement thereto, by any party to this Agreement or its directors, officers, employees or agents, to any other party to this Agreement or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this Agreement, and none of the parties to this Agreement has been induced to enter into this Agreement or any amendment or supplement by reason of any such warranty, representation, opinion, advice or assertion of fact. Accordingly, there shall be no liability, either in tort or in contract, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, except to the extent contemplated above.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

ARTICLE 2
PURCHASE AND SALE

2.1 Agreement to Purchase and Sell and Purchase Price

Subject to the terms of this Agreement, at the Closing the Vendors shall sell and the Purchaser shall purchase six thousand (6,000) common shares in the capital of the Corporation (the "**Purchased Shares**"), constituting all of the issued and outstanding shares in the capital of the Corporation, for an aggregate purchase price (the "**Purchase Price**") equal to the product of (i) the number of the Consideration Shares specified in section 2.2 and (ii) the deemed price of one Consideration Shares equal to the lower of (a) CDN$0.74 or (b) the closing price per one Intertainment Share quoted on the TSX Venture Exchange Inc. at the end of the Business Day preceding the Closing Date

2.2 Payment of Purchase Price

The Purchase Price shall be satisfied by the issuance by the Purchaser to the Vendors of six million (6,000,000) Intertainment Shares (the "**Consideration Shares**"). Forty eight (48) percent of the Consideration Shares shall be released to the Vendors at the Time of Closing. Fifty two (52) percent of the Consideration Shares shall be released to the Vendors in accordance with the terms of the Share Escrow Agreement.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 By the Vendors

The Indemnifying Parties (for and on behalf of themselves and the Vendors who are not Indemnifying Parties) and the Vendors who are not the Indemnifying Parties (in respect of sections 3.1.1, 3.1.2, 3.1.5, 3.1.8 and 3.1.41 only) represent and warrant, jointly and severally, to the Purchaser as follows and acknowledge that the Purchaser is relying upon the following representations and warranties in connection with its purchase of the Purchased Shares:

3.1.1 **Status of each Vendor.** Each Vendor that is a corporation is duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

3.1.2 **Power of each Vendor and Due Execution.** Each Vendor has the power and capacity, whether corporate or otherwise, to enter into, and to perform such Vendor's obligations under, this Agreement. Each of this Agreement and the agreements, contracts and instruments required by this Agreement to be delivered by the Vendor that is a corporation at the Closing has been duly authorized by such Vendor. This Agreement has been duly executed and delivered by each Vendor and is a valid and binding obligation of such Vendor, enforceable in accordance with its terms, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies. At the Time of Closing, each of the Closing Documents to which a Vendor is a party will be duly executed and delivered by such Vendor and will be valid and binding obligations of such Vendor, enforceable in accordance with their respective terms, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies.

3.1.3 **Incorporation and Status of the Corporation.** The Corporation is duly incorporated and organized, and is validly existing and up-to-date in the filing of all corporate and similar returns under the laws of its jurisdiction of incorporation. The Vendors have provided to the Purchaser a correct and complete copy of the articles, by-laws, constating documents and other organizational documents of the Corporation, in each case as amended to the date hereof. The

Corporation is neither insolvent, nor in insolvent circumstances, on the eve of insolvency or unable to meet its engagements or obligations within the meaning of any of the insolvency or bankruptcy legislation applicable to it, and no act or proceeding has been taken or is pending in connection with the Corporation for its, and the Corporation has not received notice in respect of and is not in the course of, dissolution, liquidation, winding-up, or reorganization.

3.1.4 **Corporate Power of the Corporation.** The Corporation has the corporate power and capacity to own or lease its assets and to carry on the Business as the same is presently conducted.

3.1.5 **Capital of the Corporation.** Schedule 3.1.5 sets out particulars of the authorized and issued shares of the Corporation, the names of the Persons who are the beneficial owners of such shares and, if such beneficial owners are not the registered owners of such shares, the names of the Persons shown on the securities register of the Corporation as the holder of any such shares, and the number and class of shares held by such Persons. All the shares indicated on such Schedule as being issued and outstanding have been validly issued and are outstanding as fully paid and non-assessable shares.

3.1.6 **No Subsidiaries.** The Corporation has no subsidiaries.

3.1.7 **No Obligations to Issue Securities.** There are no agreements, options, warrants, rights of conversion or other rights pursuant to which the Corporation is, or may become, obligated to issue any shares or any securities convertible or exchangeable, directly or indirectly, into any shares of the Corporation.

3.1.8 **Title to, and Right to Sell, Purchased Shares.** No Persons other than the Vendors are the registered or beneficial owners of the Purchased Shares. All Vendors have good and marketable title to the Purchased Shares, free of all Charges. There are no agreements or restrictions which in any way limit or restrict the transfer to the Purchaser of any of the Purchased Shares other than share transfer restrictions contained in the Corporation's articles and there are no shareholders agreements, pooling agreements, voting trusts or other agreements or understandings with respect to the voting of the Purchased Shares or any of them other than as set out in Schedule 3.1.8. At or prior to the Time of Closing, such agreements and restrictions will have been complied with or terminated (and evidence in form and substance satisfactory to the Purchaser to such effect shall have been provided to the Purchaser) and at the Time of Closing the Vendors will have full legal right, power and authority to sell the Purchased Shares to the Purchaser free of all Charges.

Correct and complete copies of the agreements set out in Schedule 3.1.8 have been provided to the Purchaser.

3.1.9 **No Contravention.** Except as contemplated in section 3.1.8, none of the entering into of this Agreement, the sale of the Purchased Shares or the performance by each Vendor of any of such Person's other obligations under this Agreement will contravene, breach or result in any default under the articles, by-laws, constating documents or other organizational documents of the Corporation or under any mortgage, lease, agreement, other legally binding instrument, licence, permit, statute, regulation, order, judgment, decree or law to which such Vendor or the Corporation, as the case may be, is a party or by which any of them may be bound.

3.1.10 **Approvals and Consents.** Except as set out in Schedule 3.1.10 and except as contemplated in section 3.1.8, no authorization, consent or approval of, or filing with or notice to, any governmental agency, regulatory body, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Vendors or the sale of any of the Purchased Shares hereunder.

3.1.11 **Financial Statements.** The Financial Statements have been prepared in accordance with generally accepted accounting principles (subject to usual year-end adjustments) consistently applied throughout the periods indicated and fairly, completely and accurately present the financial position of the Corporation and the results of its operations as of the dates and throughout the periods indicated and there has been no material adverse change in the financial position of the Corporation from that reflected in the Financial Statements.

3.1.12 **Accounts Receivable.** There are no accounts receivable owing to the Corporation from any Person other than the Purchaser.

3.1.13 **Liabilities and Guarantees.** The Corporation does not have any outstanding liabilities, contingent or otherwise, and the Corporation is not a party to or bound by any agreement of guarantee, support, indemnification, assumption, or endorsement of, or any other similar commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, other than:

3.1.13.1 those set out in the Financial Statements; and

3.1.13.2 those set out in Schedule 3.1.13.

3.1.14 **Indebtedness.** Except as set out in the Financial Statements or in Schedule 3.1.14, the Corporation does not have outstanding any bonds, debentures, notes, mortgages or other indebtedness and the Corporation has not agreed to create or issue any bonds, debentures, notes, mortgages or other indebtedness.

3.1.15 **Absence of Unusual Transactions and Events.** Except as may be disclosed in the Financial Statements, the Corporation has not, since the Incorporation Date:

3.1.15.1 paid or satisfied any obligation or liability, absolute or contingent, other than current liabilities or obligations disclosed in the Financial Statements;

3.1.15.2 waived or cancelled any rights or claims or made any gift;

3.1.15.3 sold or otherwise disposed of or created or granted any Charge over any fixed or capital assets, any Intellectual Property, Computer Systems Software or domain names;

3.1.15.4 made any capital expenditures;

3.1.15.5 made or suffered any change or changes in its financial condition, assets, liabilities or the Business which, singly or in the aggregate, have materially adversely affected or could materially adversely affect its financial condition, assets, liabilities or the Business;

3.1.15.6 suffered or incurred any damage, destruction or loss, whether or not covered by insurance, which has materially adversely affected or could materially adversely affect its financial condition, assets or the Business;

3.1.15.7 made any increase in the compensation payable or to become payable to its directors, officers, employees, independent contractors or agents, including, without limitation, any improvements to severance or termination pay;

3.1.15.8 declared or paid any dividend or made any distribution, whether in cash, stock or in specie, in respect of any of its shares or repurchased, redeemed or otherwise acquired any of its securities; or

3.1.15.9 authorized or agreed or otherwise become committed to do any of the foregoing.

3.1.16 **Non-Arm's Length Transactions.**

3.1.16.1 The Corporation has not made any payment or loan to, or has borrowed any monies from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person with whom the Corporation is not dealing at arm's length (within the meaning of the *Income Tax Act* (Canada)) or any Affiliate of any of the foregoing, except as disclosed in the Financial Statements or in Schedule 3.1.16.

3.1.16.2 Except as disclosed in Schedule 3.1.16 and except for contracts of employment, the Corporation is not a party to any contract or agreement with any officer, director, employee, shareholder or any other Person with whom the Corporation is not dealing at arm's length (within the meaning of the *Income Tax Act* (Canada)) or any Affiliate of any of the foregoing.

3.1.17 **Contracts.** Except as set out in Schedule 3.1.17 and except as disclosed in any other Schedule to this Agreement, the Corporation is not a party to or bound by any contract, lease, licence, agreement or commitment. Correct and complete copies of all contracts and commitments set out in Schedule 3.1.17, as amended as of the date hereof, or where oral, correct and complete written summaries of their terms, have been provided to the Purchaser.

3.1.18 **Employment Matters.** Except as set out in Schedule 3.1.18, the Corporation is neither a party to nor bound by any:

3.1.18.1 oral or written contract or commitment for the employment or retainer of any individual, including, for greater certainty, any contract or commitment with directors, officers, employees, independent contractors or agents;

3.1.18.2 oral or written contract or commitment providing for severance, termination or similar payments, including on a change of control of the Corporation; or

3.1.18.3 contract with or commitment to any trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent (collectively called "labour representatives") and the Corporation has not conducted negotiations with respect to any such future contracts or commitments; no labour representatives hold bargaining rights with respect to any employees of the Corporation; no labour representatives have applied to have the Corporation declared a related employer pursuant to the *Labour Relations Act*

(Ontario); and there are no current or threatened attempts to organize or establish any trade union or employee association with respect to the Corporation.

Correct and complete copies of all contracts and commitments set out in Schedule 3.1.18, as amended as of the date hereof, or where oral, correct and complete written summaries of their terms, have been provided to the Purchaser.

3.1.19 **No Default Under Agreements.** To the best of knowledge of each of the Indemnifying Parties, the Corporation is not in default or breach of any contract, agreement, lease or other instrument to which it is a party or by which it may be bound (including the contracts, agreements, leases and other instruments referred to in any Schedule to this Agreement) and there exists no state of facts which after notice or the passage of time, or both, would constitute such a default or breach, and all such contracts, agreements, leases and other instruments are now in good standing and the Corporation is entitled to all benefits, rights and privileges thereunder.

3.1.20 **Title to Owned Real Property.** Schedule 3.1.20 contains a complete legal and municipal description of all of the real property owned by the Corporation.

3.1.21 **Title to Assets.** The Corporation is the absolute beneficial owner of, and has good and marketable title, free of all Charges, to all the assets (other than the real property referred to in section 3.1.20 and Computer Systems Software licensed by third parties to the Corporation pursuant to Computer Systems Contracts) used in connection with the Business.

3.1.22 **Environmental Matters.**

3.1.22.1 In this section,

3.1.22.1.1 **"Environment"** means the ambient air, all layers of the atmosphere, surface water, underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matter and living organisms, and includes indoor spaces;

3.1.22.1.2 **"Environmental Law"** means all federal, provincial, municipal or local statutes, regulations, by-laws, Environmental Permits, orders or rules, and any policies or guidelines of any governmental or regulatory body or agency, and any requirements or obligations arising under the common law, relating to the Environment, the transportation of dangerous goods and occupational health and safety;

3.1.22.1.3 **"Environmental Permits"** means all permits, licences, approvals, consents, authorizations, registrations and certificates issued by or provided to, as the case may be, any government, governmental or regulatory body or agency pursuant to an Environmental Law;

3.1.22.1.4 **"Premises"** means all real property, buildings and facilities, including any part of any such property, building or facility, owned, leased, or operated by the Corporation in connection with the Business; and

3.1.22.1.5 **"Substance"** means any substance or material which under any Environmental Law is defined to be "hazardous", "toxic", "deleterious", "caustic", "dangerous", a "contaminant", a "pollutant", a "dangerous good", a "waste", a "source of contamination" or a source of a "pollutant".

3.1.22.2 Except as disclosed in Schedule 3.1.22,

3.1.22.2.1 none of the Vendors, the Corporation or any Person has emitted, discharged, deposited or released or caused or permitted to be emitted, discharged, deposited or released, any Substances on or to the Premises, or in connection with the operation of the Business, except in compliance with Environmental Law;

3.1.22.2.2 the soil and subsoil, and the surface and ground water in, on or under the Premises do not contain any Substances, nor do the Premises contain any underground storage tanks; all Substances which have been or are being treated or stored on the Premises have been generated, treated and stored in compliance with Environmental Law;

3.1.22.2.3 no polychlorinated biphenyls, asbestos containing materials, lead or urea-formaldehyde is or has ever been on, at, in or under the Premises; and

3.1.22.2.4 neither the Vendors nor the Corporation has permitted the Premises to be used for the disposal of any Substance.

3.1.22.3 All Environmental Permits obtained by the Corporation in connection with the Business (including any applicable expiry dates) are listed in Schedule 3.1.22 and are valid and in full force and effect.

3.1.22.4 There are no proceedings (as defined in section 3.1.30) against or involving the Corporation either in progress, pending, or threatened which allege the violation of, or non-compliance with, any Environmental Law.

3.1.22.5 For greater certainty, the representations and warranties contained in section 3.1.28, section 3.1.10 and section 3.1.9 apply to Environmental Permits.

3.1.23 **Assets in Good Condition.** All the physical assets of the Corporation are in good operating condition and in a state of good maintenance and repair.

3.1.24 **Tax, etc. Matters.** The Corporation has filed all tax returns required to be filed by it in all applicable jurisdictions, to the extent that such tax returns may have been required to be filed, and has paid all Governmental Charges to the extent such Governmental Charges may have been required to be paid by it. There are no proceedings (as defined in section 3.1.30) in progress, pending or threatened against the Corporation in respect of any Governmental Charges and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued to, or raised in respect of, the Corporation by any governmental authority relating to any Governmental Charges. The Corporation has withheld or collected and remitted all amounts required to be withheld or collected and remitted by it in respect of any Governmental Charges to the extent that any such amounts may have been required to be withheld or collected and remitted. Correct and complete copies of all federal and provincial income tax returns, including schedules thereto, filed by the Corporation since the Incorporation Date, all federal goods and services tax returns filed by the Corporation since the Incorporation Date and all written communications relating thereto have been provided to the Purchaser.

3.1.25 **Employee Plans.** Except as set out in Schedule 3.1.25, the Corporation is not a party to, or bound by, and has no actual or contingent liability in respect of, any Employee Plan.

3.1.26 **Insurance.** Schedule 3.1.26 sets out particulars of all the insurance policies held by the Corporation, including the name of the insurer, the risks insured against and the amount of coverage.

3.1.27 **Intellectual Property.** Schedule 3.1.27 is a correct, complete and current list of all Intellectual Property which comprises trade marks and trade mark applications, trade names, certification marks, patents and patent applications (including provisional patent applications), copyrights and industrial designs owned or used by the Corporation at any time since the Incorporation Date, the offices (if any) in which the same is registered (being the only offices where such registration is necessary to preserve the rights thereto) and the applicable expiry dates of any registrations. The Intellectual Property listed therein and all other Intellectual Property (other than Computer Systems Software licensed by third parties to the Corporation pursuant to Computer Systems Contracts) which is used by the Corporation in the Business is owned by the Corporation with the sole and exclusive right to use the same, except as noted on Schedule 3.1.27. The conduct of the Business does not infringe the Intellectual Property of any Person.

3.1.28 **Permits and Registrations.** The Corporation holds all permits, licences, approvals, consents, authorizations, registrations, certificates and franchises, including all Environmental Permits and Computer Systems Permits, which it requires, or is required to have, to own its properties and assets and to carry on the Business as presently conducted by it (collectively, the "**Permits**"). All the Permits not otherwise listed in Schedule 3.1.22 or Schedule 3.1.37 are listed in Schedule 3.1.28 (including any applicable expiry dates) and are in full force and effect; the Corporation is in compliance with all the terms and conditions relating to the Permits; and there are no proceedings (as defined in section 3.1.30) in progress, pending or threatened which may result in revocation, cancellation, suspension, rescission or any adverse modification of any of the Permits nor are there any facts upon which such proceedings could reasonably be based. Neither the terms and conditions relating to the Permits nor the legislation or regulations pursuant to which the same were issued require that any consent or approval of, or filing with or notice to, any governmental agency or regulatory body or other Person be made to assure the continued holding by the Corporation of the Permits after completion of the transaction contemplated by this Agreement. The Corporation is registered under Part IX of the *Excise Tax Act* (Canada).

3.1.29 **Compliance with Laws.** To the best of knowledge of each of the Indemnifying Parties, the Corporation is conducting the Business in compliance with all applicable laws, regulations, by-laws and ordinances of each jurisdiction in which the Business is carried on.

3.1.30 **Litigation and Other Proceedings.** Except as set out in Schedule 3.1.30, there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal); arbitration or other dispute settlement procedure; investigation or inquiry by any governmental, administrative, regulatory or similar body; or any similar matter or proceeding (collectively "proceedings") against or involving the Corporation or any Employee Plan (whether in progress or threatened); no event has occurred which might give rise to any proceedings and there is no judgment, decree, injunction, rule, award or order of any court, government department, board, commission, agency, arbitrator or similar body outstanding against the Corporation. No complaint, grievance, claim, work order or investigation has been filed, made or commenced against the Corporation pursuant to the Ontario Human Rights Code, the *Occupational Health & Safety Act*, the *Workplace Safety and Insurance Act* (Ontario), the *Employment Standards Act* or the *Pay Equity Act*, in each case of the Province of Ontario, or any similar legislation of Canada, the Province of Ontario or of any other jurisdiction.

3.1.31 **Corporate Records.** The corporate records and minute books of the Corporation contain complete and accurate minutes of all meetings of directors and committees thereof and shareholders held since its date of incorporation, and all such meetings were duly called and held. The share certificate books, register of shareholders, register of transfers and register of directors of the Corporation are complete and accurate.

3.1.32 **Books of Account.** The books and records of the Corporation fairly present and disclose the financial position of the Corporation as at the relevant dates and all material financial transactions of the Corporation have been accurately recorded in such books and records.

3.1.33 **Bank Accounts, etc.** Schedule 3.1.33 is a correct and complete list (including addresses and account numbers) of each bank, trust company or similar institution in which the Corporation has an account or safety deposit box and the names of all Persons, including any individual or firm holding a power of attorney, authorized to draw thereon or to have access thereto.

3.1.34 **Customers and Suppliers.** Since the Incorporation Date, there has been no termination or cancellation of, and no modification or change in, the business relationship with any customer or group of customers of the Corporations. The Indemnifying Parties have no reason to believe that the benefits of any relationship with any of the customers or suppliers of the Corporation will not continue after the Closing Date in substantially the same manner as prior to the date hereof, assuming the completion on the Closing Date of the transaction contemplated hereby.

3.1.35 **Vendors Resident of Canada.** Each Vendor is not a non-resident of Canada under the *Income Tax Act* (Canada).

3.1.36 **Competition Act.** The Corporation, together with its Affiliates, does not have assets in Canada, or gross revenues from sales in, from or into Canada, that exceed $73,000,000 in aggregate value as determined in accordance with the Notifiable Transaction Regulations promulgated under the *Competition Act* (Canada).

3.1.37 **Computer Systems, etc.**

3.1.37.1 Schedule 3.1.37 sets out an accurate and complete list of all:

3.1.37.1.1 machinery, equipment, parts and accessories that is or includes computer or communications hardware owned or operated by or on behalf of the Corporation in connection with its Business (the "**Computer Systems Hardware**");

3.1.37.1.2 Intellectual Property that is computer software (including, where applicable, documentation, source code and back-ups) owned or used by or on behalf of the Corporation in connection with its Business, whether stored on or off-site (the "**Computer Systems Software**");

3.1.37.1.3 machinery and equipment which incorporates or relies upon Computer Systems Hardware or Computer Systems Software (the "**Computer Dependent Equipment**");

3.1.37.1.4 permits, licences, approvals, consents, authorizations, registrations, certificates and franchises (including applicable expiry dates) relating to Computer Systems Hardware, Computer Systems Software and Computer Dependent Equipment (the "**Computer Systems Permits**"); and

3.1.37.1.5 contracts, agreements, leases and other legally binding instruments relating to Computer Systems Hardware, Computer Systems Software and Computer Dependent Equipment, including, without limitation, all relevant maintenance, extended warranty, software escrow, network service, service bureau, outsourcing and on-line service agreements and arrangements (the "**Computer Systems Contracts**").

3.1.37.2 For greater certainty, the representations and warranties contained in section 3.1.23 also apply to Computer Systems Hardware and Computer Dependent

Equipment and the representations and warranties contained in section 3.1.27 also apply to Computer Systems Software. The representations and warranties contained in sections 3.1.9 and 3.1.10 also apply in respect of Computer Systems Permits and Computer Systems Contracts, and in addition, the representations and warranties contained in section 3.1.28 also apply in respect of Computer Systems Permits and the representations and warranties contained in section 3.1.19 also apply in respect of Computer Systems Contracts.

3.1.37.3 The original media for any Computer Systems Software purchased by the Corporation, together with proofs of purchase, are available to facilitate upgrades. All Computer Systems Hardware and Computer Dependent Equipment has been installed and operated at all times in accordance with applicable manufacturers' or suppliers' maintenance or warranty requirements.

3.1.37.4 All Computer Systems Hardware, Computer Systems Software and Computer Dependent Equipment, including all repairs, corrections, fixes, improvements, refinements, modifications, upgrades, updates or enhancements, do now, and will process, provide, receive, calculate, store, retrieve, manage, manipulate and interpret all date-related data in an accurate and uninterrupted manner.

3.1.38 **Compliance with Privacy Legislation.** The representations and warranties contained in section 3.1.30 also apply in respect of the collection, use and disclosure of Personal Information by the Corporation, and the representations and warranties contained in section 3.1.29 also apply with respect to the compliance of the Corporation with Privacy Legislation.

3.1.39 **Material Facts Disclosed.** The Vendors and the management of the Corporation have disclosed to the Purchaser all facts known to them relating to the Business and assets of the Corporation which could reasonably be expected to be material to an intending purchaser of the Purchased Shares.

3.1.40 **Take-over Bid Exemption Criteria Met.** The Corporation is a not reporting issuer within the meaning of *Securities Act* (Ontario). There is no published market for the Purchased Shares. The number of holders of the Purchased Shares, exclusive of current and former employees, does not exceed fifty (50).

3.1.41 **Involvement in Business.** Each Vendor that is not an Indemnifying Party has not been involved in (in any capacity other than a shareholder of or a contractor to the Corporation), and has no knowledge of or information regarding, the business, affairs, operations, products or assets of the Corporation, except, in the case of each Person (or such Person's principal) listed in Schedule 3.1.17, that such Person (or such Person's principal) has become aware of in such Person's capacity as a contractor to the Corporation.

3.2 By the Purchaser

The Purchaser represents and warrants to the Vendors as follows and acknowledges that the Vendors are relying upon the following representations and warranties in connection with its sale of the Purchased Shares:

3.2.1 **Incorporation and Status of the Purchaser.** The Purchaser is duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

3.2.2 **Corporate Power of the Purchaser and Due Authorization.** The Purchaser has the corporate power and capacity to enter into, and to perform its obligations under, this Agreement. Each of this Agreement and each of the agreements, contracts and instruments required by this Agreement to be delivered by the Purchaser at Closing has been duly authorized by the Purchaser. This Agreement has been duly executed and delivered by the Purchaser and is a valid and binding obligation of the Purchaser, enforceable in accordance with its terms, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies. At the Time of Closing the Closing Documents to which the Purchaser or any Affiliate of the Purchaser is a party will be duly executed and delivered by the Purchaser or the applicable Affiliate of the Purchaser, as the case may be, and will be valid and binding obligations of the Purchaser or the applicable Affiliate of the Purchaser, as the case may be, enforceable in accordance with their respective terms, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies.

3.2.3 **Foreign Investment Review.** The Purchaser is not a non-Canadian for the purposes of the *Investment Canada Act* (Canada).

3.2.4 **Competition Act.** The Purchaser, together with its Affiliates, does not have assets in Canada, or gross revenues from sales in, from or into Canada, that exceed $40,000,000 in aggregate value as determined in accordance with the Notifiable Transaction Regulations promulgated under the *Competition Act* (Canada).

3.3 No Finder's Fees

Each of the parties represents and warrants to the other parties that such party has not taken, and agrees that it will not take, any action that would cause any other party to become liable to any claim or demand for a brokerage commission, finder's fee or other similar payment.

3.4 Survival of Covenants, Representations and Warranties

To the extent that they have not been fully performed at or prior to the Time of Closing, the covenants, representations and warranties contained in this Agreement and in all certificates and documents delivered pursuant to or contemplated by this Agreement shall survive the Closing and shall continue for the applicable limitation period provided, however, that:

3.4.1 representations and warranties, except those set out in sections 3.1.1 to 3.1.8 inclusive, 3.1.20, 3.1.24 and 3.2, shall terminate at the expiration of two (2) years following the Closing;

3.4.2 the representations and warranties set out in section 3.1.24 shall, subject to section 3.4.3, terminate at the expiration of the Tax Reassessment Period;

3.4.3 there shall be no termination of the representations and warranties set out in section 3.1.24 to the extent that any misrepresentation has been made or fraud has been committed in filing a return or in supplying information for the purposes of any legislation imposing tax on the Corporation; and

3.4.4 no claim for breach of representation or warranty shall be valid unless the party against whom such claim is made has been given notice thereof before the date on which the applicable representation or warranty shall have terminated in accordance with the foregoing.

For the purposes of this Agreement, "Tax Reassessment Period" means the period ending on the first date on which no assessment, reassessment or other document assessing liability for tax, interest or penalties may be issued to the Corporation in respect of any taxation year or other period ended prior to the Closing Date, or within which the Closing Date occurs, pursuant to any applicable tax legislation.

ARTICLE 4
CONDITIONS

4.1 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Purchased Shares pursuant to this Agreement is subject to the satisfaction of, or compliance with, at or prior to the Time of Closing, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

4.1.1 **Accuracy of Representations of Vendors and Compliance With Covenants.** The representations and warranties of the Vendors made in or pursuant to this Agreement shall be true and correct at the Time of Closing with the same force and effect as if made at and as of the Time of Closing; the covenants contained in this Agreement to be performed by the Vendors at or prior to the Time of Closing shall have been performed; the Vendors shall not be in breach of any agreement on their part contained in this Agreement; and the Purchaser shall have received certificates confirming the foregoing, signed for and on behalf of the Vendors, in each case in form and substance satisfactory to the Purchaser.

4.1.2 **Closing Documents and Proceedings.** All documents relating to the authorization and completion of the transaction contemplated by this Agreement and all actions and proceedings taken at or prior to the Time of Closing in connection with the performance by the Vendors of their obligations under this Agreement shall be satisfactory to the Purchaser and the Purchaser shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request, in form and substance satisfactory to the Purchaser.

4.1.3 **No Material Adverse Effect.** No action, event or circumstance shall have occurred, be pending or threatened, which is likely to result in a material adverse effect on the Corporation, the Business or the transactions contemplated hereby, in each case prior to the Time of Closing.

4.1.4 **No Adverse Legislation.** No legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) shall have been enacted, introduced or tabled which, in the opinion of the Purchaser, adversely affects or may adversely affect the Business.

4.1.5 **No Action to Restrain.** No action or proceeding shall be pending or threatened by any Person to restrain or prohibit:

4.1.5.1 the purchase and sale of the Purchased Shares hereunder; or

4.1.5.2 the Corporation from carrying on the Business as the Business is being carried on at the date hereof.

4.1.6 **Non-Competition, Non-Solicitation and Confidentiality Agreement.** Each of the Vendors designated by the Purchaser and the Indemnifying Parties shall have executed and delivered to the Purchaser a non-competition, non-solicitation and confidentiality agreement, substantially in the form of the agreement attached as Schedule 4.1.6 (which form in each individual case will reflect the extent of involvement of the applicable Vendor in the business, affairs and operations of the Corporation).

4.1.7 **Consents and Approvals.** The consents and approvals listed in Schedule 3.1.10 shall have been delivered to the Purchaser, in form and substance satisfactory to the Purchaser.

4.1.8 **Domain Names.** The domain names listed in Schedule 3.1.27 shall be registered in the name of the Purchaser or an Affiliate of the Purchaser.

4.1.9 **Source Code.** The source codes for each of the software programs and websites listed in Schedule 3.1.27 shall have been delivered to the Purchaser in a format and on a medium acceptable to the Purchaser, provided that the technical documentation for such software programs and website may be delivered within fourteen (14) days of the Closing Date. The Purchaser, acting reasonably, shall have confirmed that all programs, applications and documentation are in a condition acceptable to the Purchaser.

4.1.10 **Delivery of Other Agreements and Documents.** The following Closing Documents shall have been delivered to the Purchaser, in form and substance satisfactory to the Purchaser:

4.1.10.1 a copy of the corporate proceedings of the Corporation, its directors and the shareholders, certified by an officer of the Corporation, authorizing the entering into of this Agreement, the other documents listed in this section 4.1.10 and the transactions contemplated herein and any other material agreements entered into by the Vendors pursuant to or in connection with this Agreement;

4.1.10.2 the Non-Competition Agreement executed by such of the Vendors as is agreed upon between the Purchaser and the Indemnifying Parties;

4.1.10.3 the Share Escrow Agreement;

4.1.10.4 Consulting Agreements executed by: (a) each of the Persons listed in Schedule 3.1.17, except Octavian Herescu and Bhavuk Kaul, (b) Aleksandar Zivkovic and (c) Marvin Igelman;

4.1.10.5 a bring-down certificate required to be delivered under section 4.1.1.

If any of the conditions contained in this section 4.1 shall not be fulfilled or performed at or prior to the Time of Closing to the satisfaction of the Purchaser (acting reasonably), the Purchaser may, by notice to the Vendors, terminate this Agreement and the obligations of the Vendors and the Purchaser under this Agreement other than the obligations contained in sections 3.3, 8.1 and 8.2. Any condition may be waived in whole or in part by the Purchaser without prejudice to any claims it may have for breach of covenant, representation or warranty.

4.2 Conditions for the Benefit of the Vendors

The obligation of the Vendors to complete the sale of the Purchased Shares hereunder is subject to the satisfaction of, or compliance with, at or prior to the Time of Closing, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Vendors):

4.2.1 **Accuracy of Representations of Purchaser and Compliance With Covenants.** The representations and warranties of the Purchaser made in or pursuant to this Agreement shall be true and correct at the Time of Closing with the same force and effect as if made at and as of the Time of Closing; the covenants contained in this Agreement to be performed by the Purchaser at or prior to the Time of Closing shall have been performed; the Purchaser shall not be in breach of any agreement on its part contained in this Agreement; and the Vendors shall have received a certificate confirming the foregoing, signed for and on behalf of the Purchaser by senior officers or directors of the Purchaser or other persons acceptable to the Vendors, in form and substance satisfactory to the Vendors.

4.2.2 **Closing Documents and Proceedings.** All documents relating to the authorization and completion of the transaction contemplated by this Agreement and all actions and proceedings taken at or prior to the Time of Closing in connection with the performance by the Purchaser of its obligations under this Agreement shall be satisfactory to the Vendors and the Vendors shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request, in form and substance satisfactory to the Vendors.

4.2.3 **No Material Adverse Effect.** No action, event or circumstance shall have occurred, be pending or threatened, which is likely to result in a material adverse effect on the Purchaser, the Business, the Consideration Shares or the transactions contemplated hereby, in each case prior to the Time of Closing.

4.2.4 **No Adverse Legislation.** No legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) shall have been enacted, introduced or tabled which, in the opinion of the Vendors, adversely affects or may adversely affect the Business, the Purchaser, or the Consideration Shares..

4.2.5 **No Action to Restrain.** No action or proceeding shall be pending or threatened by any Person to restrain or prohibit the purchase and sale of the Purchased Shares hereunder.

4.2.6 **Consents and Approvals.** The consents and approvals listed in Schedule 3.1.10 shall have been delivered to the Vendors, in form and substance satisfactory to the Vendors.

4.2.7 **Delivery of Other Agreements and Documents.** The following Closing Documents shall have been delivered to the Vendors, in form and substance satisfactory to the Vendors:

4.2.7.1 a copy of the corporate proceedings of the Purchaser and its directors, certified by an officer of the Purchaser, authorizing the entering into of this Agreement, the transactions contemplated herein, and any other material agreements entered into by the Vendors pursuant to or in connection with this Agreement;

4.2.7.2 the Share Escrow Agreement;

4.2.7.3 one or more Consulting Agreements;

4.2.7.4 a bring-down certificate required to be delivered under section 4.2.1.

If any of the conditions contained in this section 4.2 shall not be fulfilled or performed at or prior to the Time of Closing to the satisfaction of the Vendors (acting reasonably), the Vendors may, by notice to the Purchaser, terminate this Agreement and the obligations of the Vendors and the Purchaser under this Agreement other than the obligations contained in sections 3.3, 8.1 and 8.2. Any condition may be waived in whole or in part by the Vendors without prejudice to any claims they may have for breach of covenant, representation or warranty.

4.3 Purchaser's Right to Terminate Prior to Closing

If, at any time prior to the Closing, any representation and warranty, or covenant (which by its terms must be complied with or fulfilled at such time), made or given by the Vendors in this Agreement is not, in the case of a representation and warranty true and correct with the same force and effect as if given at and as of such time (whether or not the truth and correctness of such representations and warranties are within the Vendors' control), and, in the case of a covenant, is not being complied with or fulfilled, the Purchaser may, by giving notice to the Vendors, terminate this Agreement and the obligations of the Vendors and the Purchaser hereunder other than those set out in sections 3.3, 8.1 and 8.2.

ARTICLE 5
ADDITIONAL AGREEMENTS OF THE PARTIES

5.1 Access to Information

The Vendors shall cause the Corporation to give, until the Time of Closing, to the Purchaser and its accountants, legal advisers and representatives during and after normal business hours full access to its premises, all its assets, books, accounts, tax returns, contracts, commitments and records and to its personnel and to furnish them with all such information relating to the Business and its affairs and assets as the Purchaser may reasonably request. No investigation made by the Purchaser or its representatives shall affect the Purchaser's right to rely on any representation or warranty made by the Vendors in this Agreement or in any document contemplated by this Agreement or derogate from the acknowledgement by the Vendors of such reliance in Article 3.

5.2 Conduct of Business Until Time of Closing

Except as expressly provided in this Agreement or except with the prior written consent of the Purchaser, prior to the Time of Closing the Vendors shall cause the Corporation to:

5.2.1 operate the Business only in the ordinary course, consistent with past practice and, to the extent consistent with such operation, use best efforts to preserve its business organization, including the services of its officers and employees, and its business relationships with customers, suppliers and others having business dealings with it;

5.2.2 maintain all its assets, whether owned or leased, in good condition and repair and maintain insurance upon all its assets comparable in amount, scope and coverage to that in effect on the date of this Agreement;

5.2.3 maintain its books, records and accounts in the ordinary course in accordance with applicable law; and

5.2.4 do or refrain from doing all acts and things in order to ensure that the representations and warranties in section 3.1 remain true and correct at the Time of Closing as if such representations and warranties were made at and as of such date and to satisfy or cause to be satisfied the conditions in section 4.1 which are within its control.

5.3 Negative Covenant

Except as expressly provided in this Agreement or except with the prior written consent of the Purchaser, prior to the Time of Closing the Vendors shall ensure that the Corporation does not:

5.3.1 amend its articles, by-laws, constating documents or other organizational documents;

5.3.2 amalgamate, merge or consolidate with, or acquire all or substantially all the shares or assets of, any Person;

5.3.3 transfer, lease, license, sell or otherwise dispose of any of its assets or property, including Intellectual Property, Computer Systems Software and domain names; or

5.3.4 do any act or thing of the kind described in sections 3.1.15 or 3.1.16.1 or enter into any contract, agreement or commitment of the kind described in sections 3.1.16.2, 3.1.17 or 3.1.18.

Notwithstanding anything in this Agreement, the Corporation may, prior to the Time of Closing, repay the shareholder's advance set out in Schedule 3.1.16 and continue to procure and pay for services provided pursuant to the contracts set out in Schedules 3.1.16 and 3.1.17.

5.4 Vendors' Additional Covenants

Each of the Vendors shall do or refrain from doing all acts and things in order to ensure that the representations and warranties of such Vendor in sections 3.1 remain true and correct at the Time of Closing as if such representations and warranties were made at and as of such date and to satisfy or cause or to be satisfied the conditions in section 4.1 which are within the control of such Vendor and shall use best efforts to ensure that the Corporation complies with its covenants in this Agreement.

The Vendors hereby covenant to pay promptly any fee, debt, wage, award, bonus, amount, invoice, salary, premium, liability, judgment, payable or Governmental Charge, and any interest, premium or penalty thereon, owing, payable or accruing due by, to or on the part of the Corporation or the Vendors, as the case may be, for or during (including in respect of any event, action or circumstance occurring or arising during) the period preceding the Time of Closing, irrespective of when a demand therefor is made.

The Vendors shall cause the domain names listed in Schedule 3.1.27 to be registered in the name of the Purchaser or an Affiliate of the Purchaser.

The Indemnifying Vendors shall use their best efforts to cause Morena Engineering Inc. to terminate its existing contract with the Corporation and enter into a Consulting Agreement with the Corporation within 30 days of the Closing Date.

5.5 Purchaser's Covenant

Except as expressly provided in this Agreement or except with the prior written consent of the Vendors, prior to the Time of Closing the Purchaser shall do or refrain from doing all acts and things in order to ensure that the representations and warranties in section 3.2 remain true and correct at the Time of Closing as if such representations and warranties were made at and as of such date and to satisfy or cause to be satisfied the conditions in section 4.2 which are under its control.

5.6 Corporate Action, Resignations and Releases

At or prior to the Time of Closing, each Vendor shall cause all necessary action to be taken for the purpose of approving the transfer of the Purchased Shares to the Purchaser. At or prior to such time, each Vendor shall also obtain the resignations of all the directors and officers of the Corporation and releases from such individuals of all claims they may have against the Corporation (other than in respect of unpaid salaries and accrued vacation pay), in form and substance satisfactory to the Purchaser. If requested by the Purchaser, the Vendors shall cause nominees of the Purchaser to be elected or appointed directors of the Corporation to fill any vacancies.

5.7 Obtaining of Consents and Approvals

The Vendors and the Purchaser shall use best efforts to deliver, at or prior to the Time of Closing, the consents and approvals referred to in section 4.1.7. If, notwithstanding such efforts, the Vendors or the Purchaser, as applicable, are unable to obtain any of such consents and approvals, the Vendors and the Purchaser shall not be liable to each other for any breach of covenant, provided that nothing contained herein shall affect any condition precedent to the Purchaser's obligation to complete the transaction contemplated hereby referred to in section 4.1. If the Purchaser completes the transaction contemplated hereby on the Closing Date notwithstanding that any of the consents or approvals referred to in section 4.1.7 have not been obtained, the Vendors shall continue after the Closing to use best efforts as requested by the Purchaser from time to time in order to attempt to obtain any such consent or approval.

5.8 Cooperation

The parties shall cooperate fully in good faith with each other and their respective legal advisers, accountants and other representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement.

ARTICLE 6
INDEMNIFICATION

6.1 Indemnification by the Indemnifying Parties

The Indemnifying Parties shall, jointly and severally, indemnify and save the Purchaser harmless for and from:

6.1.1 all debts and liabilities of the Corporation, including liabilities for any Governmental Charges, existing at the Time of Closing and not expressly disclosed to the Purchaser prior to the Time of Closing, whether in the Financial Statements or otherwise;

6.1.2 all contingent liabilities which the Corporation becomes obligated to pay and which exist at the Time of Closing whether or not disclosed or reflected in the Financial Statements and whether or not the Vendors or the Corporation or any of them has notice thereof or of the facts or circumstances which give rise thereto;

6.1.3 any assessment or reassessment for Governmental Charges in respect of any taxation period or any portion of a taxation year or other period up to and including the Closing Date, for which no adequate reserve has been provided and disclosed in the Financial Statements or otherwise;

6.1.4 any loss, damages or deficiencies suffered by the Purchaser or by the Corporation as a result of any breach of representation, warranty or covenant on the part of the Vendors contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement;

6.1.5 any warranty, damage or similar claim made against the Corporation for or arising from defects in any goods, materials, products, services or workmanship, in each case provided by the Corporation on or prior to the Closing Date for which the Corporation is or is alleged to be liable; and

6.1.6 all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

6.2 Notice of Claim

The Purchaser shall promptly give notice to the Indemnifying Parties of any claim for indemnification pursuant to section 6.1 (a "**Claim**", which term shall include more than one Claim). Such notice shall specify whether the Claim arises as a result of a claim by a Person against the Corporation (a "**Third Party Claim**") or whether the Claim does not so arise (a "**Purchaser's Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

6.2.1 the factual basis for the Claim; and

6.2.2 the amount of the Claim, or, if an amount is not then determinable, an approximate and reasonable estimate of the likely amount of the Claim.

Upon receipt of the notice referred to above, the Indemnifying Parties shall, within ten Business Days after the Purchaser has given such notice to the Vendors, appoint a representative who will represent all such Indemnifying Parties and whose decisions shall be final and binding upon all such Indemnifying Parties. In the event that such Indemnifying Parties fail to agree within such time as to who their representative shall be, such Indemnifying Parties shall be deemed to have appointed Aleksandar Zivkovic at such time to act as such representative, and each of the Vendors hereby irrevocably authorizes and appoints Aleksandar Zivkovic at such time to act as the representative and agent of such Indemnifying Party in the circumstances contemplated above. All steps and proceedings to be taken under this Article 6 by such Indemnifying Parties prior to any submission to arbitration shall be taken on their behalf by such representative and the Purchaser shall be entitled to deal only with such representative and to assume that such representative has such authority as is required to bind all such Indemnifying Parties.

6.3 Procedure for Indemnification

6.3.1 **Purchaser's Claims.** With respect to Purchaser's Claims, following receipt of notice from the Purchaser of a Claim, the Indemnifying Parties shall have 30 days to make such investigation of the Claim as the Indemnifying Parties consider necessary or desirable. For the purpose of such investigation, the Purchaser shall make available to the Indemnifying Parties the information relied upon by the Purchaser to substantiate the Claim. If the Purchaser and the Indemnifying Parties agree at or prior to the expiration of such 30 day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Parties shall immediately pay to the Purchaser the full agreed upon amount of the Claim.

If the Purchaser and the Indemnifying Parties do not agree within such period (or any mutually agreed upon extension thereof), the Purchaser and the Indemnifying Parties agree that the Indemnified Party shall be entitled to bring an action in a court of law to recover the full amount of the Claim and any costs incidental to the action.

6.3.2 **Third Party Claims.**

6.3.2.1 With respect to any Third Party Claim, the Indemnifying Parties shall have the right, at their own expense, to participate in or assume control of the negotiation, settlement or defence of such Third Party Claim and, in such event, the Indemnifying Parties shall reimburse the Purchaser for all the Purchaser's out-of-pocket expenses as a result of such participation or assumption. If the Indemnifying Parties elect to assume such control, the Purchaser shall cooperate with the Indemnifying Parties, shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and shall have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Parties and the Purchaser shall be retained by the Indemnifying Parties.

6.3.2.2 If the Indemnifying Parties, having elected to assume control as contemplated in section 6.3.2.1 thereafter fail to defend any such Third Party Claim within a reasonable time, the Purchaser shall be entitled to assume such control and the Indemnifying Parties shall be bound by the results obtained by the Purchaser with respect to such Third Party Claim.

6.4 Additional Rules and Procedures

The obligations of the Indemnifying Parties to indemnify the Purchaser in respect of Claims shall also be subject to the following:

6.4.1 Any Claim arising as a result of a breach of a representation or warranty contained in section 3 shall be made not later than the date on which, pursuant to section 3.4, such representation or warranty terminated.

6.4.2 In the event that any Third Party Claim is of a nature such that the Purchaser is required by applicable law to make a payment to any Person (a "**Third Party**") with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Purchaser may make such payment and the Indemnifying Parties shall, forthwith after demand by the Purchaser, reimburse the Purchaser for any such payment. If the amount of any liability of the Purchaser under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Parties to the Purchaser, the Purchaser shall, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Parties.

6.4.3 Except in the circumstance contemplated by sections 6.4.2 and 6.3.2.2 and whether or not the Indemnifying Parties assume control of the negotiation, settlement or defence of any Third Party Claim, the Purchaser shall not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Parties (which consent shall not be unreasonably withheld).

6.4.4 The Purchaser shall not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Parties notice thereof and an opportunity to contest such Third Party Claim.

6.4.5 The Purchaser and the Indemnifying Parties shall cooperate fully with each other with respect to Third Party Claims, shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available).

6.4.6 Notwithstanding section 6.3.2, the Indemnifying Parties shall not settle any Third Party Claim or conduct any related legal or administrative proceeding in a manner which would, in the opinion of the Purchaser, acting reasonably, have a material adverse impact on the Purchaser.

ARTICLE 7
CLOSING

7.1 Location and Time of the Closing

The Closing shall take place at the Time of Closing on the Closing Date at the offices of the Purchaser.

7.2 Deliveries at the Closing

At the Closing, the Vendors shall deliver the share certificates representing the Purchased Shares and such documents as are required or contemplated to be delivered by the Vendors or the Corporation pursuant to this Agreement, and the Purchaser shall comply with the Share Escrow Agreement and shall deliver such documents as are required or contemplated to be delivered by the Purchaser pursuant to this Agreement.

The Parties hereby agree (i) to terminate at the Time of Closing any mutual non-disclosure or confidentiality agreements entered into between them prior to the date hereof in respect of the transactions contemplated hereby; and that (ii) this Agreement and the Closing Documents shall govern their mutual obligations in respect of non-disclosure of information and confidentiality applicable to the transactions contemplated hereby and thereby after the effective dates hereof and thereof.

ARTICLE 8
GENERAL MATTERS

8.1 Confidentiality

If the transaction contemplated by this Agreement is not completed, the Purchaser shall not, except as contemplated below, directly or indirectly use for its own purposes or communicate to any other Person any confidential information or data relating to the Vendors, the Corporation or to the Business which become known to the Purchaser, its accountants, legal advisers or representatives as a result of the Vendors or the Corporation making the same available in connection with the transaction contemplated hereby. The foregoing shall not prevent the Purchaser from disclosing or making available to its accountants, professional advisers and bankers and other lenders, whether current or prospective, any such information or data.

8.2 Public Notices

No press release or other announcement concerning the transaction contemplated by this Agreement shall be made by the Vendors, the Corporation or by the Purchaser without the prior written consent of the other (such consent not to be unreasonably withheld) provided, however, that the Purchaser may, without such consent, make such disclosure if the same is required by any stock exchange on which any of the securities of the Purchaser or any of its Affiliates are listed or by any securities commission or other similar regulatory authority having jurisdiction over the Purchaser or any of its Affiliates, and if such disclosure is required, the party making the disclosure shall use best efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure.

8.3 Expenses

Each of the Vendors and the Purchaser shall be responsible for the expenses (including fees and expenses of legal advisers, accountants and other professional advisers) incurred by them, respectively, in connection with the negotiation and settlement of this Agreement and the completion of the transaction contemplated hereby

8.4 Assignment

Except as provided in this section, no party may assign its rights or benefits under this Agreement. The Purchaser may, at any time prior to the Time of Closing:

8.4.1 assign all (but not less than all) of its rights and benefits under this Agreement to any Person if:

8.4.1.1 the Vendors' prior written consent has been obtained; and

8.4.1.2 the assignee delivers to the Vendors an instrument in writing executed by the assignee confirming that it is bound by and shall perform all of the obligations of the Purchaser under this Agreement as if it were an original signatory;

8.4.2 assign all (but not less than all) of its rights and benefits under this Agreement to any Affiliate of the Purchaser who delivers an instrument in writing to the Vendors similar to the one contemplated by section 8.4.1.2;

provided that no assignment contemplated above shall relieve the Purchaser of its obligations under this Agreement. In the event of an assignment contemplated above, any reference in this Agreement to "Purchaser" shall be deemed to include the assignee.

After the Closing, the Purchaser may assign its rights and benefits under this Agreement to any Person who purchases any of the Purchased Shares.

8.5 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the fourth Business Day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the Business Day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with this section. Notices and other communications shall be addressed as follows:

(a) if to the Vendors:

Aleksandar Zivkovic
[redacted]
Email: [redacted]

With a copy to:

Bernard Gropper
Barrister and Solicitor
300-261 Davenport Road
Toronto ON M5R 1K3
Attention: [redacted]
Email: [redacted]
Telecopier number: [redacted]

(b) if to the Purchaser:

Intertainment Media Inc.
30 West Beaver Creek Road,
Suite 111
Richmond Hill, ON L4B 3K1

Attention: David Lucatch
Email: [redacted]
Fax number: (905) 763-6175

With a copy to:

Davis LLP
Livingston Place, 1000 - 250 2nd St SW
Calgary, AB T2P 0C1
Attention: Trevor Wong-Chor
Email: [redacted]
Facsimile: (403) 213-4478

Notwithstanding the foregoing, any notice or other communication required or permitted to be given by any party pursuant to or in connection with any arbitration procedures contained herein or in any Schedule hereto may only be delivered by hand.

8.6 Time of Essence

Time is of the essence of this Agreement.

8.7 Further Assurances

Each of the parties shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

8.8 Counterparts

This Agreement may be signed in counterparts and each such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument.

***

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

INTERTAINMENT MEDIA INC.

by: ______________________________
Name:
Title:

VENDORS

by: ______________________
Name: Frankie Hang Fai Chan

by: ______________________
Name: James Koornneef

by: ______________________
Name: Edward Wong

by: ______________________
Name: Aleksandar Zivkovic

by: ______________________
Name: Octavian Herescu

by: ______________________
Name: Ljubomir Zivkovic

by: ______________________
Name: Marvin Igelman

by: ______________________
Name: 1405640 Ontario Limited

by: ______________________
Name: 1516713 Ontario Limited

VENDORS

by: ______________________________
Name: Frankie Hang Fai Chan

by: ______________________________
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by: ______________________________
Name: Edward Wong

by: ______________________________
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by: ________________________
Name: Ljubomir Zivkovic

by: ________________________
Name: Marvin Igelman

by: ________________________
Name: 1405640 Ontario Limited

by: ________________________
Name: 1516713 Ontario Limited

SCHEDULE 1.1.16

Financial Statements

See attached

COMMOBILITY INC.

FINANCIAL STATEMENTS

JUNE 30, 2011

ZEIFMANS LLP
CHARTERED ACCOUNTANTS

ZEIFMANS
LLP
CHARTERED ACCOUNTANTS

201 Bridgeland Avenue
Toronto, Ontario M6A 1Y7
Tel: (416) 256-4000
Fax: (416) 256-4001
Email: info@zeifmans.ca
www.zeifmans.ca

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Commobility Inc. as at June 30, 2011 and the statements of operations and retained earnings for the period from incorporation March 21, 2011 to June 30, 2011.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Zeifmans LLP
Chartered Accountants
Licensed Public Accountants

Toronto, Ontario
June 30, 2011

COMMOBILITY INC.
(Incorporated Under the Laws of Ontario)

BALANCE SHEET	AS AT JUNE 30, 2011

ASSETS

CURRENT		
Cash	$	45,811
Accounts receivable		43,890
		89,701
OTHER		
Patents		4,406
TOTAL ASSETS	$	94,107

LIABILITIES

CURRENT		
Accounts payable	$	82,048
Income taxes payable		875
		82,923
LONG-TERM		
Advances from shareholders		6,409
TOTAL LIABILITIES		89,332

SHAREHOLDERS' EQUITY

STATED CAPITAL		6
RETAINED EARNINGS - statement 2		4,769
TOTAL SHAREHOLDERS' EQUITY		4,775
	$	94,107

ON BEHALF OF THE BOARD
______________________ DIRECTOR
______________________ DIRECTOR

STATEMENT 1

(Unaudited - see notice to reader)

ZEIFMANS LLP CHARTERED ACCOUNTANTS

COMMOBILITY INC.
STATEMENT OF RETAINED EARNINGS
FOR THE PERIOD FROM INCORPORATION MARCH 21, 2011 TO JUNE 30, 2011

Balance, beginning of the period	$ -
Net profit for the period - statement 3	4,769
Balance, end of the period	$ 4,769

STATEMENT 2

(Unaudited - see notice to reader)

COMMOBILITY INC.
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM INCORPORATION MARCH 21, 2011 TO JUNE 30, 2011

REVENUE	
Fees	$ 109,311
Gain on foreign currency translation	94
	109,405
EXPENSES	
Research and development	88,040
Professional fees	13,500
Office and sundry	2,201
Interest and bank charges	20
	103,761
PROFIT BEFORE INCOME TAXES	5,644
PROVISION FOR INCOME TAXES	875
NET PROFIT	$ 4,769

STATEMENT 3

(Unaudited - see notice to reader)

ZEIFMANS
LLP
CHARTERED ACCOUNTANTS

SCHEDULE 2.1

Share Escrow Agreement

See attached

ESCROW AGREEMENT

THIS AGREEMENT is made as of the 29th day of June, 2011.

AMONG:

INTERTAINMENT MEDIA INC.

(the "**Issuer**")

AND:

COMPUTERSHARE TRUST COMPANY OF CANADA

(the "**Escrow Agent**")

AND:

PERSONS LISTED IN SCHEDULE "A"

(the "**Securityholders**" and, each, a "**Securityholder**")

(collectively, the "**Parties**")

This Agreement is being entered into voluntarily by the Parties in connection with a share purchase agreement among the Issuer and the Securityholders of June 29, 2011.

For good and valuable consideration, the Parties agree as follows:

PART 1. ESCROW

1.1 Appointment of Escrow Agent

The Issuer and the Securityholders appoint the Escrow Agent to act as escrow agent under this Agreement. The Escrow Agent accepts the appointment.

1.2 Deposit of Escrow Securities in Escrow

1) On or prior to the Closing Date, the Issuer shall deposit3,120,000 common shares of the Issuer (the "**Initial Escrow Securities**") with the Escrow Agent to be held in escrow under this Agreement. Each of the Issuer and the Securityholders shall immediately deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of the Initial Escrow Securities which they may have or receive during the term of this Agreement.

2) If the Issuer has issued or the Securityholders have received any other securities (the "**Additional Escrow Securities**" and, together with the Initial Escrow Securities, the "**Escrow Securities**"):

a) as a dividend or other distribution on the Initial Escrow Securities;

b) on the exercise of a right of purchase, conversion or exchange attaching to the Initial Escrow Securities;

c) on a subdivision, or compulsory or automatic conversion or exchange of the Initial Escrow Securities; or

d) from a successor Issuer in a business combination, if Part 5 of this Agreement applies,

the Issuer or the Securityholders, as the case may be, shall deposit them in escrow with the Escrow Agent and deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of those Additional Escrow securities.

(3) The Issuer or the Securityholders, as the case may be, shall immediately deliver to the Escrow Agent any replacement share certificates or other evidence of any of the Escrow Securities issued from time to time.

1.3 Direction to Escrow Agent

The Issuer and the Securityholder direct the Escrow Agent to hold the Escrow Securities in escrow until they are released from escrow under this Agreement.

PART 2 RELEASE OF ESCROW SECURITIES

2.1 Release Provisions

The Escrow Agent shall, subject to the terms of this Agreement, release such percentage of the Escrow Securities to such Security holders (all of whom are being represented for this purpose by the person referred to in Section 8.2) and on such date as is set out in Schedule "B".

2.2 Additional escrow securities

Any Additional Escrow Securities delivered to the Escrow Agent will be added to the securities already in escrow, to increase the number of the Escrow Securities remaining in escrow. After that, all of the Escrow Securities will be released in accordance with applicable release schedule.

2.3 Delivery of Share Certificates for Escrow Securities

The Escrow Agent will send to a Securityholder (each of whom is being represented for this purpose by the person referred to in Section 8.2) any share certificates or other evidence of the Escrow Securities in the possession of the Escrow Agent released from escrow as soon as reasonably practicable after the release.

2.4 Replacement Certificates

If, on the date a Securityholder's Escrow Securities are to be released, the Escrow Agent holds a share certificate or other evidence representing more Escrow Securities than are to be released, the Escrow Agent will deliver the share certificate or other evidence to the Issuer or its transfer agent and request replacement share certificates or other evidence. The Issuer will cause replacement share certificates or other evidence to be prepared and delivered to the Escrow Agent. After the Escrow Agent receives the replacement share certificates or other evidence, the Escrow Agent will send to a Securityholder(each of whom is being represented for this purpose by the person referred to in Section 8.2) or at a Securityholder's direction, the replacement share certificate or other evidence of the Escrow Securities released. The Escrow Agent and Issuer will act as soon as reasonably practicable.

2.6 Release upon Death

(1) If a Securityholder dies, the Securityholder's Escrow Securities will be released from escrow. The Escrow Agent will deliver any share certificates or other evidence of the Escrow Securities in the possession of the Escrow Agent to the Securityholder's legal representative.

(2) Prior to delivery, the Escrow Agent must receive:

(a) a certified copy of the death certificate; and

(b) any evidence of the legal representative's status that the Escrow Agent may reasonably require.

PART 3 DEALING WITH ESCROW SECURITIES

3.1 Restriction on Transfer, etc.

Unless it is expressly permitted in this Agreement, a Securityholder may not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with the Escrow Securities or any related share certificates or other evidence of the Escrow Securities.

3.2 Pledge, Mortgage or Charge as Collateral for a Loan

A Securityholder may pledge, mortgage or charge the Escrow Securities to a financial institution as collateral for a loan, provided that no Escrow Securities or any share certificates or other evidence thereof will be transferred or delivered by the Escrow Agent to the financial institution for this purpose. The loan agreement must provide that the Escrow Securities will remain in escrow if the lender realizes on the Escrow Securities to satisfy the loan.

3.3 Voting of Escrow Securities

A Securityholder may exercise full and unrestricted voting rights attached to the Escrow Securities while such Escrow Securities are held in escrow.

3.4 Dividends on Escrow Securities

A Securityholder may receive a dividend or other distribution on the Escrow Securities, and elect the manner of payment from the standard options offered by the Issuer. If the Escrow Agent receives a dividend or other distribution on the Escrow Securities, other than Additional Escrow Securities, the Escrow Agent shall pay the dividend or other distribution to such Securityholder on receipt.

3.5 Exercise of Other Rights Attaching to Escrow Securities

A Securityholder may exercise his or her rights to exchange or convert the Escrow Securities in accordance with this agreement.

PART 4 PERMITTED TRANSFERS WITHIN ESCROW

4.1 Transfer to Directors and Senior Officers

(1) A Securityholder may transfer Escrow Securities within escrow to existing or, upon their appointment, incoming directors or senior officers of the Issuer or any of its material operating subsidiaries, if the Issuer's board of directors has approved the transfer.

(2) Prior to a transfer under Section 4.1(1), the Escrow Agent must receive:

(a) a certified copy of the resolution of the board of directors of the Issuer approving the transfer;

(b) a certificate signed by a director or officer of the Issuer authorized to sign, stating that the transfer is to a director or senior officer of the Issuer or a material operating subsidiary;

(c) an acknowledgment in the form attached as Schedule “C” signed by the transferee; and

(d) a transfer power of attorney, completed and executed by the transferor in accordance with the requirements of the Issuer's transfer agent.

4.2 Transfer to Other Principals

(1) A Securityholder may transfer Escrow Securities within escrow:

(a) to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities; or

(b) to a person or company that after the proposed transfer:

(i) will hold more than 10% of the voting rights attached to the Issuer's outstanding

securities; and

(ii) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

(2) Prior to a transfer under Section 4.2(1), the Escrow Agent must receive:

(a) a certificate signed by a director or officer of the Issuer authorized to sign, stating that:

(i) the transfer is to a person or company that the officer believes, after reasonable investigation, holds more than 20% of the voting rights attached to the Issuer's outstanding securities before the proposed transfer; or

(ii) the transfer is to a person or company that:

(A) the officer believes, after reasonable investigation, will hold more than 10% of the voting rights attached to the Issuer's outstanding securities; and

(B) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries after the proposed transfer;

(b) an acknowledgment in the form attached as Schedule “C” signed by the transferee; and

(c) a transfer power of attorney, completed and executed by the transferor in accordance with the requirements of the Issuer's transfer agent.

4.3 Transfer upon Bankruptcy

(1) A Securityholder may transfer Escrow Securities within escrow to a trustee in bankruptcy or another person or company entitled to Escrow Securities on bankruptcy.

(2) Prior to a transfer under Section 4.3(1), the Escrow Agent must receive:

(a) a certified copy of either:

(i) the assignment in bankruptcy filed with the Superintendent of Bankruptcy, or

(ii) the receiving order adjudging the Securityholder bankrupt;

(b) a certified copy of a certificate of appointment of the trustee in bankruptcy;

(c) a transfer power of attorney, duly completed and executed by the transferor in accordance with the requirements of the Issuer's transfer agent; and

(d) an acknowledgment in the form attached as Schedule "C" signed by:

(i) the trustee in bankruptcy, or

(ii) on direction from the trustee, with evidence of that direction attached to the acknowledgement form, another person or company legally entitled to the Escrow Securities.

4.4 Transfer Upon Realization of Pledged, Mortgaged or Charged Escrow Securities

(1) A Securityholder may transfer Escrow Securities such Securityholder have pledged, mortgaged or charged under Section 3.2 to a financial institution as collateral for a loan within escrow to the lender on realization provided that prior to the transfer the Escrow Agent must receive:

(a) a statutory declaration of an officer of the financial institution that the financial institution is legally entitled to the Escrow Securities;

(b) a transfer power of attorney, executed by the transferor in accordance with the requirements of the Issuer's transfer agent; and

(c) an acknowledgement in the form attached as Schedule "C" signed by the financial institution.

4.5 Transfer to Certain Plans and Funds

(1) A Securityholder may transfer Escrow Securities within escrow to or between a registered retirement savings plan (RRSP), registered retirement income fund (RRIF) or other similar registered plan or fund with a trustee, where the beneficiaries of the plan or fund are limited to the Securityholder and such Securityholder's spouse, children and parents provided that prior to the transfer the Escrow Agent must receive:

(a) evidence from the trustee of the transferee plan or fund, or the trustee's agent, stating that, to the best of the trustee's knowledge, the annuitant of the RRSP or RRIF or the beneficiaries of the other registered plan or fund do not include any person or company other than the applicable Securityholder and such Securityholder's spouse, children and parents;

(b) a transfer power of attorney, executed by the transferor in accordance with the requirements of the Issuer's transfer agent; and

(c) an acknowledgement in the form attached as Schedule "C" signed by the trustee of the plan or fund.

4.6 Transfer to Shareholders of the Securityholder

(1) A Securityholder may transfer Escrow Securities within escrow to a shareholder (or a company controlled by such shareholder) of the Securityholder provided that prior to the transfer the Escrow Agent must receive:

(a) a certificate signed by a director or officer of the Securityholder authorized to sign, stating that the transfer is to a person or company that is a shareholder (or a company controlled by such shareholder) of the Securityholder;

(b) a transfer power of attorney, extended by the transferor in accordance with the requirements of the Issuer's transfer agent; and

(c) an acknowledgment in the form attached as Schedule “C” signed by the transferee.

4.7 Effect of Transfer Within Escrow

After the transfer of Escrow Securities within escrow, the Escrow Securities will remain in escrow and released from escrow under this Agreement as if no transfer has occurred, on the same terms that applied before the transfer. The Escrow Agent will not deliver any share certificates or other evidence of the Escrow Securities to transferees upon a transfer under this Part 4.

PART 5 BUSINESS COMBINATIONS

5.1 Business Combinations

This Part applies to the following ("business combinations"):

(a) a formal take-over bid for all outstanding securities of the Issuer or which, if successful, would result in a change of control of the Issuer;

(b) a formal Issuer bid for all outstanding equity securities of the Issuer;

(c) a statutory arrangement;

(d) an amalgamation;

(e) a merger; or

(f) a reorganization that has an effect similar to an amalgamation or merger.

5.2 Delivery to Escrow Agent

(1) A Securityholder may tender such Securityholder’s Escrow Securities to a person or company in the event of a business combination. At least five business days prior to the date the Escrow Securities must be tendered under the business combination, the Securityholder must deliver to the Escrow Agent:

(a) a written direction signed by the applicable Securityholder that directs the Escrow Agent to deliver to the depositary under the business combination any share certificates or other evidence of the Escrow Securities and a completed and executed cover letter or similar document and, where required, transfer power of attorney completed and executed for transfer in accordance with the requirements of the Issuer's depository, and any other documentation specified or provided by the Securityholder and required to be delivered to the depositary under the business combination; and

(b) any other information concerning the business combination as the Escrow Agent may reasonably require.

5.3 Delivery to Depositary

(1) As soon as reasonably practicable, and in any event no later than three business days after the Escrow Agent receives the documents and information required under Section 5.2, the Escrow Agent will deliver to the depositary, in accordance with the direction, any share certificates or other evidence of the Escrow Securities, and a letter addressed to the depositary that:

(a) identifies the Escrow Securities that are being tendered;

(b) states that the Escrow Securities are held in escrow;

(c) states that the Escrow Securities are delivered only for the purposes of the business combination and that they will be released from escrow only after the Escrow Agent receives the information described in Section 5.4;

(d) if any share certificates or other evidence of the Escrow Securities have been delivered to the depositary, requires the depositary to return to the Escrow Agent, as soon as practicable, the share certificates or other evidence of Escrow Securities that are not released from escrow into the business combination; and

(e) where applicable, requires the depositary to deliver or cause to be delivered to the Escrow Agent, as soon as practicable, share certificates or other evidence of Additional Escrow Securities that a Securityholder has acquired under the business combination.

5.4 Release of Escrow Securities to Depositary

(1) The Escrow Agent will release from escrow the tendered Escrow Securities provided that the Escrow Agent receives a declaration signed by the depositary or, if the direction identifies the depositary as acting on behalf of another person or company in respect of the business combination, by that other person or company, that

(a) the terms and conditions of the business combination have been met or waived; and

(b) the Escrow Securities have either been taken up and paid for or are subject to an unconditional obligation to be taken up and paid for under the business combination.

5.5 Escrow of New Securities

If a Securityholder receives securities ("New Securities") of another Issuer ("Successor Issuer") in exchange for such Securityholder's Escrow Securities, the New Securities will be subject to escrow in substitution for the tendered Escrow Securities, unless, immediately after completion of the business combination,

(a) the Successor Issuer is an Exempt Issuer as defined in National Policy 46-201 "Escrow for Initial Public Offerings" as an issuer that, after its initial public offering: (i) has securities listed on the Toronto Stock Exchange Inc. ("TSX") and is classified by the TSX as an exempt issuer; or (ii) has a market capitalization of at least $100 million;

(b) the escrow holder was subject to a Value Security Escrow Agreement as defined in Policy 5.4 of the TSX Corporate Finance Manual and is not a principal of the Successor Issuer; and

(c) the escrow holder holds less than 1% of the voting rights attached to the successor issuer's outstanding securities.

5.6 Release from Escrow of New Securities

(1) The Escrow Agent will send to a Securityholder share certificates or other evidence of the Securityholder's New Securities as soon as reasonably practicable after the Escrow Agent receives:

(a) a certificate from the Successor Issuer signed by a director or officer of the Successor Issuer authorized to sign

(i) stating that it is a Successor Issuer to the Issuer as a result of a business combination;

(ii) containing a list of the Securityholders whose New Securities are subject to escrow under Section 5.5; and

(iii) containing a list of the Securityholders whose New Securities are not subject to escrow under Section 5.5.

(2) The Escrow Securities of the Securityholders, whose securities are not subject to escrow under Section 5.5, will be released, and the Escrow Agent will send any share certificates or other evidence of the Escrow Securities in the possession of the Escrow Agent in accordance with Section 2.3.

(3) If a Securityholder’s New Securities are subject to escrow, the Escrow Agent will hold a Securityholder’s New Securities in escrow on the same terms and conditions, including release dates, as applied to the Escrow Securities that the Securityholder exchanged.

PART 6 RESIGNATION OF ESCROW AGENT

6.1 Resignation of Escrow Agent

(1) If the Escrow Agent wishes to resign as escrow agent, the Escrow Agent will give written notice to the Issuer and the Securityholders.

(2) If the Escrow Agent resigns, the Issuer will be responsible for ensuring that the Escrow Agent is replaced not later than the resignation date by another escrow agent that is acceptable to the Issuer and the Securityholders and that has accepted such appointment, which appointment will be binding on the Issuer and the Securityholders.

(4) The resignation of the Escrow Agent will be effective, and the Escrow Agent will cease to be bound by this Agreement, on the date that is 60 days after the date of receipt of a notice referred to above by the Issuer and Securityholders, or on such other date as the Escrow Agent, the Issuer and the Securityholders may agree upon (the "resignation date"), provided that the resignation date will not be less than 10 business days before an escrow securities release date.

(5) If the Issuer and Securityholders have not appointed a successor Escrow Agent within 60 days of the resignation date, the Escrow Agent will apply, at the Issuer's expense, to a court of competent jurisdiction for the appointment of a successor escrow agent, and the duties and responsibilities of the Escrow Agent will cease immediately upon such appointment.

(6) On any new appointment under this Section 6.1, the successor Escrow Agent will be vested with the same powers, rights, duties and obligations as if it had been originally named herein as Escrow Agent, without any further assurance, conveyance, act or deed. The predecessor Escrow Agent, upon receipt of payment for any outstanding account for its services and expenses then unpaid, will transfer, deliver and pay over to the successor Escrow Agent, who will be entitled to receive, all securities, records or other property on deposit with the predecessor Escrow Agent in relation to this Agreement and the predecessor Escrow Agent will thereupon be discharged as Escrow Agent.

PART 7 MATTERS RELATING TO ESCROW AGENT

7.1 Escrow Agent Not a Trustee

The Escrow Agent accepts duties and responsibilities under this Agreement, and the Escrow Securities and any share certificates or other evidence of these securities, solely as a custodian, bailee and agent. No trust is intended to be, or is or will be, created hereby and the Escrow Agent shall owe no duties hereunder as a trustee.

7.2 Escrow Agent Not Responsible for Genuineness

The Escrow Agent will not be responsible or liable in any manner whatever for the sufficiency, correctness, genuineness or validity of any escrow security deposited with it.

7.3 Escrow Agent Not Responsible for Furnished Information

The Escrow Agent will have no responsibility for seeking, obtaining, compiling, preparing or determining the accuracy of any information or document, including the representative capacity in which a party purports to act, that the Escrow Agent receives as a condition to a release from escrow or a transfer of Escrow Securities within escrow under this Agreement.

7.4 Escrow Agent Not Responsible after Release

The Escrow Agent will have no responsibility for Escrow Securities that it has released to a Securityholder or at a Securityholder's direction according to this Agreement.

7.5 Indemnification of Escrow Agent

The Issuer and each Securityholder hereby jointly and severally agree to indemnify and hold harmless the Escrow Agent, its affiliates, and their current and former directors, officers, employees and agents from and against any and all claims, demands, losses, penalties, costs, expenses, fees and liabilities, including, without limitation, legal fees and expenses, directly or indirectly arising out of, in connection with, or in respect of, this Agreement, except where same result directly and principally from gross negligence, wilful misconduct or bad faith on the part of the Escrow Agent. This indemnity survives the release of the Escrow Securities, the resignation or termination of the Escrow Agent and the termination of this Agreement.

7.6 Additional Provisions

(1) The Escrow Agent will be protected in acting and relying reasonably upon any notice, direction, instruction, order, certificate, confirmation, request, waiver, consent, receipt, statutory declaration or other paper or document (collectively referred to as "Documents") furnished to it and purportedly signed by any officer or person required to or entitled to execute and deliver to the Escrow Agent any such Document in connection with this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth or accuracy of any information therein contained, which it in good faith believes to be genuine.

(2) The Escrow Agent will not be bound by any notice of a claim or demand with respect thereto, or any waiver, modification, amendment, termination or rescission of this Agreement unless received by it in writing, and signed by the other Parties and approved by the Exchange, and, if the duties or indemnification of the Escrow Agent in this Agreement are affected, unless it has given its prior written consent.

(3) The Escrow Agent may consult with or retain such legal counsel and advisors as it may reasonably require for the purpose of discharging its duties or determining its rights under this Agreement and may rely and act upon the advice of such counsel or advisor. The Escrow Agent will give written notice to the Issuer as soon as practicable that it has retained legal counsel or other advisors. The Issuer will pay or reimburse the Escrow Agent for any reasonable fees, expenses and disbursements of such counsel or advisors.

(4) In the event of any disagreement arising under the terms of this Agreement, the Escrow Agent will be entitled, at its option, to refuse to comply with any and all demands whatsoever until the dispute is settled either by a written agreement among the Parties or by a court of competent jurisdiction.

(5) The Escrow Agent will have no duties or responsibilities except as expressly provided in this Agreement and will have no duty or responsibility under the Policy or arising under any other agreement, including any agreement referred to in this Agreement, to which the Escrow Agent is not a party.

(6) The Escrow Agent will have the right not to act and will not be liable for refusing to act unless it has received clear and reasonable documentation that complies with the terms of this Agreement. Such documentation must not require the exercise of any discretion or independent judgment.

(7) The Escrow Agent is authorized to cancel any share certificate delivered to it and hold such Securityholder's Escrow Securities in electronic, or uncertificated form only, pending release of such securities from escrow.

(8) The Escrow Agent will have no responsibility with respect to any Escrow Securities in respect of which no share certificate or other evidence or electronic or uncertificated form of these securities has been delivered to it, or otherwise received by it.

7.7 Limitation of Liability of Escrow Agent

The Escrow Agent will not be liable to any of the Parties hereunder for any action taken or omitted to be taken by it under or in connection with this Agreement, except for losses directly, principally and immediately caused by its bad faith, wilful misconduct or gross negligence. Under no circumstances will the Escrow Agent be liable for any special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages hereunder, including any loss of profits, whether foreseeable or unforeseeable. Notwithstanding the foregoing or any other provision of this Agreement, in no event will the collective liability of the Escrow Agent under or in connection with this Agreement to any one or more Parties, except for losses directly caused by its bad faith or willful misconduct, exceed the amount of its annual fees under this

Agreement or the amount of three thousand dollars ($3,000.00), whichever amount shall be greater.

7.8 Remuneration of Escrow Agent

The Issuer will pay the Escrow Agent reasonable remuneration for its services under this Agreement, which fees are subject to revision from time to time on 30 days' written notice. The Issuer will reimburse the Escrow Agent for its expenses and disbursements. Any amount due under this section and unpaid 30 days after request for such payment, will bear interest from the expiration of such period at a rate per annum equal to the then current rate charged by the Escrow Agent, payable on demand.

PART 8 NOTICES

8.1 Notice to Escrow Agent

Documents will be considered to have been delivered to the Escrow Agent on the next business day following the date of transmission, if delivered by fax or electronic mail, the date of delivery, if delivered by hand during normal business hours or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the following:

Computershare Trust Company of Canada
600530 8th Avenue SW
Calgary, AB T2P 3 S8
Attention: [PERSONAL INFORMATION REDACTED]
Email: [PERSONAL INFORMATION REDACTED]
Fax: [PERSONAL INFORMATION REDACTED]

8.2 Notice to Issuer

Documents will be considered to have been delivered to the Issuer on the next business day following the date of transmission, if delivered by fax or electronic mail, the date of delivery, if delivered by hand or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the following:

Intertainment Media Inc.
30 West Beaver Creek Road,
Suite 111
Richmond Hill, ON L4B 3K1

Attention: David Lucatch
Email: [redacted]
Fax number: [PERSONAL INFORMATION REDACTED]

8.2 Notice to Securityholder

Documents will be considered to have been delivered to the Securityholders if delivered to the person designated in this Section 8.2 below on the next business day following the date of transmission, if delivered by fax or electronic mail, the date of delivery, if delivered by hand or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the following:

[Name and contact information of counsel to Securityholders redacted as personal information.]

8.3 Deliveries to Securityholders

Documents will be considered to have been delivered to a Securityholder on the date of delivery as set out in Section 8.2, if delivered by hand or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the address on the Issuer's share register.

Any share certificates or other evidence of a Securityholder's Escrow Securities will be sent to the person designated in Section 8.2 unless the Securityholder has advised the Escrow Agent in writing otherwise at least ten business days before the Escrow Securities are released from escrow.

8.4 Change of Address

(1) The Escrow Agent may change its address for delivery by delivering notice of the change of address to the Issuer and to each Securityholder.

(2) The Issuer may change its address for delivery by delivering notice of the change of address to the Escrow Agent and to each Securityholder.

(3) A Securityholder may change the person designated in Section 8.2 or that Securityholder's address for delivery by delivering notice of the change of designated person or address to the Issuer and to the Escrow Agent.

8.5 Postal Interruption

A party to this Agreement will not mail a document if the party is aware of an actual or impending disruption of postal service.

PART 9 GENERAL

9.1 Interpretation - "holding securities"

When this Agreement refers to securities that a Securityholder "holds", it means that the Securityholder has direct or indirect beneficial ownership of or control or direction over the securities.

9.2 Termination, Amendment, and Waiver of Agreement

(1) This Agreement shall only terminate:

(a) with respect to all the Parties:

(i) as specifically provided in this Agreement;

(ii) upon the agreement of all Parties, in writing; or

(iii) when the Escrow Securities of all Securityholders have been released from escrow pursuant to this Agreement; and

(b) with respect to a Party:

(i) as specifically provided in this Agreement; or

(ii) if the Party is a Securityholder, when all of the Securityholder 's Securities have been released from escrow pursuant to this Agreement.

(2) No amendment or waiver of this Agreement or any part of this Agreement shall be effective unless the amendment or waiver is evidenced in writing signed by all Parties.

(3) No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether similar or not), nor shall any waiver constitute a continuing waiver, unless expressly provided.

9.3 Severance of Illegal Provision

Any provision or part of a provision of this Agreement determined by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be deemed stricken to the extent necessary to eliminate any invalidity, illegality or unenforceability, and the rest of the Agreement and all other provisions and parts thereof shall remain in full force and effect and be binding upon the Parties hereto as though the said illegal and/or unenforceable provision or part thereof had never been included in this Agreement.

9.4 Further Assurances

The Parties will execute and deliver any further documents and perform any further acts reasonably requested by any of the Parties to this agreement which are necessary to carry out the intent of this Agreement.

9.5 Time

Time is of the essence of this Agreement.

9.6 Governing Laws

The laws of Ontario and the applicable laws of Canada will govern this Agreement.

9.7 Counterparts

The Parties may execute this Agreement by fax or e-mailed PDF and in counterparts, each of which will be considered an original and all of which will be one agreement

9.8 Singular and Plural

Wherever a singular expression is used in this Agreement, that expression is considered as including the plural or the body corporate where required by the context

9.9 Benefit and Binding Effect

This Agreement will benefit and bind the Parties and their heirs, executors, administrators, successors and permitted assigns and all persons claiming through them as if they had been a Party to this Agreement.

9.10 Entire Agreement

This is the entire agreement among the Parties concerning the subject matter set out in this Agreement and supersedes any and all prior understandings and agreements.

9.11 Successor to Escrow Agent

Any corporation with which the Escrow Agent may be amalgamated, merged or consolidated, or any corporation succeeding to the business of the Escrow Agent will be the successor of the Escrow Agent under this Agreement without any further act on its part or on the part or any of the Parties.

9.12 Cost of Escrow Agent

All fees, costs and expenses due to the Escrow Agent in relation to its services being provided hereunder shall be borne solely by the Issuer.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

SECURITYHOLDERS

____
Name: 1516713 Ontario Limited

____
Name: Marvin Igelman

____
Name: 1405640 Ontario Limited

____
Name:Ljubomir Zivkovic

____
Name: James Koornneef

____
Name:Aleksandar Zivkovic

____
Name: Octavian Herescu

____
Name: Frankie Hang Fai Chan

____
Name: Edward Wong

INTERTAINMENT MEDIA INC.

by: ______________________________

Name:

Title:

COMPUTERSHARE TRUST COMPANY OF CANADA

by: ____________________________________

Name:

Title:

by: ____________________________________

Name:

Title:

SCHEDULE "A"

Name of Securityholder	Class & Type	Number
1516713 Ontario Limited [Address redacted as personal information]	Common Shares	1,508,000
Marvin Igelman [Address redacted as personal information]	Common Shares	520,000
1405640 Ontario Limited [Address redacted as personal information]	Common Shares	156,000
Ljubomir Zivkovic [Address redacted as personal information]	Common Shares	156,000
James Koornneef [Address redacted as personal information]	Common Shares	104,000
Frankie Hang Fai Chan [Address redacted as personal information]	Common Shares	78,000
Edward Wong [Address redacted as personal information]	Common Shares	52,000
Octavian Herescu [Address redacted as personal information]	Common Shares	26,000
Aleksandar Zivkovic [Address redacted as personal information]	Common Shares	520,000
		Total: 3,120,000

SCHEDULE "B"

Release Schedule for All Vendors as a Group

Release Date	Percentage of Total Escrowed Securities to Be Released	Total Number of Escrowed Securities to be Released (assuming no additional escrow securities)
September 30, 2011	25%	780,000 common shares
December 31, 2011	25%	780,000 common shares
March 31, 2012	25%	780,000 common shares
June 30, 2012	25%	780,000 common shares
	TOTAL: 100%	3,120,000 common shares

Release Schedule for Individual Vendors

Name of Securityholder	Release Date	Total Number of Escrowed Securities to be Released (assuming no additional escrow securities)
1516713 Ontario Limited	September 30, 2011	377,000
Marvin Igelman	September 30, 2011	130,000
1405640 Ontario Limited	September 30, 2011	39,000
Ljubomir Zivkovic	September 30, 2011	39,000
James Koornneef	September 30, 2011	26,000
Frankie Hang Fai Chan	September 30, 2011	19,500
Edward Wong	September 30, 2011	13,000
Octavian Herescu	September 30, 2011	6,500
Aleksandar Zivkovic	September 30, 2011	130,000
	Total (Sept. 30, 2011)	**780,000**
1516713 Ontario Limited	December 31, 2011	377,000
Marvin Igelman	December 31, 2011	130,000
1405640 Ontario Limited	December 31, 2011	39,000
Ljubomir Zivkovic	December 31, 2011	39,000

James Koornneef	December 31, 2011	26,000
Frankie Hang Fai Chan	December 31, 2011	19,500
Edward Wong	December 31, 2011	13,000
Octavian Herescu	December 31, 2011	6,500
Aleksandar Zivkovic	December 31, 2011	130,000
	Total (Dec. 31, 2011)	**780,000**
1516713 Ontario Limited	March 31, 2012	377,000
Marvin Igelman	March 31, 2012	130,000
1405640 Ontario Limited	March 31, 2012	39,000
Ljubomir Zivkovic	March 31, 2012	39,000
James Koornneef	March 31, 2012	26,000
Frankie Hang Fai Chan	March 31, 2012	19,500
Edward Wong	March 31, 2012	13,000
Octavian Herescu	March 31, 2012	6,500
Aleksandar Zivkovic	March 31, 2012	130,000
	Total (Mar. 31, 2012)	**780,000**
1516713 Ontario Limited	June 30, 2012	377,000
Marvin Igelman	June 30, 2012	130,000
1405640 Ontario Limited	June 30, 2012	39,000
Ljubomir Zivkovic	June 30, 2012	39,000
James Koornneef	June 30, 2012	26,000
Frankie Hang Fai Chan	June 30, 2012	19,500
Edward Wong	June 30, 2012	13,000
Octavian Herescu	June 30, 2012	6,500
Aleksandar Zivkovic	June 30, 2012	130,000
	Total (Jun. 30, 2012)	**780,000**

SCHEDULE "C"

To: Intertainment Media Inc.(the "Issuer")

And to: Computershare Trust Company of Canada (the "Escrow Agent")

The undersigned acknowledges that the securities ("Securities") listed in Exhibit “A” attached, have been or will be transferred to the undersigned and that the Securities are subject to an escrow agreement (the "Escrow Agreement") dated by and between the Issuer, the Escrow Agent and ■

For other good and valuable consideration, the undersigned agrees to be bound by the Escrow

Agreement in respect of the Securities, as if the undersigned was an original signatory to the Escrow Agreement.

Dated this __ day of _

EXHIBIT A

Name of Security Holder(Transferor)	Name of Security Holder (Transferee)	Beneficial Owner	Class and Type of Securities	Number of Securities	Certificate Number(s)
■	■	■	■	■	■

SCHEDULE 3.1.5

Capital of the Corporation

AUTHORIZED: An unlimited number of shares designated as common shares.

ISSUED: Six thousand (6,000) common shares, issued as follows:

Commobility Inc. -- Shareholders		
Shareholder	**Shares**	**Percentage**
1516713 Ontario Limited	2,900	48.33%
Marvin Igelman	1,000	16.67%
1405640 Ontario Limited	300	5.00%
Ljubomir Zivkovic	300	5.00%
James Koornneef	200	3.33%
Frankie Hang Fai Chan	150	2.50%
Edward Wong	100	1.67%
Octavian Herescu	50	0.83%
Aleksandar Zivkovic	1,000	16.67%
TOTAL	**6,000**	**100.00%**

SCHEDULE 3.1.8

Restrictions on Transfer and Shareholders Agreements

None

SCHEDULE 3.1.10

Approvals and Consents

Such authorization, consent, or approval as may be required by TSX Venture Exchange Inc.

SCHEDULE 3.1.13

Liabilities and Guarantees, etc.

Fees payable by the Corporation for the services to the following persons, which services have not yet been invoiced to the Corporation:

1) Edward Wong (for the period after June 1, 2011)

2) Golden Crater Corp. (for the period after June 1, 2011)

3) Extanet Inc. (for the period after May 26, 2011)

4) Bhavuk Kaul (for the period after June 1, 2011)

5) Morena Inzenjering (for the period after June 1, 2011)

6) Octavian Herescu (for the period after April 25, 2011)

7) Frankie Chan (for the period after June 1, 2011)

8) Liquid Reality Inc. (for the period after June 28, 2011)

SCHEDULE 3.1.14

Indebtedness

None

SCHEDULE 3.1.16

Non-Arm's Length Transactions

The Corporation is indebted to Aleksandar Zivkovic in the amount of $5,000, in respect of an advance from such shareholder.

The Corporation is party to an asset purchase agreement with Aleksandar Zivkovic, a copy of which is attached hereto.

The Corporation is party to verbal contractor agreements with the following Persons.

1) Edward Wong.

2) Golden Crater Corp. (affiliated with James Koornneef)

3) Octavian Herescu

4) Frankie Chan

SCHEDULE 3.1.17

Contracts

1) Verbal contractor agreement with Edward Wong.

2) Verbal contractor agreement with Golden Crater Corp. (an affiliate of James Koornneef).

3) Verbal contractor agreement with Octavian Herescu.

4) Verbal contractor agreement with Bhavuk Kaul.

5) Verbal contractor agreement with Extanet Inc.

6) Contractor agreement with Morena Inzenjering, a copy of which is attached hereto.

7) Verbal contractor agreement with Frankie Chan

8) Verbal contractor agreement with Liquid Reality Inc.

SCHEDULE 3.1.18

Employment Matters

See Schedule 3.1.17

SCHEDULE 3.1.20

Description of Real Property

None

SCHEDULE 3.1.22

Environmental Matters

None

SCHEDULE 3.1.25

Employee Plans

None

SCHEDULE 3.1.26

Insurance

None

SCHEDULE 3.1.27

Intellectual Property

1) United States Patent Application Number 61/377,920 (System and method for sharing information between two or more microcomputers that are in close proximity)

2) United States Patent Application Number 61/482,958 (System for enabling cross-language communication between mobile devices that are in proximity to each other)

3) United States Patent Application Number 61/402,006 (System and method for sharing information between two microcomputers that are in close proximity to each other)

4) Certain source code for Bonga Wonga mobile application

Domain Names:

WIZZSPER.COM

Registrant: Aleksandar Zivkovic

WIZSPER.COM

Registrant: Aleksandar Zivkovic

BONGAWONGA.COM

Registrant: starclout

Wizzper.com

Registrant: Aleksandar Zivkovic

SCHEDULE 3.1.28

Permits

None

SCHEDULE 3.1.30

Litigation

None

SCHEDULE 3.1.33

Bank Accounts, etc.

TD Canada Trust Business Chequing Account (Branch No. 0233; Account No.[redacted])

SCHEDULE 3.1.37

Computer Systems, etc.

None

SCHEDULE 4.1.6

Non-Competition, Non-Solicitation and Confidentiality Agreement

See attached

NON-COMPETITION, NON-SOLICITATION AND CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made as of the 30th day of June, 2011

BY: ■ of the City of ■, Province of Ontario

(the "**Covenantor**")

IN FAVOUR OF:

ORTSBO INC., a corporation existing under the laws of the Province of Ontario

("**Ortsbo**")

AND:

COMMOBILITY INC., a corporation existing under the laws of the Province of Ontario

(the "**Target**")

AND: **INTERTAINMENT MEDIA INC.**, a corporation existing under the laws of the Province of Alberta

(the "**Parent**" and, together with Ortsbo, the "**Purchasers**")

RECITALS:

A. Pursuant to a share purchase agreement (the "**Purchase Agreement**") dated as of June 29, 2011 among the Parent, the Covenantor and all other vendors of the shares of the Target listed therein (collectively, the "**Vendors**"), the Parent agreed to purchase, and the Vendors agreed to sell, all of the issued and outstanding shares (the "**Shares**") held by the Vendors in the capital of the Target;

B. Pursuant to a contribution agreement dated as of the date hereof, the Parent assigned, transferred and conveyed the Shares to Ortsbo, a subsidiary of the Parent;

C. Ortsbo intends to amalgamate with the Target as of July 1, 2011;

D. Pursuant to a consulting services agreement dated as of the date hereof (the "**Consulting Agreement**"), the Covenantor agreed to provide certain services to Ortsbo as set out therein, including in respect of further development and operation of the Assets as a going concern, for an initial period of two years from the date thereof which period may be modified in accordance with the terms thereof (the period during which such Consulting Agreement or certain provisions thereof are in full force and effect, the "**Term of the Consulting Agreement**");

E. It is a condition of the Purchase Agreement that the Covenantor execute and deliver this non-competition, non-solicitation and confidentiality agreement;

F. The Covenantor acknowledges that this agreement is necessary in order that the Purchasers receive the full benefit of the goodwill of the Business and the Assets as such Business and Assets continue to be developed and operated during the Term of the Consulting Agreement and thereafter and, accordingly, the Covenantor is willing to enter into this agreement in order to protect that goodwill;

G. The Covenantor acknowledges that this agreement is an integral part of the transaction contemplated by the Purchase Agreement and the Consulting Agreement under which the Vendors have received significant benefit and from which the Covenantor has received and will continue to receive both direct and indirect significant benefit and that the Purchasers are relying on the agreements and acknowledgements given herein by the Covenantor;

NOW THEREFORE in consideration of the foregoing, the sum of $1.00 and other good and valuable consideration now given by the Purchasers to the Covenantor (the receipt and sufficiency of which are hereby acknowledged), the Covenantor agrees with the Purchasers as follows:

1. <u>Definitions</u>

In this agreement,

1.1 "**Assets**" means all assets owned by the Target as of the effective date of the Purchase Agreement;

1.2 "**Business**" means any business, venture, activity or undertaking being carried on or contemplated by the Target immediately prior to the effective date of the Purchase Agreement;

1.3 **"Information"** means all confidential, financial or proprietary information, intellectual property (including trade secrets) and confidential facts relating to the Business, the Assets and affairs, plans, projects or activities of the Purchasers and their affiliates, officers, directors, employees, agents, customers, suppliers and service providers, in each case whether past, present or future, whenever and however obtained by or provided to the Covenantor, provided, however, that Information shall not include any information received by the Covenantor in good faith and without restriction from a third party which is not under obligation(s) of confidentiality to the Purchasers and has the right to make such disclosure to the Covenantor;

1.4 **"Person"** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted and includes the Covenantor;

1.5 **"Term"** means the Term of the Consulting Agreement and a period of one (1) year after the termination of the Consulting Agreement in accordance with the terms thereof.

2. Non-Competition

2.1 The Covenantor shall not, during the Term, directly or indirectly, in any manner whatsoever including, without limitation, either individually, in partnership, jointly or in conjunction with any other Person, or as director, officer, shareholder, employee, member, trustee, financier, principal, agent or consultant (other than a consultant pursuant to the Consulting Agreement during the Term of the Consulting Agreement and except for the benefit of the Purchasers or the Target):

2.1.1 carry on, be engaged or concerned or have an interest or participate in operation, management or control in any business, venture or undertaking of any form or organization;

2.1.2 have any financial or other interest (including an interest by way of royalty or other compensation or profit sharing arrangements) in or in respect of the business of any Person which carries on a business; or

2.1.3 advise, assist, lend money to, purchase securities, guarantee the debts or obligations of or permit the use of its property or assets, including intellectual property, be employed by or provide any services to any Person which carries on a business;

which is the same as or substantially similar to or which competes with or would compete with the business, venture or undertaking of the Purchasers or the Target during the Term:

2.1.3.1 anywhere in the world; provided that if this section 2.1.3.1 is determined to be unenforceable, then;

2.1.3.2 anywhere in Canada, the United States of America and any member state of the European Union; provided that if this section 2.1.3.2 is determined to be unenforceable, then;

2.1.3.3 anywhere in Canada; provided that if this section 2.1.3.2 is determined to be unenforceable, then;

2.1.3.4 anywhere in Ontario.

The Covenantor, the Purchasers and the Target agree that sections 2.1.3.1 to 2.1.3.4 above are severable and acknowledge that it is their intention that, if the restraint contemplated by section 2.1.3.1 above is found by a court to be unreasonable, the Covenantor shall be subject to the restraint contemplated by section 2.1.3.2 above and so on.

3. Exception

Notwithstanding section 2, nothing herein shall prevent the Covenantor from owning the shares of any of the Purchasers and no more than 5% of the issued equity securities of an entity which are listed on a recognized stock exchange or lawfully traded in the over the counter market in Canada or the United States of America, which carries on a business which is the same as or substantially similar to or which competes with or would compete with the business of the Purchasers or the Target.

4. Non-solicitation

Without consent of the Purchasers, which consent shall not be unreasonably denied, delayed or withheld, the Covenantor shall not, at any time during the Term, directly or indirectly (other than solely in the Covenantor's capacities as a shareholder of the Parent and a consultant under the Consulting Agreement), (A) hire, engage, solicit or retain the services of any Person to act in any capacity (i) engaged or involved at such time in the Business or development, operation or marketing of the Assets, as such Assets continue to be developed and operated during the Term, or (ii) having a contract with any of the Purchasers or the Target as an officer, employee, advisor, consultant or independent contractor, or (B) induce, persuade or encourage, or otherwise cause or attempt to cause, any of such Persons to terminate, in whole or in part, their employment, contract or relationship with, or cease to provide services to, any of the Purchasers or the Target.

5. Customers

The Covenantor shall not, at any time during the Term, directly or indirectly, on their own account or on behalf of any other Person (other than the Purchasers or the Target), solicit or contact any customers of any of the Purchasers or the Target for the purpose of selling to those customers any products or services which are the same as or substantially similar to, or in any way competitive with, the Business and the Assets, as such Assets continue to be developed and operated during the Term, or the products or services of any of the Purchasers or the Target, as produced or provided during the Term.

6. No Impairment

The Covenantor shall not do or cause or permit to be done any acts which may impair the relationship between any of the Purchasers or the Target, and their suppliers, customers, employees or any other Person.

7. No Disparagement

The Covenantor shall not, directly or indirectly, in any manner or for any purpose whatsoever, disparage or communicate in negative terms, either verbally or in writing or in any other manner, about the Business, the Assets, as they continue to be operated and developed, and the Purchasers or the Target, or the employees, officers, shareholders, directors, partners, representatives or agents of the Purchasers or the Target, unless such Person is specifically required to do so:

7.1 by applicable laws, regulations, governmental bodies or authorities or by court order (after giving the Purchasers timely notice and sufficient opportunity to intervene); or

7.2 in pleadings and similar materials filed with the court in connection with any litigation among the Covenantor, on the one part, and any of the Purchasers and the Target, on the other part.

The Covenantor acknowledges and agrees that the obligations under this section are to remain in effect in perpetuity.

8. Confidentiality

At any and all times hereafter, the Covenantor shall hold in confidence and keep confidential all Information and shall not, directly or indirectly, in any manner or for any purpose whatsoever, use, copy, recreate or reproduce or allow to be used, copied, recreated or reproduced for the benefit of, or disclose, transmit, transfer or communicate or allow to be disclosed, transmitted, transferred or communicated to, any Person any Information except on behalf of or for the specific benefit of the Purchasers or the Target. The foregoing prohibition shall not apply to any Information if:

8.1 the Information is available to the public or in the public domain at the time of such disclosure or use without breach of this agreement;

8.2 disclosure of the Information is required to be made by any present or future law, regulation, governmental body, or authority or by court order; or

8.3 disclosure is made to a court which is determining the rights of the parties under this agreement.

The Covenantor acknowledges and agrees that the obligations under this section are to remain in effect in perpetuity.

9. <u>Covenantor's Acknowledgements and Agreements</u>

The Covenantor acknowledges and agrees that:

9.1 The Covenantor has received a copy, read and understood this agreement and his or her obligations hereunder;

9.2 the recitals to this agreement are true and accurate;

9.3 the Covenantor has had sufficient time to review and consider this agreement thoroughly;

9.4 the Covenantor has signed this agreement voluntarily and without pressure;

9.5 the Covenantor has been advised to seek independent legal advice in connection with this agreement;

9.6 the Covenantor intends to comply with the covenants contained herein and that such compliance will not unreasonably restrict the Covenantor's ability to obtain employment;

9.7 this agreement constitutes, and will continue to constitute at all times, a legal, valid and binding obligation of the Covenantor, enforceable against each of them in accordance with the terms hereof, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies;

9.8 the Covenantor has continuing obligations to the Purchasers and the Target, as applicable, during the Term of the Consulting Agreement, including under the Consulting Agreement;

9.9 the covenants contained herein are intended to ensure that the Purchasers and the Target receive the full benefit of the goodwill of the Business including, without limitation, the Vendors' relationship with any Person relating to the Assets and the Information relating to the Assets;

9.10 to transfer effectively the goodwill of the Target, the Business and the Assets to the Purchasers will require the period of the Term;

9.11 breach of any section of this agreement will cause serious harm to the Purchasers, the Target, the Business and the Assets;

9.12 the geographic scope and duration of the covenants set forth herein are reasonable, necessary and prudent considering the geographic location of the customers of and the market for the Business and the Assets, as they continue to be developed and operated during the Term, the customers' ability to access such Assets and generate revenue for the Business, the Target and the Purchasers, the global nature of the online software industry and the competitors of the Purchasers and the Target, the length of time required to develop a good reputation and goodwill in the industry in which the Purchasers and the Target do and will continue to compete in connection with the Business and the Assets; and

9.13 the covenants set forth herein are reasonable, necessary and prudent considering the business interests of the Purchasers and the Target, the nature and extent of the relationship of the Covenantor to the Business, the Assets, as they continue to be developed and operated, and the Purchasers and the Target.

The Covenantor agrees that the Purchasers and the Target are relying on the acknowledgements and agreements contained herein in connection with their purchase of the shares of the Target.

10. Invalidity of Provisions

Each of the provisions contained in this agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. The parties shall engage in good faith negotiations to replace any provision which is declared invalid or unenforceable with a valid and enforceable provision, the economic effect of which comes as close as possible to that of the invalid or unenforceable provision which it replaces. If no agreement is reached as a result of such negotiations within a reasonable period of time, the parties shall waive any provision of law which renders any provision of this agreement invalid or unenforceable in any respect, to the extent permitted by applicable law.

11. Remedies

The Covenantor acknowledges that a breach or threatened breach by the Covenantor of any provision of this agreement will result in the Purchasers or the Target suffering irreparable harm which cannot be calculated or fully or adequately compensated by recovery of damages alone. Accordingly, the Covenantor agrees that, in addition to any other relief to which the Purchasers or the Target may become entitled, the Purchasers and the Target shall be entitled to interim and permanent injunctive relief, specific performance and other equitable remedies. The remedies to which the Purchasers or the Target may resort are cumulative and not exclusive of any other remedy allowed by law or equity to which the Purchasers or the Target may be entitled, and the Purchasers and the Target shall be entitled to pursue any and all of their respective remedies concurrently, consecutively and alternatively.

12. Further Assurances

As and so often as the Purchasers or the Target may require at any time, the Covenantor shall execute and deliver all such other additional instruments, agreements, undertakings, notices, releases and other documents and shall do all such other acts and things as in the opinion of the Purchasers and the Target or their counsel may be necessary or advisable to give full effect to and to carry out the terms and conditions of this agreement in accordance with its true intent.

13. Amendment, Waivers and Assignability

No modification, amendment or waiver of any of the provisions of this agreement shall be effective unless made with the prior written consent of the Purchasers and the Target. No waiver of any provision of this agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this agreement constitute a continuing waiver unless otherwise expressly provided. This agreement shall not be assignable by the Covenantor.

14. **Enurement**

This agreement shall enure to the benefit of the Purchasers and the Target, their successors and assigns, and shall be binding upon the Covenantor and the Covenantor's respective successors, assigns, heirs, executors, administrators and personal representatives.

15. **Governing Law**

This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

16. **Counterparts**

This agreement may be executed in counterparts and such execution may be evidenced by a facsimile or scanned copy of an original execution page bearing the signature of the applicable party hereto, each of which shall be deemed to be an original, and such counterparts, including scanned or facsimile copies, taken together, shall constitute one and the same instrument.

***

IN WITNESS WHEREOF the Covenantor has executed this agreement.

WITNESS:

	)	
	)	
	)	
	)	
	)	
______________________________	)	______________________________
	)	**[Name of Covenantor]** ■
	)	

SCHEDULE 4.1.10.4

Consulting Agreement

See attached

CONSULTING SERVICES AGREEMENT

THIS AGREEMENT is made as of the 30th day of June, 2011

B E T W E E N:

ORTSBO INC., a corporation existing under the laws of the Province of Ontario

(the "Corporation")

\- and -

■, of the City of ■, in the Province of Ontario

(the "Consultant")

RECITALS:

A. Intertainment Media Inc. (the "Parent"), the parent company of the Corporation, has acquired all of the issued and outstanding shares (the "Acquired Shares") of Commobility Inc. ("Commobility") as described in and pursuant to a share purchase agreement dated as of June 29, 2011 (the "Share Purchase Agreement").

B. The Parent has transferred the Acquired Shares to the Corporation effective as of the date hereof pursuant to a contribution agreement between the Parent and the Corporation.

C. The Corporation intends to amalgamate with Commobility effective July 1, 2011.

D. The Consultant has been involved in the development of certain intellectual property of Commobility and has the skills, knowledge and experience to benefit the Corporation if he provides certain services to the Corporation in the future, including, without limitation, in respect of further development and operation of such intellectual property.

E. The Corporation and the Consultant wish to set out the terms and conditions pursuant to which the Corporation shall engage the services of the Consultant and the Consultant shall provide such services;

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. Definitions

In this agreement,

1.1 **"Business Day"** means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario;

1.2 **"Cause"** means:

1.2.1 any breach of this agreement by the Consultant, which breach, if capable of being remedied, continues for ten (10) days after notice from the Corporation to the Consultant specifying such breach, unless the Consultant has commenced to remedy such breach and diligently proceeds therewith; or

1.2.2 a circumstance which, if the Consultant were an employee of the Corporation, would entitle the Corporation to terminate the employment of the Consultant for cause under the laws of Ontario and the federal laws of Canada applicable therein; or

1.2.3 an event otherwise designated as "Cause" hereunder.

1.3 **"Confidential Information"** means all confidential, financial or proprietary information, intellectual property (including trade secrets) and confidential facts relating to the business, assets, affairs, plans, projects or activities of the Corporation, the Parent and their affiliates, officers, directors, employees, service providers, customers or suppliers, in each case whether past, present or future, whenever and however obtained by or provided to the Consultant, provided, however, that Confidential Information shall not include any information received by the Consultant in good faith and without restriction from a third party which is not under obligation(s) of confidentiality to the Corporation and has the right to make such disclosure to the Consultant;

1.4 **"Corporation"** includes the Parent and its affiliates unless the context otherwise requires;

1.5 **"Term"** means the period from the effective date of this agreement to June 30, 2013, subject to renewal or earlier termination in accordance with this Agreement.

2. Engagement by the Corporation

The Corporation engages the Consultant for the Term to render all the services described in Schedule "A" (the "Services") and to perform other duties reasonably related or ancillary thereto, as directed by any officer or employee of the Corporation. The Consultant shall diligently perform the Services and to devote such time to the performance of the Services as may be reasonably required in respect of the performance thereof. The Services shall be performed by the Consultant at such location as the Corporation may request. The Consultant shall perform the Services in accordance with the standards of care, skill and diligence of an experienced professional in the Consultant's field and in a competent and efficient manner.

3. Acceptance of Engagement by the Consultant

The Consultant accepts the engagement and agrees to render the services and perform the duties described in section 2. In the performance by the Consultant of the services and duties under this agreement, the Consultant shall act honestly and in good faith with a view to the best interests of the Corporation. The Consultant agrees: (a) to be bound by the Non-Competition, Non-Solicitation and Confidentiality Agreement ("NCNSCA") dated as of the date hereof; (b) that NCNSCA forms part of this Agreement; and (c) any breach or default thereunder shall constitute a Cause under this Agreement. The Consultant may not retain, or subcontract or delegate any of the Services to, any other person or entity without the consent of the Corporation.

4. Compensation

The Corporation shall pay to the Consultant the fees set out in Schedule "B". Such fees shall be paid by the Corporation to the Consultant exclusive of any applicable taxes, such fee to be paid within 30 days after receipt by the Corporation of an account therefor from the Consultant. Accounts rendered by the Consultant shall indicate the number of hours covered by the particular account and shall describe, with reasonable particularity, the services performed by the Consultant during the period covered by the account. The Consultant shall not render accounts more frequently than once per calendar month.

The Consultant shall calculate, withhold and remit all taxes and statutorily required payments including, without limitation, income taxes, insurance contributions, health plan premiums, service taxes, and any other taxes or amounts or other expenses, owing as a result of its receipt of the payments under this Agreement, or the payments by Consultant to anyone Consultant employs or retains.

5. Supply of Materials and Equipment

In performing the Services and other duties under this Agreement, the Consultant shall be responsible for providing all required equipment, software, tools, books, and materials. However, for the objectives of uniformity and efficiency, the Corporation may in its sole discretion supply or loan certain software, equipment, tools, books and materials, such as specially configured computers. Any software, equipment, tools, books, or materials loaned by the Corporation must be returned in good condition whenever requested by the Corporation, and immediately upon termination of this agreement.

6. Expenses

The Corporation shall pay or reimburse the Consultant for all reasonable expenses actually incurred or paid by the Consultant during the Term in the performance of the Consultant's services under this agreement if such expenses have been authorized by the Corporation in writing in advance (including by electronic mail), in each case upon presentation of expense statements or receipts or such other supporting documentation as the Corporation may reasonably require, provided however that no such payment shall be made for any taxes for which the Consultant is entitled to a credit or refund.

7. No Use or Disclosure of Confidential Information

During and at all times after the Term, the Consultant shall hold in confidence and keep confidential all Confidential Information and shall not, directly or indirectly, in any manner or for any purpose whatsoever, use, copy, recreate or reproduce or allow to be used, copied, recreated or reproduced for the benefit of, or disclose, transmit, transfer or communicate or allow to be disclosed, transmitted, transferred or communicated to, any Person any Confidential Information except as and to the extent required in the course of providing services hereunder or with the Corporation's prior consent. The foregoing prohibition shall not apply to any Confidential Information if:

7.1 such Confidential Information is available to the public or in the public domain at the time of such disclosure or use, without breach of this agreement;

7.2 disclosure is required to be made by any present or future law, regulation, governmental body or authority or by court order; or

7.3 disclosure is made to a court which is determining the rights of the parties under this agreement.

The Consultant acknowledges and agrees that the obligations under this section are to remain in effect in perpetuity. The Consultant further acknowledges that the obligations contained in this section are not in substitution for any obligations which the Consultant may now or hereafter owe to the Corporation and which exist apart from this section and do not replace any rights of the Corporation with respect to any such obligations.

8. Remedies

The Consultant acknowledges that a breach or threatened breach by the Consultant of the provisions of section 7 will result in the Corporation and its shareholders suffering irreparable harm which cannot be calculated or fully or adequately compensated by recovery of damages alone. Accordingly, the Consultant agrees that the Corporation shall be entitled to interim and permanent injunctive relief, specific performance and other equitable remedies, in addition to any other relief to which the Corporation may become entitled.

9. Property of the Corporation

All property of the Corporation, including all memoranda, notes, lists, records and other documents (and all copies thereof), whether in physical form or stored in computer memories, on microfiche, on discs or on tapes or by any other means or in any other format, made or compiled by or on behalf of the Consultant or made available to the Consultant in the performance of the services hereunder at any time during the Term (whether by the Corporation or any other person) concerning the business or affairs of the Corporation or any person associated with the Corporation at any time, shall be delivered to the Corporation by the Consultant promptly upon the termination of this agreement, or at any other time on request of the Corporation. The Consultant agrees not to retain any copies of such property in any format whatsoever including electronic format.

10. Rights of Corporation in Consultant's Work Product

Any products, inventions and works (including, without limitation, any designs, software, source code, records, technology or documents) that are conceived, invented, developed, created or reduced to practice as a part of the performance and delivery of the Services pursuant to this Agreement by (a) the Consultant or any person or entity engaged by the Consultant or the Consultant's subcontractors; or (b) by the Corporation and its contractors (whether conceived, invented, developed, created or reduced to practice jointly or separately with Consultant or its subcontractors), are and shall be the sole and exclusive property of the Corporation and may not be retained by the Consultant in any form or assigned, used, transferred, shared, disclosed, conveyed or recreated by the Consultant to any other person or entity in any jurisdiction whatsoever. The Consultant hereby assigns, conveys and transfers and agrees to assign, convey and transfer to the Corporation in perpetuity all worldwide right, title and interest that the Consultant may have in all such products, inventions and works, and the Consultant shall, and shall cause any of its permitted agents or subcontractors (if any) to (i) comply with this Agreement; (ii) assign to the Corporation in perpetuity all worldwide right, title and interest that any such Consultant or subcontractor may have in all such products, inventions and works; (iii) waive in favour of the Corporation, its licensees, successors and assigns all moral rights that Consultant or its subcontractors may have in all such products inventions and works, including, without limitation, all copyrights, trademarks, mask works rights, and rights to apply for, and title to applications for, all forms of patents, utility models, industrial designs and similar property rights, however described, recognized by any country, state or other jurisdiction. Consultant shall execute, deliver, and cause its employees, subcontractors and agents performing the Services (if any) to execute and deliver to the Corporation such additional documentation as may reasonably be requested by the Corporation, from time to time, to effectuate the purposes and intent of this Agreement, including, but not limited to, such documents as may be requested to obtain, exercise, perfect, secure, confirm or enforce for the benefit of the Corporation and its successors, assigns and other legal representatives, copyright registration and protection and/or other intellectual property rights protection and licenses in and to the products, inventions and works described herein.

11. <u>No Conflicts of Interest</u>

The Consultant shall not engage in any business or transaction or have any commercial, financial or other personal interest which is incompatible with the performance by the Consultant of the duties under this agreement in the manner contemplated by this agreement. Notwithstanding the previous sentence, the Consultant may be employed by or provide independent contractor services to any other individual or entity during the Term with the prior approval of the Corporation, which approval shall not be unreasonably denied, delayed or withheld. To the extent that the Consultant has completely and accurately disclosed to the Corporation at any time prior to the effective date hereof any business, transaction, financial or other interest that is or may be conflict with the performance of the Consultant's duties hereunder or under the NCNSCA and the Corporation has not expressly objected to the Consultant's continued involvement therein during the Term, the Corporation shall be deemed to have consented thereto hereunder and thereunder but only to the extent that the terms of such continued involvement and the nature of such business, transaction or interest do not vary materially during the Term from the terms or the nature, as applicable, disclosed to the Corporation.

12. Acknowledgment of Special Relationship Status

The Consultant acknowledges that the Parent is a reporting issuer under the *Securities Act* (Ontario) and that, accordingly, the Consultant is in a special relationship with the Parent, as that term is defined in such legislation. The Consultant shall not purchase or sell securities of the Parent with knowledge of a material fact or material change (both terms as defined in the *Securities Act* (Ontario)) with respect to the Parent that has not been generally disclosed.

13. Nature of Relationship

The parties acknowledge and agree as follows:

13.1 the relationship of the Consultant to the Corporation is that of independent contractor;

13.2 the Consultant is not an employee or agent of the Corporation;

13.3 the Corporation and the Consultant are not partners or joint venturers with each other;

13.4 nothing herein shall be construed so as

13.4.1 to make the Corporation and the Consultant partners or joint venturers,

13.4.2 to make the Consultant an employee or agent of the Corporation, or

13.4.3 to impose any liability as partner, joint venturer, employer or employee or principal or agent on the Corporation or the Consultant, as the case may be.

14. No Authority to Bind the Corporation

Without limiting the provisions of section 13, the Consultant shall have no authority to act, or to hold the Consultant out, as agent of the Corporation or to bind the Corporation to perform any obligations to any third party and the Consultant shall so inform all third parties with whom the Consultant deals in the performance of the services hereunder. The Consultant shall not use the name of the Corporation or any of its affiliates in any advertisement or promotional or marketing material or, without the use of any such name, suggest or imply in any such material that the Consultant has a relationship with the Corporation or any of its affiliates.

15. Renewal

This agreement may be renewed on such terms and for such length of time as the Corporation and the Consultant may agree in writing from time to time.

16. Termination by the Corporation

This agreement may be terminated by the Corporation:

16.1 for Cause, without notice; or

16.2 for any reason, on thirty (30) days' notice to the Consultant.

The Consultant acknowledges that, on any termination of this agreement by the Corporation, the Consultant shall not be entitled to any payment for loss of office or other similar compensation.

17. Termination by the Consultant

This agreement may be terminated by the Consultant for any reason on thirty (30) days' notice to the Corporation.

18. Payment upon Termination

Upon termination of this Agreement (other than for Cause if such Cause is related to the quality of the Services actually performed by the Consultant as required by the Corporation or the timeliness of such performance), the Corporation shall pay all amounts due and owing to the Consultant for Services actually performed to the date of termination and for expenses incurred in accordance with section 6. Other than foregoing, the Consultant shall not be entitled to any further remuneration under this Agreement.

19. Indemnification by the Corporation

The Corporation shall indemnify the Consultant and the heirs and legal representatives of the Consultant against all costs, charges and expenses, including all amounts paid to settle an action or satisfy a judgment, reasonably incurred by the Consultant in respect of any civil, criminal or administrative action or proceeding to which the Consultant is a party by reason of being or having been engaged by the Corporation under this agreement, other than an action (including, without limitation, an action in contract or tort) by the Corporation as a result of a breach or alleged breach by the Consultant of this agreement or of any duty owed by the Consultant to the Corporation, if:

19.1 the Consultant acted honestly and in good faith with a view to the best interests of the Corporation; and

19.2 in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Consultant had reasonable grounds for believing that the conduct of the Consultant was lawful.

20. Indemnification by the Consultant

The Consultant shall indemnify and hold harmless each of the Corporation and the Parent, and the directors, officers, shareholders, employees and representatives of the Corporation and the Parent from any and all costs, claims, losses, taxes, fines, penalties, interest, charges, damages and expenses arising out of, caused by or relating to any breach of this Agreement by the Consultant, including for the Consultant's failure to pay, deduct or remit any amounts owing in respect of income taxes, employment insurance contributions, health plan premiums, service taxes, and any other taxes, amounts or other expenses.

21. Notice

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by delivery as hereafter provided. Any such notice or other communication, if mailed by prepaid mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the fourth Business Day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the Business Day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with this section. Notices and other communications shall be addressed as follows:

(a) if to the Consultant:

■
■*{address}*

Fax number: ■

(b) if to the Corporation:

Ortsbo Inc.
30 West Beaver Creek Road
Suite 111

Attention: David Lucatch
Fax number: 905-763-6175

22. Assignment

This agreement shall not be assignable by the Corporation (except to the Parent or any affiliate of the Parent) or by the Consultant.

23. Headings

The inclusion of headings in this agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

24. Invalidity of Provisions

Each of the provisions contained in this agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this agreement invalid or unenforceable in any respect.

25. Entire Agreement

This agreement constitutes the entire agreement between the parties pertaining to the subject matter of this agreement. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with such subject matter except as specifically set forth or referred to in this agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made either prior to, contemporaneous with, or after entering into this agreement, or any amendment or supplement thereto, by any party to this agreement or its directors, officers, employees or agents, to any other party to this agreement or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this agreement, and none of the parties to this agreement has been induced to enter into this agreement or any amendment or supplement by reason of any such warranty, representation, opinion, advice or assertion of fact. Accordingly, there shall be no liability, either in tort or in contract, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, except to the extent contemplated above.

26. Waiver, Amendment

Except as expressly provided in this agreement, no amendment or waiver of this agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this agreement constitute a continuing waiver unless otherwise expressly provided.

27. Currency

Except as expressly provided in this agreement, all amounts in this agreement are stated and shall be paid in Canadian currency.

28. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

29. Counterparts

This agreement may be executed in counterparts and such execution may be evidenced by a facsimile or scanned copy of an original execution page bearing the signature of the applicable party hereto, each of which shall be deemed to be an original, and such counterparts, including scanned or facsimile copies, taken together, shall constitute one and the same instrument.

***

IN WITNESS WHEREOF the Corporation and the Consultant have executed this agreement.

ORTSBO INC.

by: ______________________________

Name:
Title:

Witness

______________________________) ______________________________

■*{Consultant}*

Exhibit “A”

Scope of Services

■

Exhibit “B”

Fees

CDN$■ per [hour][month]