

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**ITEM 1. Reporting Issuer**

SelectCore Ltd.  
1600 Steeles Avenue  
Suite 426  
Concord, Ontario L4K 4M2

**ITEM 2. Date of Material Change**

July 27, 2011.

**ITEM 3. Press Releases**

Press release in the form of Schedule A attached hereto was disseminated on July 27, 2011 via Marketwire news service.

**ITEM 4. Summary of Material Change**

SelectCore Ltd. ("**SelectCore**", or the "**Company**") has announced that it has secured new long-term debt and equity to improve the Company's balance sheet and fund its working capital and growth initiatives.

The Company has entered into a Letter of Intent with its senior lender, Windsor Bancorp Limited Partnership ("**Windsor**"), whereby Windsor has agreed to provide the Company with a new long-term Convertible Debt Facility. Pursuant to the terms of the Letter of Intent, Windsor will advance a minimum of \$3 million with the option of increasing the amount to \$5 million upon the Company meeting certain financial covenants. The term of the new facility will be 24 months with the option of extending for two additional one-year terms. The credit facility will bear an interest rate equal to the prime rate charged by the Royal Bank of Canada plus 9% per annum. Under the terms of the new facility, Windsor shall have the option of converting a portion or the entire principal amount into common shares in the capital of the Company at a conversion price of \$0.35. The Company, however, has the option to pay down the principle balance to \$3 million by the fifth month and \$2 million by the eighteenth month thereby reducing the potential conversion amount. The closing of this facility is subject to regulatory approval and the execution of the loan agreements.

Further to the publicly announced proposed Private Placement, the Company also plans to close on the first tranche of the financing on or about the end of this month, thereby increasing the amount of equity raised over and above the proceeds from the exercise of options and warrants. The non-brokered private placement has been priced at \$0.30 per unit with each unit being comprised of one (1) common share and one (1) common share purchase warrant exercisable at a price of \$0.35 per share for a period of 24 months.

As a vote of confidence, SelectCore has also announced that it has so far secured approximately \$1,500,000 in new equity through the exercise of warrants and options by its lenders, management, directors and staff. The Company also confirms that there has been no insider selling.

**ITEM 5. Full Description of Material Change**

See Schedule A attached.

**ITEM 6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**ITEM 7. Omitted Information**

Not applicable.

**ITEM 8. Executive Officer**

The following officer of the Company may be contacted for further information:

SelectCore Investor Relations

(800) 584-8819 ext. 105

[investor@selectcore.com](mailto:investor@selectcore.com)

**ITEM 9. Date of Report**

This report is dated this 16<sup>th</sup> day of May, 2012.

## Schedule A



TSX VENTURE : SCG  
July 27, 2011 09:23 ET

### SelectCore Secures New Long-Term Financing & Equity Capital

TORONTO, ONTARIO--(Marketwire - July 27, 2011) - SelectCore Ltd. (the "Corporation" or "Company") (TSX VENTURE:SCG), a prepaid telecom and financial services transaction processor for the under-banked consumer market is pleased to announce that it has secured new long-term debt and equity to improve the Company's balance sheet and fund its working capital and growth initiatives.

The Corporation has entered into a Letter of Intent with its senior lender, Windsor Bancorp Limited Partnership ("Windsor"), whereby Windsor has agreed to provide the Company with a new long-term Convertible Debt Facility. Pursuant to the terms of the Letter of Intent, Windsor will advance a minimum of \$3 million with the option of increasing the amount to \$5 million upon the Corporation meeting certain financial covenants. The term of the new facility will be 24 months with the option of extending for two additional one-year terms. The credit facility will bear an interest rate equal to the prime rate charged by the Royal Bank of Canada plus 9% per annum. Under the terms of the new facility, Windsor shall have the option of converting a portion or the entire principal amount into common shares in the capital of the Corporation at a conversion price of \$0.35. The Company however, has the option to pay down the principle balance to \$3 million by the fifth month and \$2 million by the eighteenth month thereby reducing the potential conversion amount. The closing of this facility is subject to regulatory approval and the execution of the loan agreements.

Further to the recently announced proposed Private Placement, the Company plans to close on the first tranche of the financing on or about the end of this month, thereby increasing the amount of equity raised over and above the proceeds from the exercise of options and warrants. The non-brokered private placement has been priced at \$0.30 per unit with each unit being comprised of one (1) common share and one (1) common share purchase warrant exercisable at a price of \$0.35 per share for a period of 24 months.

As a vote of confidence, SelectCore also announces that it has so far secured approximately \$1,500,000 in new equity through the exercise of warrants and options by its lenders, management, directors and staff. The Corporation also confirms that there has been no insider selling. Management remains dedicated to the vision and future growth of the company and building long-term shareholder value.

Keith McKenzie, Chief Executive Officer of SelectCore commented "We are pleased with the progress of our new financing efforts to date. This new credit facility will allow the company to utilize new equity proceeds in order to execute on key initiatives that have been recently announced."

*This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking*

*information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks related to market and financing conditions as well as risks associated with the prepaid telecom and prepaid financial industries, changes in project parameters as plans continue to be refined as well as those risk factors discussed in the Company's management's discussion and analysis for the period ended December 31, 2010, available on [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information contained herein, except in accordance with applicable securities laws.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

#### **Contact Information**

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(800) 584-8819 ext. 105  
[investor@selectcore.com](mailto:investor@selectcore.com)  
[www.selectcore.com](http://www.selectcore.com)