

This is the form of material change report required under Section 85(1) of the Securities Act.

**BC FORM 51-102F3**  
**(formerly Form 53-901F)**

Securities Act

**MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT**

**Item 1. Reporting Issuer**

JDV Capital Corp.  
Suite 2050 – 1055 West Georgia Street  
PO Box. 11121  
Vancouver, BC V6E 3P3

**Item 2. Date of Material Change**

June 8, 2012

**Item 3. Press Release**

Issued on June 8, 2012, at Vancouver, BC, Canada.

**Item 4. Summary of Material Change**

JDV Capital Corp. announces that it has entered into a letter of intent dated May 7, 2012 (the "**Letter Agreement**") to acquire 1623703 Alberta Inc. ("**1623703**"). 1623703 is a private real estate company based in Calgary, Alberta. If completed, the proposed transaction will constitute JDV's Qualifying Transaction as set forth in Policy 2.4 of the TSX Venture Exchange ("**TSXV**").

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

See attached press release.

**Item 6. Reliance on Section 85(2) of the Act**

N/A

**Item 7. Omitted Information**

None

**Item 8. Senior Officers**

The following senior officers of the Issuer are knowledgeable about the material change and may be contacted by the Commission at the address and telephone number:

Hari Varshney  
President  
(604) 684-2181

Peeyush Varshney  
Director  
(604) 684-2181

**Item 9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

Dated this 8<sup>th</sup> Day of June, 2012.

"Hari Varshney"

Hari Varshney

Name

President & CEO

Position / Title

Vancouver, B.C.

Place of Declaration

**JDV CAPITAL CORP.**  
Suite 2050-1055 West Georgia St.  
P. O. Box 11121 – Royal Centre  
Vancouver, BC V6E 3P3

**NEWS RELEASE**  
TSX Venture Exchange  
Trading Symbol: **JALP**

## **NEWS RELEASE**

*NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR  
DISTRIBUTION TO U.S. WIRE SERVICES*

### **JDV CAPITAL CORP. ANNOUNCES ACQUISITION OF 1623703 ALBERTA INC. AS ITS QUALIFYING TRANSACTION**

**Vancouver, British Columbia: June 8, 2012** – JDV Capital Corp. (TSXV-JALP) ("**JDV**") is pleased to announce that it has entered into a letter of intent dated May 7, 2012 (the "**Letter Agreement**") to acquire 1623703 Alberta Inc. ("**1623703**"). 1623703 is a private real estate company based in Calgary, Alberta. If completed, the proposed transaction will constitute JDV's Qualifying Transaction as set forth in Policy 2.4 of the TSX Venture Exchange ("**TSXV**").

#### **The Proposed Transaction**

The structure of the proposed arm's length transaction will be determined by mutual agreement of the parties and is expected to take the form of a reverse take-over, merger, plan of arrangement or other form of business combination (the "**Proposed Transaction**") resulting in the creation of a new company ("**Resultco**"), with a name to be determined by the parties and at a future date. The parties have agreed that the structure will ultimately permit (i) the holders of 1623703 common shares (the "**1623703 Shares**") to collectively receive thirty million (30,000,000) common shares of Resultco (each one a "**Resultco Share**") for all of the issued and outstanding 1623703 Shares, at a deemed value of \$0.17 per Resultco Share for aggregate deemed consideration of \$5,100,000; and (ii) each holder of the common shares of JDV (the "**JDV Shares**") to receive one (1) Resultco Share at a deemed value of \$0.22 per share for each two (2) JDV Shares held.

In addition, it is contemplated that 457,000 of the existing stock options held by directors and officers of JDV will be cancelled for no additional consideration and the directors and officers of JDV will transfer 1,000,000 JDV Shares to 1623703 or its nominees, at a price of \$0.10 per share. Furthermore, a finder's fee (the "**Finder's Fee**") of 250,000 Resultco Shares at a deemed value of \$0.17 per share will be paid to an arm's length party upon completion of the Proposed Transaction.

#### **1623703 Alberta Inc.**

1623703 is a private real estate company located in Calgary, Alberta, that was formed in August 2011. 1623703 currently owns two office and one industrial building in Calgary, Alberta and has agreements to acquire additional buildings in Edmonton and Calgary. It is contemplated that 1623703 will expect to acquire one additional office building by the completion of the Proposed Transaction. 1623703 currently has 1,333,333 shares issued and outstanding. 1637102 Alberta Ltd. is the sole shareholder of 1623703 and Christopher N. O'Brien owns all of the issued and outstanding shares in 1637102 Alberta Ltd. It is contemplated that prior to the completion of the Proposed Transaction, approximately \$5,000,000 of the outstanding second mortgage in 1623703 will be converted to 1623703 Shares.

## Private Placement

In conjunction with the Proposed Transaction, it is contemplated that the parties will complete a non-brokered private placement (the "**Offering**") of up to 30,000,000 Resultco Shares at a price of \$0.30 per share for gross proceeds of \$9,000,000. The proceeds of the Offering will be used for future acquisitions and general corporate purposes.

### Summary of Financial Information for 1623703

The following are unaudited management prepared financial statements for 1623703 as of December 31, 2011.

#### 1623703 Alberta Inc. STATEMENT OF FINANCIAL POSITION (Canadian Dollars)

As at		31-Dec-11
Current assets	GST Receivable	\$2,860
Long term assets	Deposit for Improvement	400,000
	Capital Assets	30,701,782
	Intangible Asset	482,286
	Financing Fees	-
Total assets		\$31,586,927
Current liabilities	Bank Indebtedness	\$169
	Accounts payable and accruals	48,542
	Security Deposits	247,353
Long Term Liabilities	Mortgage Payable -1	17,098,323
	Mortgage Payable -2	12,724,869
	Intangible Liability	1,169,861
	Deferred Income Tax	303,970
	Income Taxes Payable	4274
Total liabilities		31,597,362
Shareholders' equity	Revaluation Surplus	281,260
	Net Income (loss)	(292,115)
Total liabilities and equity		\$31,586,927

**1623703 Alberta Inc.**  
**STATEMENT OF OPERATIONS,**  
**COMPREHENSIVE LOSS AND DEFICIT**  
**(Canadian Dollars)**

		<b>For the year from incorporation</b>
		<b>October 1, 2011 to</b>
		<b>31-Dec-11</b>
Revenue		
	Intangible Revenue	\$ 5,195
	Base Rent Revenue	71,764
	Operating Cost Revenue	32,564
		109,524
Expenses		
	Accounting Expenses	149
	Bank & Interest Charges	4,657
	Interest Expense	13,043
	Legal Expense	26,610
	Property Tax expense	9,512
	Amortization Expense	36,156
		93,393
Net Income before Income Taxes		16,130
	Income Taxes Expense	4,274
	Deferred Income Tax	301,970
		303,696
<u>Net Income (Loss)</u>		<u>\$(292,115)</u>

**1623703 Alberta Inc.**  
**STATEMENT OF CASH FLOWS**  
**(Canadian Dollars)**

	<b>For the year from incorporation October 1, 2011 to 31-Dec-11</b>
<b>Cash flow from operating activities</b>	
Net Income	\$ (292,115)
Add:	
Amortization	39,423
Accounting Expenses	149
Bank & Interest Charges	4,488
Interest Expense	13,043
Legal Expense	26,610
Property Tax expense	9,512
Revenue	- 109,524
Deferred Income Tax	303,970
Income Tax Expense	4,274
Cash used by operations	(169)
Decrease in cash	(169)
Cash beginning of year	-
<b>Cash end of year</b>	<b>\$ (169)</b>

### **Trading Halt**

Trading in the JDV Shares may remain halted pending the review of the proposed Qualifying Transaction by the TSXV. There can be no assurance that trading in the JDV Shares will resume prior to the completion of the Qualifying Transaction.

### **Resulting Issuer**

Upon completion of the Proposed Transaction, it is expected that Resultco will have 63,314,008 common shares issued and outstanding, being the aggregate of: (i) 3,064,008 Resultco Shares to be issued for all of the issued and outstanding shares of JDV; (ii) 30,000,000 Resultco Shares to be issued for all of the issued and outstanding 1623703 Shares; (iii) 30,000,000 Resultco Shares to be issued under the Offering; and (iv) 250,000 Resultco Shares to be issued for the Finder's Fee. Upon completion of the Proposed Transaction, the shareholders of 1623703 would hold approximately 47.4% of the issued and outstanding capital of Resultco, on an undiluted basis.

In addition, Resultco will have outstanding convertible securities as follows: (i) 76,500 stock options exercisable at \$0.20 per share to be issued in exchange for 153,000 outstanding JDV stock options exercisable at \$0.10 per share; and (ii) 85,992 agent's options exercisable at \$0.20 per share to be issued in exchange for 171,983 agent's options exercisable at \$0.10 per share to acquire JDV Shares.

The directors and officers of Resultco are expected to be as follows:

### **David W. Harrison, President and Director**

Mr. Harrison has been extensively involved in the public capital markets over the past 18 years, principally focused on corporate governance, including public and regulatory affairs, business operations, as well as being the public and investor relations spokesperson in each of his previous ventures. In addition, he has been involved in corporate finance and debt restructuring roles in his previous projects, raising capital for various public companies. He has consulted to the real estate and oil and gas sectors in matters of finance, corporate governance and communications.

Mr. Harrison was recently a business development consultant to a real estate trust from January 2009 to December 2011.

He is the former President and a Director of Lands End Resources Ltd. from November 2008 to March 2011 and acting Director to present. From January 2006 to February 2007, Mr. Harrison was President, Chief Executive Officer and a Director of Benchmark Energy Corp. and Vice President, Administration and Corporate Secretary for Eastshore Energy Ltd. from January 2003 to July 2006. His previous roles also include Vice President and Corporate Secretary for Tracer Petroleum Corporation from January 1999 to February 2003.

Mr. Harrison has a Diploma (General Studies) from Orange Coast College and completed three years of studies in economics at the University of British Columbia.

### **Robert (Robin) Auld, Director**

Mr. Auld specializes in providing organizations with executive level leadership on mission-critical initiatives and through periods of transformational change. He has 19 years of experience leading integrated teams to realize efficiencies, build winning strategic plans and deliver essential operational capabilities. As a leader, Mr. Auld works collaboratively with his teams and executives to successfully deliver solutions internationally and across a broad range of sectors including finance & banking, resource & energy, manufacturing, technology, defense, retail, manufacturing, construction and real estate development through his consulting firm Auld & Co. (2000 to 2012). He excels equally in entrepreneurial start-ups and Fortune 500's. His previous roles include Trustee and Chief Financial Officer of Ten Peaks Capital Trust (January 2008 to October 2011), Chairman and CEO of North American Gem (2004 to 2005) and Chief Technology Officer of TransAKT Corp.(2003 to 2005). Mr. Auld is an active volunteer in his community and is currently a co-chair of the Calgary United Way Campaign.

Mr. Auld is a licensed Professional Engineer and Certified Project Manager. He holds an Engineering degree from the Royal Military College of Canada and an MBA from Queen's University.

### **Laurence Lee, Director**

Mr. Lee has been the Chairman, Chief Executive Officer and a director of Canada Monetary Corp., an investment and advisory company since September 2011 and an independent consultant since October 2010. From October 2008 to October 2010, he was an Investment Advisor with HSBC Securities (Canada) Inc. and a Financial Advisor with Raymond James Ltd. from February 2004 to October 2008.

Mr. Lee graduated with a degree from the University of Manitoba and is a Chartered Investment Manager (CIM) and has a certificate in Derivatives Market Strategies (DMS).

### **Praveen Varshney, Director**

Mr. Varshney has been a principal of Varshney Capital Corp., a Vancouver based merchant banking, venture capital and corporate advisory services firm, since 1991. He is a member and past President of the Vancouver chapter of The Entrepreneurs' Organization (EO) and a founding director of the Vancouver chapter of The IndUS Entrepreneurs (TiE). Mr. Varshney also is on UBC's Sauder School of Business Faculty Advisory Board, UBC President Stephen Toope's Strategic Advisory Council, a former Director of The Vancouver Board of Trade, and a past recipient of Business in Vancouver's 40 Under 40 Awards. He is also a director of the Varshney Family Charitable Foundation, a BC Social Venture Partner and on the advisory board of Room to Read - Vancouver.

Mr. Varshney obtained a Bachelor of Commerce degree from the University of British Columbia and has his Chartered

Accountant designation.

### **Sponsorship of the Qualifying Transaction**

JDV will be required to retain a sponsor in connection with the Proposed Transaction.

### **Significant Conditions to Completion of the Proposed Transaction**

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to: (a) entering into of a definite agreement; (b) completion of due diligence; (c) TSXV regulatory approval; and (d) approval of the shareholders of 1623703 and JDV.

*Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of JDV Capital Corp. should be considered highly speculative.*

For further information, please contact:

JDV Capital Corp.  
Hari Varshney  
Director  
(604) 684-2181  
[praveen@varshneycapital.com](mailto:praveen@varshneycapital.com)

1623703 Alberta Inc.  
David Harrison  
President  
(403) 355-9130

### **Cautionary Note Regarding Forward-Looking Statements**

This news release contains forward-looking statements relating to the Proposed Transaction, including statements regarding the exchange ratio for the Proposed Transaction, the anticipated acquisition of 1623703, the anticipated election of additional directors for Resultco, the sponsorship by a registered investment dealer, completion of the Offering, the acquisition of additional office buildings by 1623703, the receipt of all necessary regulatory approvals and satisfaction of all other closing conditions in connection with the Proposed Transaction and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the risk that the Proposed Transaction will not be completed if a formal agreement is not reached or that the necessary approvals and/or exemptions are not obtained or some other condition to the closing of the Proposed Transaction is not satisfied; the risk that closing of the Proposed Transaction could be delayed if JDV and 1623703 are not able to obtain the necessary approvals on the timelines planned; the assumptions relating to the parties entering into the formal agreement in respect of the Proposed Transaction, its structure, and the timing thereof; the risk that the Offering is not completed; the timing of obtaining required approvals and satisfying closing conditions for the Proposed Transaction, state of the economy in general and capital markets in particular, investor interest in the business and future prospects of JDV and 1623703.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, JDV and 1623703 disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, JDV and 1623703 undertake no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

***The TSX Venture Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.***

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

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