

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**OF**

**SPARA ACQUISITION ONE CORP.**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

*Neither the TSX Venture Exchange Inc. (the "**Exchange**") nor any securities regulatory authority has in any way passed upon the merits of the transaction described in this information circular.*

*All information contained in this information circular with respect to Digital Shelf Space Corp. ("**Digital**") has been provided by Digital, and with respect to such information, Spara Acquisition One Corp. and its directors and officers have relied on Digital.*

*These materials require your immediate attention. If you are in doubt as to how to deal with these materials or the matters referred to herein, please consult your investment dealer, stockbroker, bank manager or other professional adviser.*

## NOTICE

**NOTICE IS HEREBY GIVEN THAT** an Annual and Special Meeting of the Shareholders of Spara Acquisition One Corp. (the "**Corporation**") will be held on June 18, 2013 at 11:00 a.m. (Eastern time) at the office of Spara Capital Partners, 1315 North Service Road East, Suite 300, Oakville, Ontario for the following purposes:

1. to receive the financial statements of the Corporation for the financial year ended December 31, 2012 and the auditors' report thereon;
2. to elect directors of the Corporation as more particularly described in the section of the Circular entitled "*Annual Business to be Conducted at the Meeting – Election of Directors*";
3. to re-appoint MSCM LLP as auditors of the Corporation and to authorize the board of directors to fix their remuneration as more particularly described in the section of the Circular entitled "*Annual Business to be Conducted at the Meeting – Appointment of Auditors*";
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution confirming and ratifying the Corporation's stock option plan as more particularly described in the section of the Circular entitled "*Annual Business to be Conducted at the Meeting – Annual Approval of Stock Option Plan*";
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the text of which is attached as Appendix C to the Corporation's management information circular dated as of the date of this Notice (the "**Circular**") authorizing and approving the subscription by the Corporation for common shares (the "**Digital Shares**") and common share purchase warrants (The "**Digital Warrants**") of Digital Shelf Space Corp. (the "**Private Placement**") substantially on the terms and conditions set forth in the Subscription Agreement (as defined in the Circular), all as more particularly described in the section of the Circular entitled "*Special Business to be Conducted at the Meeting – The Transaction*";
6. to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the text of which is attached as Appendix D to the Circular) authorizing and approving the reduction of the Corporation's stated capital by an amount equal to not less than the value of the Digital Shares and Digital Warrants that are distributed to shareholders of the Corporation and the distribution of capital to such shareholders only if the Transaction (as such term is defined in the Circular) is approved by the shareholders at the Meeting, all as more particularly described in the section of the Circular entitled "*Special Business to be Conducted at the Meeting – The Transaction*";
7. to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the text of which is attached as Appendix E to the Circular) authorizing and approving the dissolution of the Corporation only if the Transaction (as such term is defined in the Circular) is approved by the shareholders at the Meeting, all as more particularly described in the section of the Circular entitled "*Special Business to be Conducted at the Meeting – The Transaction*";
8. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the text of which is attached as Appendix F to the Circular) authorizing and approving the cancellation of certain shares of the Corporation and the application by the Corporation for listing on the NEX Exchange in the event the Corporation is unable to complete a qualifying transaction in the time period allotted by the TSX Venture Exchange, all as more particularly described in the

section of the Circular entitled “*Special Business to be Conducted at the Meeting – Transfer to NEX Resolution*”; and

9. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The Corporation is sending proxy-related materials to non-registered shareholders using Notice and Access. Notice and Access is a new set of rules for reducing the volume of materials that must be physically mailed to shareholders by posting the information circular and additional materials online.

The information circular providing further information relevant to the matters scheduled to come before the Meeting, this Notice, a form of proxy, the audited annual financial statements of the Corporation for the year ended December 31, 2012 and the MD&A relating to such financial statements are available on SEDAR at [www.sedar.com](http://www.sedar.com) and at [www.lwlaw.com/SAO](http://www.lwlaw.com/SAO). Shareholders are reminded to review these online materials when voting.

Pursuant to the requirements of the Canada Business Corporations Act, registered shareholders of the Corporation will receive paper copies of the information circular, this Notice, the form of proxy, the audited annual financial statements of the Corporation for the year ended December 31, 2012 and the MD&A relating to such financial statements. Non-registered shareholders may choose to receive paper copies of such materials by contacting the Corporation’s transfer agent Equity Financial Trust Company at the toll free number 1-866-393-4891. In order for non-registered shareholders to receive the paper copies of such materials in advance of any deadline for the submission of voting instructions and the date of the Meeting it is recommended to contact the Corporation’s transfer agent at the number above as soon as possible but not later than June 11, 2013.

If you are a registered shareholder a form of proxy is enclosed. A copy of the proxy is also available on SEDAR at [www.sedar.com](http://www.sedar.com) and at [www.lwlaw.com/SAO](http://www.lwlaw.com/SAO). If you are a non-registered shareholder a voting instruction form is enclosed. Shareholders are requested to complete, sign and return such form of proxy or voting instruction form, as applicable.

For registered shareholders, in order to be represented by proxy at the Meeting, you must complete and submit the enclosed form of proxy or other appropriate form of proxy. Completed forms of proxy must be received by Equity Financial Trust Company at 200 University Avenue, 4th Floor, Toronto ON M5H 4H1, not later than 11:00 a.m. (Eastern time) on June 14, 2013 or may be accepted by the Chairman of the Meeting prior to the commencement of the Meeting.

For non-registered shareholders, use the enclosed voting instruction form to provide voting instructions. The voting instruction form contains instructions on how to complete the form, where to return it to and the deadline for returning it. It is important to read and follow the instructions on the voting instruction form in order to have your vote count.

By order of the Board of Directors,

*(Signed)*

Jason Sparaga  
Chief Executive Officer

Oakville, Ontario  
May 14, 2013

# MANAGEMENT INFORMATION CIRCULAR

## CONTENTS

<b>GLOSSARY</b> .....	<b>5</b>
<b>SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION</b> .....	<b>11</b>
<b>SUMMARY OF INFORMATION CIRCULAR</b> .....	<b>12</b>
Cautionary Language .....	12
The Meeting .....	12
The Corporation .....	12
Digital Shelf Space Corp. ....	13
The Transaction .....	13
Arm's Length Transaction.....	14
Interests of Insiders .....	14
Financial Information.....	15
Market Price of the Corporation Shares and Digital Shares .....	15
Conditional Listing .....	16
Risk Factors .....	16
<b>RISK FACTORS</b> .....	<b>16</b>
Risks Related to the Transaction.....	16
Risks Related to Digital .....	17
<b>GENERAL PROXY RELATED INFORMATION</b> .....	<b>22</b>
Management Solicitation .....	22
Registered Shareholders – Voting by Proxy .....	22
Non-Registered Holders – Voting Instruction Form.....	23
Notice and Access.....	24
Authorized Capital, Voting Shares and Principal Holders Thereof .....	24
Interest of Certain Persons or Companies in Matters to be Acted Upon .....	24
Interest of Informed Persons in Material Transactions .....	25
<b>ANNUAL BUSINESS TO BE CONDUCTED AT THE MEETING</b> .....	<b>25</b>
Election of Directors .....	25
<i>Information Concerning Nominees as Directors</i> .....	26
Appointment of Auditors .....	26

Annual Approval of Stock Option Plan .....	27
<b>SPECIAL BUSINESS TO BE CONDUCTED AT THE MEETING .....</b>	<b>27</b>
The Transaction .....	27
<i>Background to the Proposed Transaction</i> .....	27
<i>Overview of the Proposed Transaction</i> .....	28
<i>The Private Placement</i> .....	28
<i>Arm's Length Transaction</i> .....	32
<i>Interests of Insiders</i> .....	32
<i>Canadian Securities Law Matters</i> .....	33
<i>TSXV Majority of the Minority Approval</i> .....	33
<i>Certain Canadian Federal Income Tax Considerations</i> .....	34
<i>Non-Resident Shareholder Tax Considerations</i> .....	35
<i>Exchange Approval</i> .....	36
<i>Approvals and Recommendations</i> .....	36
Transfer to NEX Resolution .....	37
<b>INFORMATION CONCERNING THE CORPORATION .....</b>	<b>38</b>
Corporate Structure .....	38
Financial Information.....	38
Description of Securities of the Corporation .....	39
Prior Sales .....	41
Stock Exchange Price .....	41
Legal Proceedings.....	41
Auditors, Transfer Agent and Registrar .....	41
Material Contracts.....	41
Statement of Executive Compensation .....	42
<i>Compensation Discussion and Analysis</i> .....	42
<i>Summary Compensation Table</i> .....	42
<i>Incentive Plan Awards</i> .....	42
<i>Termination and change of Control Benefits</i> .....	43
<i>Compensation of Directors</i> .....	43
<i>Equity Compensation Plan Information</i> .....	44
Executive and Audit Committees .....	44
Payments to Auditors .....	45
Indebtedness of Directors, Executive Officers and Senior Officers .....	45
Corporate Governance Disclosure .....	46
<i>Independent Directors</i> .....	46
<i>Directorships on Other Boards</i> .....	46

<i>Orientation and Continuing Education</i> .....	46
<i>Ethical Business Conduct</i> .....	46
<i>Nomination of Directors</i> .....	46
<i>Compensation</i> .....	46
<i>Assessments</i> .....	46
<b>INFORMATION CONCERNING DIGITAL</b> .....	<b>47</b>
Name and Incorporation .....	47
Corporate Structure.....	47
The Business of Digital.....	47
<i>Overview of the Business</i> .....	47
<i>History</i> .....	47
<i>Principal Services and Operations</i> .....	48
<i>Market</i> .....	48
<i>Market Plans and Strategies</i> .....	48
<i>Competitive Conditions</i> .....	49
<i>Future Developments</i> .....	49
Selected Consolidated Financial Information .....	49
Description of Securities of Digital .....	50
Consolidated Capitalization .....	50
Prior Sales .....	51
Stock Exchange Price .....	51
Directors and Officers.....	51
Executive Compensation .....	54
<i>Summary Compensation Table</i> .....	54
<i>Option Based Awards</i> .....	55
<i>Pension Plan Benefits</i> .....	56
<i>Termination and Change of Control Benefits</i> .....	56
Director Compensation .....	57
<i>Overview</i> .....	57
<i>Director Summary Compensation Table</i> .....	57
<i>Director Incentive Plan Awards</i> .....	57
Legal Proceedings.....	58
Material Contracts Of Digital .....	58
<b>ESCROWED SHARES</b> .....	<b>59</b>
<b>GENERAL INFORMATION</b> .....	<b>61</b>
Interests of Experts .....	61
Other Material Facts .....	61

Documents Incorporated by Reference.....	61
Additional Information .....	61
Deadline for Shareholder Proposals.....	61
Approval of the Board .....	61
<b>CERTIFICATE OF SPARA ACQUISITION ONE CORP.....</b>	<b>63</b>

**APPENDICES**

- APPENDIX “A” – AUDIT COMMITTEE CHARTER
- APPENDIX “B” – THE SUBSCRIPTION AGREEMENT
- APPENDIX “C” – PRIVATE PLACEMENT RESOLUTION
- APPENDIX “D” – RETURN OF CAPITAL RESOLUTION
- APPENDIX “E” – DISSOLUTION RESOLUTION
- APPENDIX “F” – TRANSFER TO NEX RESOLUTION

## GLOSSARY

The following is a glossary of the defined terms used in this Circular. Terms and abbreviations used in the appendices to this Circular are defined separately and the terms and abbreviations defined below are not used therein, unless otherwise indicated. Words importing the singular, where the context requires, include the plural and vice-versa, and words importing any gender include all genders. Other capitalized terms used but not defined in this Circular shall have the meanings given to such terms in Exchange Policy 2.4.

**"Affiliate"** means a company that is affiliated with another Company as described below.

A Company is an "Affiliate" of another Company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A Company is "controlled" by a Person if:

- (a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person;

**"Arm's Length"** means a transaction which is not a Related Party Transaction;

**"Associate"** when used to indicate a relationship with a person or company, means:

- (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the person or Company,
- (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity,
- (d) in the case of a person, a relative of that person, including
  - (i) that person's spouse or child, or
  - (ii) any relative of that Person or of his or her spouse who has the same residence as that Person



but

(e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

“**Available Funds**” means all funds available to the Corporation for use in subscribing for Digital Shares and Digital Warrants in connection with the Private Placement after deduction of expenses incurred by the Corporation to the date of closing of the Private Placement as well as the anticipated expenses to be incurred by the Corporation after the closing date of the Private Placement;

“**BCBCA**” means the *Business Corporations Act* (British Columbia);

“**Beneficial Shareholders**” means Shareholders whose Corporation Shares are not registered in such shareholders' names;

“**Board**” means the board of directors of the Corporation;

“**CBCA**” means the *Canada Business Corporations Act*, including the regulations promulgated thereunder;

“**Circular**” means this management information circular, together with all appendices attached hereto and including the summary hereof;

“**Company**”, unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“**Completion of the Qualifying Transaction**” means the date the Final Exchange Bulletin is issued by the Exchange;

“**Control Person**” means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

“**Corporation**” means Spara Acquisition One Corp.;

“**CPC**” means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada,

(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy, and

(c) in regard to which the Completion of a Qualifying Transaction has not yet occurred;

“**CRA**” means the Canada Revenue Agency;

“**Digital**” means Digital Shelf Space Corp.;

“**Digital Shares**” means the common shares in the capital of Digital issued pursuant to the Private Placement.

“**Digital Warrants**” means the common share purchase warrants in the capital of Digital issued pursuant to the Private Placement, having an exercise price of \$0.10 per Digital Share and a term of 36 months from the closing date of the Private Placement.

“**Dissolution Resolution**” means the special resolution in respect of the voluntary dissolution of the Corporation in accordance with subsection 210.(3) of the CBCA to be considered and, if deemed advisable, approved by the Shareholders at the Meeting (the full text of which is set out in Appendix E);

“**Escrow Agreement**” means the escrow agreement dated September 28, 2011 between the Corporation, Equity Financial, and the holders of the Seed Shares;

“**Escrowed Shares**” means the shares to be held in escrow pursuant to the Escrow Agreement;

“**Exchange**” means the TSX Venture Exchange Inc.;

“**Final Exchange Bulletin**” means the Exchange Bulletin which is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction;

“**Insider**” if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of the Company that is an Insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities.

“**Majority of the Minority Shareholder Approval**” means approval by the holders of a majority of the securities entitled to vote on a matter at a meeting of shareholders of an issuer, excluding securities that, to the knowledge of the issuer or any "interested party" (within the meaning of MI 61-101) or their respective directors or senior officers after reasonable inquiry, are beneficially owned or over which control or direction is exercised by the issuer, any shareholder who is considered to be an interested party or a Related Party of an interested party, or a joint actor with any such interested party or Related Party;

“**Material Adverse Change**” means any event or change that has had or would be reasonably likely to have a material adverse effect on the applicable party, including a material adverse effect on the business, operations, results of operations, prospects, assets, liabilities or financial condition of the party, other than any change, effect, event or occurrence: (a) relating to the global economy or securities markets in general; or (b) which is a change in the trading price of the publicly traded securities of the party immediately following and reasonably attributable to the disclosure of the CPC Combination and the matters contemplated in connection therewith;

“**Meeting**” means the special meeting of the Shareholders to be held on June 18, 2013;

**"Member"** means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange requirements;

**"Members' Agreement"** means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange;

**"MI 61-101"** means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*;

**"NEX"** means the NEX trading board of the Exchange;

**"NI 51-102"** means National Instrument 51-102 - *Continuous Disclosure Obligations*;

**"Non-Arm's Length Party"** means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person;

**"Non Arm's Length Parties to the Qualifying Transaction"** means the Vendor(s), any Target Company(ies) and includes, in relation to Significant Assets or Target Company(ies), the Non Arm's Length Parties of the Vendor(s), the Non Arm's Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.

**"Non-Arm's Length Qualifying Transaction"** means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are control persons in both the capital pool company and in relation to the significant assets which are to be the subject of the proposed Qualifying Transaction.

**"Notice of Meeting"** means the notice of the Meeting which accompanies this Circular;

**"Person"** means a Company or individual;

**"Policy 2.4"** means the Exchange's Policy 2.4 entitled "Capital Pool Companies";

**"Private Placement"** means the proposed private placement of Digital Shares and Digital Warrants to be completed as part of the Transactions;

**"Private Placement Resolution"** means the ordinary resolution in respect of the Private Placement to be considered and, if deemed advisable, approved by the Shareholders at the Meeting (the full text of which is set out in Appendix C);

**"Promoter"** means, (a) a Person or company who, acting alone or in conjunction with one or more other Persons, Companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a Person or Company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a Person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a

"Promoter" if such Person or Company does not otherwise take part in founding, organizing, or substantially reorganizing the business;

"Proxy" means the form of proxy to be used by Shareholders in connection with the Meeting;

"Qualifying Transaction" means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means;

"Related Party" and "Related Party Transaction" have the respective meanings ascribed to such terms in MI 61-101;

"Return of Capital Resolution" means the special resolution in respect of the (i) reduction of the Corporation's stated capital by an amount equal to not less than the value of the Digital Shares and Digital Warrants acquired by the Corporation in the Private Placement, and (ii) the distribution of such Digital Shares and Digital Warrants to Shareholders pro rata, based on the respective numbers of Corporation Shares held by such Shareholders on a record date to be determined by the Board, to be considered and, if deemed advisable, approved by the Shareholders at the Meeting (the full text of which is set out in Appendix D);

"Seed Shares" means securities issued by the Corporation prior to its initial public offering on November 1, 2011;

"Shareholders" means the holders of Corporation Shares;

"Stock Option Plan" means the stock option plan of the Corporation;

"Stock Option Plan Resolution" means the ordinary resolution of the shareholders proposed to re-approve the Corporation's Stock Option Plan in order to satisfy the requirements of the Exchange;

"Subscription Agreement" means the subscription agreement dated May 14, 2013 among the Corporation and Digital, a copy of which is attached hereto as Appendix B;

"Subsidiary" means DSS Digital Shelf Space Inc., a wholly owned subsidiary of Digital;

"Tax Act" means the *Income Tax Act* (Canada), R.S.C. 1985, e. I. (5<sup>th</sup> Supp), including the regulations promulgated thereunder, each as amended from time to time;

"Transaction" means the completion of the transactions contemplated by the Private Placement Resolution, Return of Capital Resolution and Dissolution Resolution;

"Transfer to NEX Resolution" means the ordinary resolution in respect of the cancellation of certain Seed Shares of the Corporation and the application by the Corporation for listing on the NEX to be considered and, if deemed advisable, approved by the Shareholders at the Meeting (the full text of which is set out in Appendix F); and

"TSXV Majority of the Minority Approval" means the approval of the Qualifying Transaction by the majority of the votes cast by shareholders, other than:

- (a) Non Arm's Length Parties to the CPC;
- (b) Non Arm's Length Parties to the Qualifying Transaction; and

- (c) in the case of a Related Party Transaction:
  - (i) if the CPC holds its own shares, the CPC, and
  - (ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction

at a properly constituted meeting of the common shareholders of the CPC.

## **SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION**

This Circular contains or refers to certain forward-looking information. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "may", "potential" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All information, other than information regarding historical fact, that addresses activities, events or developments that The Corporation believes, expects or anticipates will or may occur in the future is forward-looking information. Such forward-looking information relates to, without limitation, the future performance of the Corporation or Digital, the value of the Corporation Shares, the Digital Shares and the Digital Warrants, the completion of the Transaction on the terms provided herein (or at all) and the timing of same, the composition of Digital's management and board of directors, estimates relating to the amount of funds available to Digital following the Private Placement and the manner in which such funds will be used, the listing of the Digital Shares issued in the Private Placement on the Exchange, the potential delisting of the Corporation Shares, the distribution of meeting materials, the capitalization of Digital and anticipated security holdings of the Corporation's Shareholders and/or certain individuals following completion of the Transaction, the issuance of the Final Exchange Bulletin, the anticipated costs relating to the Transaction, the ability of the Corporation to continue searching for and evaluating assets and/or businesses to acquire if the Transaction does not close, the ability of management and the directors of the Corporation to devote sufficient time to the Corporation to complete a Qualifying Transaction and the anticipated release schedule of the Escrowed Shares.

Forward-looking information does not constitute historical fact but reflects the current expectations of the Corporation regarding future results or events based on information that is currently available. With respect to the forward-looking information contained in this Circular, the Corporation has made assumptions regarding, among other things, the completion of the Transaction. Although the Corporation believes that the assumptions inherent in any forward-looking information are reasonable, forward-looking information is not a guarantee of future events or performance and, accordingly, readers are cautioned not to place undue reliance on such information due to the inherent uncertainty therein.

By its nature, forward-looking information is subject to a number of inherent risks and uncertainties, both general and specific, that could cause actual results to differ materially from those suggested by the forward-looking information. Even if such results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Corporation or Digital. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: inflation; changes in exchange and interest rates; adverse general market conditions; the inability to complete the Transaction for any reason whatsoever, failure to receive final Exchange acceptance of the Transaction; future unforeseen liabilities; and other factors including, but not limited to, those listed under "*Risk Factors*" in this Circular.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Corporation does not undertake any obligation to update publicly or otherwise revise any forward looking information whether as a result of new information, future events or other such factors which affect this information.

## SUMMARY OF INFORMATION CIRCULAR

### Cautionary Language

The following is a summary of the information relating to the Corporation, Digital and the Transaction provided in greater detail in this Circular and should be read together with the more detailed information and financial data and statements contained or incorporated elsewhere in this Circular.

### The Meeting

The Meeting will be held at the offices of Spara Capital at 1315 North Service Road East, Suite 300, Oakville, Ontario, on June 18, 2013 at 11:00 a.m. (Eastern time) for the following purposes:

1. to receive the financial statements of the Corporation for the financial year ended December 31, 2012 and the auditors' report thereon;
2. to elect directors of the Corporation;
3. to re-appoint MSCM LLP as auditors of the Corporation and to authorize the board of directors to fix their remuneration;
4. to consider and, if deemed advisable, to pass, with or without variation, the Stock Option Plan Resolution;
5. to consider and, if deemed advisable, to pass, with or without variation, the Private Placement Resolution;
6. to consider and, if deemed advisable, to pass, with or without variation, the Return of Capital Resolution;
7. to consider and, if deemed advisable, to pass, with or without variation, the Dissolution Resolution;
8. to consider and, if deemed advisable, to pass, with or without variation, the Transfer to NEX Resolution; and
9. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

See "*Special Business to be conducted at the Meeting*".

### The Corporation

The Corporation was incorporated pursuant to the CBCA on March 10, 2011 and completed its initial public offering as a CPC on November 1, 2011. The Corporation Shares began trading on the Exchange on November 9, 2011. The Corporation's business has been restricted to the identification and evaluation

of potential acquisitions or interests that could lead to the completion of its Qualifying Transaction under the CPC Policy. See *"Information Concerning the Corporation"*.

### **Digital Shelf Space Corp.**

Digital was incorporated pursuant to the BCBCA on December 11, 2009 under the name Palatine Capital Corp as a CPC. On December 21, 2010 Digital completed its Qualifying Transaction by acquiring all of the issued and outstanding shares of the Subsidiary (then called Pypeline Health Inc.). The Subsidiary was incorporated on March 5, 2007 pursuant to the BCBCA. Following closing of its Qualifying Transaction Digital changed its name to Digital Shelf Space Corp. and the Subsidiary changed its name from Pypeline Health Inc. to DSS Digital Shelf Space Inc.

Digital is an independent creator, producer and distributor of home entertainment content targeted at the fitness and sports instruction market. Digital's overall content partnership strategy is to align itself with world-class, global brand partners.

Digital through the Subsidiary produced and has marketed since December 21, 2010, its flagship product GSP RUSHFIT, an 8-week home-based DVD workout program ("**GSP RUSHFIT**") starring Mixed Martial Arts welterweight world champion Georges St-Pierre.

Digital's second product, the TOURAcademy® Home Edition ("**TA Home Edition**") comprehensive 8-week golf instruction DVD program, was completed in September 2012 and shipments began in early October 2012.

The Digital Shares are listed and posted for trading on the Exchange under the trading symbol "DSS". See *"Information Concerning Digital"*.

### **The Transaction**

The Corporation has entered into the Subscription Agreement with Digital that sets forth the terms and conditions of the Private Placement and the Transaction. In the Private Placement, Digital will sell and issue 9,200,000 Digital Shares and an equal number of Digital Warrants to the Corporation. The Corporation intends to invest all of its available cash reserves (currently estimated to be \$460,000 after deducting the anticipated transaction costs related to the Transaction) in the Private Placement. If the Corporation's Available Funds are less than \$460,000 the number of Digital Shares and Digital Warrants will be adjusted to equal the Available Funds divided by \$0.05. See *"Special Business to be conducted at the Meeting - The Transaction"*.

Digital will use the net proceeds of the Private Placement to finance planned marketing and advertising initiatives and other general operating expenses.

Upon completion of the Private Placement, the Corporation intends to distribute the Digital Shares and Digital Warrants held by it to the Corporation's Shareholders on a pro-rata basis as a return of capital. The Shareholders at a record date to be determined by the Board will be eligible to receive the Digital Shares and Digital Warrants, in proportion to the number of Corporation Shares held by them on such record date.

As soon as practicable after the return of capital described above, the Corporation expects to delist the Corporation Shares from trading on the Exchange and complete the voluntary dissolution of Corporation in accordance with subsection 210(3) of the CBCA.



The Transaction is considered a "business combination" under MI 61-101 and, accordingly, the Corporation must comply with the Majority of the Minority Shareholder Approval requirements of MI 61-101. See "*Special Business to be conducted at the Meeting - The Transaction – Canadian Securities Law Matters*."

Immediately following the completion of the Transaction, it is expected that the Corporation's Shareholders will collectively own approximately 10.07% of the issued and outstanding Digital Shares (calculated on a non-diluted basis and assuming 91,359,732 issued and outstanding Digital Shares after completion of the Private Placement).

If the requisite shareholder approval is obtained at the Meeting, and all of the conditions precedent to the completion of the Transaction contained in the Subscription Agreement have been satisfied or waived, the Board intends to complete the Transaction in accordance with the terms of the Subscription Agreement, a copy of which is attached as Appendix B to this Circular. See "*Special Business to be conducted at the Meeting - The Transaction*".

### Arm's Length Transaction

The Transaction is not a Non-Arm's Length Qualifying Transaction.

### Interests of Insiders

Insiders, Promoters and Control Persons of the Corporation and their Associates and Affiliates will be treated in the same manner as all other Shareholders in connection with the Transaction. The following table summarizes the share holdings of the Insiders, Promoters and Control Persons of the Corporation before and after giving effect to the Transaction.

Insiders, Promoters or Control Person	Number of Corporation Shares held prior to giving effect to the Transaction	Number of Digital Shares and Digital Warrants held before giving effect to the Transaction	Anticipated number of Digital Shares and Digital Warrants after giving effect to the Transaction <sup>(4)</sup>
Jason Sparaga	1,000,000 <sup>(1)</sup>	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Stephen J Headford	1,000,000	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Scott Dexter <sup>(5)</sup>	1,000,000	2,006,500 common shares and 1,033,250 warrants	2,536,205 Digital Shares and 1,562,955 Digital Warrants
Jeffrey Rushton	500,000 <sup>(2)</sup>	Nil	264,853 Digital Shares and 264,853 Digital Warrants
Scott Broder	1,000,000 <sup>(3)</sup>	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Shane McLean	250,000	Nil	132,426 Digital Shares and 132,426 Digital Warrants

- Notes:
- (1) Held by Spara Merchant Capital Corp., a corporation controlled by Mr. Sparaga.
  - (2) Held by Transition Support Management Inc., a corporation controlled by Mr. Rushton
  - (3) Held by Can-Inland Fund LLC, a limited liability corporation of which Mr. Broder owns 50% of the voting securities.
  - (4) Assumes that the Corporation invests \$460,000 and receives an aggregate of 9,200,000 Digital Shares and 9,200,000 Digital Warrants.
  - (5) Mr. Dexter also holds a \$100,000 unsecured convertible debenture issued by Digital. For details of the terms of such debenture see "*Information Concerning Digital – Description of Securities of Digital*"

## Financial Information

In this Circular, unless stated otherwise, all amounts are presented in Canadian dollars.

The following information is taken from and should be read in conjunction with the Corporation's audited financial statements for the fiscal years ended December 31, 2012 and 2011 and related notes thereto which are filed at [www.SEDAR.com](http://www.SEDAR.com) and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements which are also filed at [www.SEDAR.com](http://www.SEDAR.com). Such financial statements and Management's Discussion and Analysis of Financial Condition and Result of Operations are incorporated herein by reference. See "*Information Concerning the Corporation – Financial Information*"

Item	Financial Year Ended December 31, 2012 (audited)	Financial Year Ended December 31, 2011 (audited)
Total expenses	\$483,365	\$180,963
Amounts deferred in connection with the Transactions	Nil	Nil

The following information is taken from and should be read in conjunction with the Digital audited financial statements and related notes thereto for the eleven months ended December 31, 2010 and the years ended December 31, 2011 and 2012 which are filed at [www.SEDAR.com](http://www.SEDAR.com) and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements which are also filed at [www.SEDAR.com](http://www.SEDAR.com). Such financial statements and Management's Discussion and Analysis of Financial Condition and Result of Operations are incorporated herein by reference. See "*Information Concerning Digital – Selected Consolidated Financial Information*".

	Financial Year ended December 31, 2012 (USD) (audited)	Financial Year ended December 31, 2011 (USD) (audited)	Eleven months ended December 31, 2010 (USD) (audited)
Net Sales	1,637,219	2,542,899	47,204
Income from Continuing Operations	(1,977,449)	(1,163,230)	(1,276,220)
Net Income (Loss), in Total	(1,979,449)	(1,221,523)	(1,430,016)
Total Assets	2,404,893	1,811,529	1,661,338
Total Long Term Financial Liabilities	716,649	398,405	649,306
Shareholders' Equity	1,688,244	1,413,124	1,012,032
Cash Dividends Declared	Nil	Nil	Nil

## Market Price of the Corporation Shares and Digital Shares

The Corporation Shares trade on the Exchange under the trading symbol "SAO.P". The closing trading price of the Corporation Shares on the Exchange on the last trading date prior to the date hereof was \$0.045. See "*Information Concerning the Corporation - Stock Exchange Price*".

The Digital Shares trade on the Exchange under the trading symbol "DSS". The closing trading price of the Digital Shares on the Exchange on the last trading date prior to the date hereof was \$0.05. See "*Information Concerning DSS - Stock Exchange Price*".

## **Conditional Listing**

The Exchange has conditionally accepted the Transaction subject to the Corporation and Digital fulfilling all of the requirements of the Exchange on or before July 30, 2013.

## **Risk Factors**

There are certain risks that will be associated with the securities of Digital due to the nature of its business and certain other factors. Shareholders should consider that Digital may not realize the anticipated benefits of the Private Placement. For a comprehensive discussion of risk factors, see "*Risk Factors*" below.

### **RISK FACTORS**

*The risks and uncertainties below are not the only ones that the Shareholders may face in connection with the Transaction. Additional risks and uncertainties not presently known to the Corporation or Digital or that they currently believe to be immaterial may also adversely affect the outcome of the Transaction for the Shareholders. If any of the following risks occur, Shareholders could lose all or part of their investment. Further, if after the Transaction, Digital fails to meet the expectations of the public market in any given period, the market price of the Digital Shares and Digital Shares owned by Shareholders could decline.*

#### **Risks Related to the Transaction**

##### *The Transaction is Subject to Several Conditions Precedent*

The completion of the Transaction is subject to several conditions precedent, certain of which are outside the control of the Corporation, including approval of the Transaction being obtained from the Shareholders. There can be no assurances that any of the conditions will be met or that the Transaction will be completed on the terms set out in the Subscription Agreement, as negotiated, or at all, or by July 30, 2013 or such other date as the Exchange may permit. In the event that any of the conditions precedent are not satisfied or waived by the relevant party, the Transaction may not be completed. The Transaction might not be completed, due to failure to obtain consents or approvals, failure to timely satisfy conditions to closing, termination of the Subscription Agreement by the Corporation or Digital, or other reasons.

##### *The Transaction is Subject to TSXV Majority of the Minority Approval*

The completion of the proposed Transaction is subject to the receipt of the TSXV Majority of the Minority Approval and is also subject to the approval of the Exchange, which approvals may not be obtained. Also, the consent of third parties to the Private Placement may be required and such consents may be unattainable. Further, the Transaction is subject to certain conditions precedent, which may not be satisfied. In addition, the Corporation or Digital may terminate the Subscription Agreement under certain circumstances, which may occur. There is no guarantee that: (a) the required shareholder, regulatory or third party approvals will be obtained, (b) the conditions to closing will be timely satisfied, or (c) the circumstances under which the Corporation or Digital may terminate the Subscription Agreement will not occur. As such, the Transaction may not occur.

*There are consequences if the Corporation fails to complete a Qualifying Transaction within time limits prescribed by the Exchange*

If the proposed Transaction is not completed, the Corporation may not be able to complete a Qualifying Transaction within the time limits prescribed by the Exchange and the Corporation may become listed on NEX or have to dissolve. As a capital pool company, the Corporation is required to complete a Qualifying Transaction within 24 months of November 9, 2011. If no Qualifying Transaction is completed in the applicable time period, the Corporation will be forced to become listed on NEX or dissolve without completing a Qualifying Transaction, in which case the amount of cash distributed to the Shareholders upon dissolution will be substantially less than the amount of the Shareholders' original investment into the Corporation. See “*Special Business to be Considered at the Meeting – Transfer to NEX Resolution*”.

## **Risks Related to Digital**

### *Limited History of Operations*

The Transaction involves significant risk, as there can be no assurance that the business of Digital will be successful or generate any profit. Digital has never made profits and may never be profitable.

### *Digital's Future Revenues Will Depend on the Growth of the Fitness Media Market*

The fitness media market has grown steadily over the past decade due to consumers wanting to improve their health, get fit, and lose weight. The growth of the market has led to an influx of new fitness titles introduced to the market through major distributors such as Lions Gate Entertainment, Gaiam, and Anchor Bay. If the growth of the fitness media market slows, this will affect Digital's ability to earn revenue from the sale of fitness media such as DVDs.

### *Reliance on Celebrity Talent for Fitness Productions*

The fitness titles that will be produced by Digital will rely heavily on the health and marketability of celebrity athletes that are paid to be the primary talent in its production. Any health, legal, or other issues that emerge postproduction could jeopardize the revenue potential and ROI on a specific title or series owned by Digital. Digital may never conclude an additional content production deal featuring a celebrity, athlete, or global brand.

### *Competitive Fitness Titles from Large Studios*

Digital produces fitness titles targeted at the male demographic, which is currently underserved by traditional studios. If these studios start producing titles targeted at men Digital may find this market becomes flooded with titles and increasingly competitive, reducing revenue and profitability potential.

### *Digital will need to raise significant additional capital*

Digital will require significant amounts of capital and financing to fund its planned development. Significant additional financing in excess of that available from the Private Placement will be required to meet the financing requirements of Digital. In the event that Digital is unable to raise sufficient funds by way of other financings or corporate collaborations, Digital will have insufficient funds available to implement its business plan. In addition, Digital may be required to delay, reduce the scope of, eliminate or divest one or more of its development projects, any of which could have a material adverse effect on Digital's business, financial condition and results of operations. There is significant risk that additional

financing may not be available or may not be available at economic rates and the investment of Digital shareholders may be at significant risk or may be significantly diluted.

*The market price and trading volume of the Digital Shares may be volatile.*

The market price of the Digital Shares may experience significant volatility, which could be in response to numerous factors, including quarterly variations in results of operations, technological innovations or new products developed and/or commercialized by it, its customers or competitors, government regulations, litigation, material announcements, general fluctuations in the stock market and economy or results of operations below the expectations of the public market. Any of these could result in a sharp decline in the market price of the Digital Shares.

*Future Sales of Digital Shares by Existing Shareholders*

Sales of a large number of the Digital Shares in the public markets, or the potential for such sales, may decrease the trading price thereof and impair Digital's ability to raise capital through future sales of the Digital Shares. Digital may have previously issued securities at an effective price per share which will be lower than the market price of the Digital Shares following the Transaction.

*Market Price of the Digital Shares May Go Down in Value*

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past. This is often attributed to factors unrelated to the financial performance or prospects of the companies involved. These factors include macro-economic developments in North America and globally, and market perceptions about the attractiveness of particular industries. Other factors unrelated to the performance of Digital that may have an effect on the price of the Digital Shares include the following:

- (i) the extent of analytical coverage available to investors concerning the business of Digital may be limited if investment banks with research capabilities do not follow Digital's securities;
- (ii) lessening in trading volume and general market interest in Digital's securities may affect an investor's ability to trade significant numbers of the Digital Shares;
- (iii) the size of Digital's public float may limit the ability of some institutions to invest in Digital's securities;
- (iv) Digital currently has limited institutional investor support;
- (v) a substantial decline in the price of the Digital Shares that persists for a significant period of time could cause Digital Shares to be delisted from such exchange, further reducing market liquidity, and
- (vi) Digital has limited funds to devote to investor relations, public relations, trade shows and travel to meet with current and potential investors.

As a result of any of these factors, the market price of the Digital Shares at any given point in time may not accurately reflect the long-term value of Digital following the completion of the Transaction or otherwise.

*Reliance on Key Personnel*

Digital depends on a number of key employees, the loss of any one of whom could have an adverse effect on Digital. There can be no assurance that any of Digital's employees will remain with Digital or that, in the future, the employees will not organize competitive businesses or accept employment with companies competitive with Digital.

### *Intellectual Property Rights*

The business of Digital is heavily based on protection of intellectual property rights. If another party makes claims to the intellectual property rights of Digital, or if a third party infringes upon the intellectual property rights of Digital, considerable expenses or losses may follow. Digital has not registered a trademark in respect of its name. If another party has rights to the same or a similar mark and challenges Digital's use of the mark, Digital would have to rebrand and might possibly have to pay such party compensation.

### *Malicious or Intentional Attack on Digital's Website or Internet Presence*

The sale of Digital's products is heavily reliant on the company's websites and other internet based commerce sites. As a result any malicious or intentional attack through the use of viruses or other forms of internet based attacks may have an adverse effect on Digital's ability to conduct business over the internet.

### *Conflicts of Interest*

Digital's directors and officers may serve as directors or officers of other companies or companies providing services to Digital or they may have significant shareholdings in other companies. Situations may arise where the directors and/or officers of Digital may be in competition with Digital. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest. In the event that such a conflict of interest arises at a meeting of Digital's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of Digital are required to act honestly, in good faith and in the best interests of Digital.

### *Currency Fluctuations*

The functional currency for all of Digital's foreign operations is the US dollar. Digital translates all assets and liabilities into US dollars. However, the majority of Digital's overhead expenses are in Canadian dollars and they are translated using average exchange rates that approximate those in effect during the period. As a result Digital is affected by the fluctuations in the value of the US dollar. Significant fluctuations of exchange rates could adversely affect Digital's financial condition and results of operations.

### *Payment of Dividends Unlikely*

Digital has no current plans to pay dividends and there is no assurance that Digital will pay dividends on its shares in the future. Digital will likely require all its funds to further the development of its business.

### *Early Stage Development*

Digital is at an early stage of development and subject to start-up risks and Digital will therefore be subject to the risks associated with early stage companies, including start-up losses, lack and uncertainty of revenues, markets and profitability and the need to raise additional funding.

### *Government Regulations*

Digital may be subject to various laws, regulations, regulatory actions and court decisions that may have negative effects on Digital. Changes in the regulatory environment imposed upon Digital could adversely

affect the ability of Digital to attain its corporate objectives.

### *Competition*

The fitness video industry is highly competitive and Digital competes with other companies, some of which have much greater resources and experience.

### *Management of Growth*

Any expansion of Digital's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that Digital will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that Digital will be able to manage growth successfully. An inability of Digital to manage growth successfully could have a material adverse effect on Digital's business, financial condition and results of operations. Digital may expand its operations through the acquisition of additional businesses, products or technologies that it believes will complement its current or future business. There can be no assurance that Digital will be able to identify, acquire or profitably manage additional businesses or successfully integrate any acquired businesses, products or technologies into Digital without substantial expenses, delays or other operational or financial problems. Furthermore, acquisitions involve a number of special risks, including diversion of management's attention, failure to retain key acquired personnel, unanticipated events or circumstances, and legal liabilities, some or all of which could have a material adverse effect on Digital's business, results of operations and financial condition. In addition, there can be no assurance that Digital can complete any acquisition it pursues on favourable terms, that any acquired businesses, products or technologies will achieve anticipated revenues and income, or that any acquisitions completed will ultimately benefit Digital's business. An acquisition could also result in a potentially dilutive issuance of equity securities. If a strategy of growth through acquisition is pursued, the failure of Digital to manage this strategy successfully could have a material adverse effect on Digital's business, results of operations and financial condition.

### *Insurance and Uninsured Risks*

Digital's business will be subject to a number of risks and hazards generally, including general liability. Such occurrences could result in damage to property, inventory, facilities, personal injury or death, damage to the properties, monetary losses, and possible legal liability. Although Digital maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, Digital's insurance will not cover all the potential risks associated with its operations. Digital may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Digital might also become subject to liability which may not be insured against, or which Digital may elect not to insure against, because of premium costs or other reasons. Losses from these events may cause Digital to incur significant costs that may have a material adverse effect upon its financial performance and results of operations.

### *Burdens of Regulation as a Public Company*

Digital must bear the costs associated with its status as a public company, which includes greater accounting, legal and regulatory costs than those that might be incurred by a private competitor. In addition, larger public companies that compete against Digital can more easily bear the costs associated with status as a public company.

### *Current Global Financial Conditions*

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by both sub-prime mortgages and the liquidity crisis affecting the asset-backed commercial paper market. These factors may impact the ability of Digital to obtain equity or debt financing in the future and, if obtained, on terms favourable to Digital. If these increased levels of volatility and market turmoil continue, Digital's operations could be adversely impacted, and the value and price of the Digital Shares and other securities may continue to be adversely affected.

### *Potential Litigation*

Digital may be threatened with or become involved in civil litigation in the ordinary course of its business and from time-to-time become involved in governmental audits or proceedings relating to the conduct of business. The timing of the final resolutions to these types of matters is often uncertain. Additionally, the possible outcomes or resolutions to these matters could include adverse judgments or settlements, either of which could require substantial payments, adversely affecting Digital's liquidity.

### *Brand Recognition*

As Digital continues to release new products one of the most significant challenges is to develop brand recognition, not only, for the new products but for the company itself. Failure to develop brand recognition can negatively influence projected distribution both domestically and internationally and may result in a reluctance of distributors to stock inventories.

### *Consumer's Acceptance of New Products*

In October 2012, Digital released the company's second product, the TOURAcademy® Home Edition comprehensive 8-week golf instruction program. Within the golf instructional market there are few products that are as comprehensive in nature as this program and as a result there are few comparable products to which it can be compared. Therefore, it is uncertain as to how receptive the consumer will be.

### *Addition of Complementary Product Lines*

As Digital seeks additional revenue streams through the sale of complementary products there is no guarantee that firstly, Digital will be able to source or produce products that are acceptable as complementary and/or that it will achieve sales of such products to existing or new customers in the quantum it hopes for.

### *Advertising and Marketing Strategies*

Although efforts are made to develop an efficient and comprehensive advertising and marketing strategy, utilizing all available mediums, those efforts may fail to be successful.

### *Technological Changes and Advancements*

As technological changes and advancements occur and especially as related to the internet and the way consumers access entertainment and information, Digital may have difficulty integrating these changes or



advancements within the company's products or strategies.

For additional risk factors related to Digital, see Digital's public filings available at [www.sedar.com](http://www.sedar.com).

## GENERAL PROXY RELATED INFORMATION

### Management Solicitation

This Circular is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting. This solicitation is made by the management of the Corporation. It is expected that the solicitation will primarily be by mail. Proxies may also be solicited personally or by telephone by regular employees of and by agents engaged by the Corporation at nominal cost. The cost of solicitation will be borne by the Corporation. Except as otherwise stated, the information contained herein is given as of April 19, 2013 (the "**Record Date**").

The form of proxy (the "**Proxy**") forwarded to Shareholders with the Notice of Meeting confers discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the Notice of Meeting or other matters which may properly come before the Meeting.

### Registered Shareholders – Voting by Proxy

The persons named in the enclosed form of proxy for the Meeting are officers of the Corporation.

A registered holder of Corporation Shares has the right to appoint some other person, who need not be a shareholder, to represent the Shareholder at the Meeting by striking out the names of the persons designated in the accompanying form of proxy and by inserting such other person's name in the blank space provided or by executing another proper form of proxy.

Completed forms of proxy must be received by Equity Financial Trust Company, the transfer agent of the Corporation, at 200 University Avenue, 4th Floor, Toronto, ON M5H 4H1 not later than 11:00 a.m. (Eastern time) on June 14, 2013 or may be accepted by the Chairman of the Meeting prior to the commencement of the Meeting.

The form of proxy affords the registered Shareholder an opportunity to specify that the shares registered in his or her name shall be voted for, against or withheld from voting in respect of the matters to come before the Meeting, as applicable.

On any ballot that may be called for, the shares represented by proxies in favour of management nominees will be voted for, against or withheld from voting in respect of the matters to come before the Meeting in accordance with the instructions given in such proxies.

In respect of proxies in which the Shareholders have not specified that the proxy nominees are required to vote for, against or withhold from voting in respect of the matters scheduled to come before the Meeting, the shares represented by the proxies in favour of management nominees will be voted **for** the matters described in the Notice of Meeting.

Management knows of no matters scheduled to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not now known to management should

properly come before the Meeting, the shares represented by proxies in favour of management nominees will be voted on such matters in accordance with the best judgment of the proxy nominees.

A proxy given by a registered Shareholder for use at the Meeting may be revoked at any time prior to its use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Any such instrument revoking a proxy must be deposited at the registered office of the Corporation, at 800 – 515 Legget Drive, Ottawa, Ontario, K2K 3G4 Attention: Shane McLean, corporate Secretary, any time up to and including the last business day preceding the day of the Meeting, or an adjournment thereof or be deposited with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. If the instrument of revocation is deposited with the Chairman on the day of the Meeting or any adjournment thereof, the instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### **Non-Registered Holders – Voting Instruction Form**

Only registered holders of Corporation Shares or the persons they appoint as their proxies are permitted to vote at the Meeting. Many Shareholders are Beneficial Shareholders (i.e. “non-registered” shareholders) because the shares they own are not registered in their names but are instead either (i) registered in the name of an intermediary (the “**Intermediary**”) that the Beneficial Shareholder deals with in respect of the Corporation Shares, such as, among others, brokerage firms, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the meeting materials to Intermediaries and clearing agencies for onward distribution to Beneficial Shareholders.

Intermediaries are required to forward the meeting materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the meeting materials to Beneficial Shareholders. If you are a Beneficial Shareholder, your name and address will appear on the voting instruction form sent to you by an Intermediary (bank, broker or trust company). A Beneficial Shareholder may vote or appoint a proxy by mail, phone, fax or on the Internet, as applicable, in accordance with the voting instruction form. Your Intermediary, as registered holder, will submit the vote or proxy appointment to the Corporation on your behalf. You must submit your voting instruction form in accordance with the instructions and within the time limits set by your Intermediary. If you or a person you designate plan to attend the meeting and vote you must appoint yourself or that person as proxy using the voting instruction form. Beneficial Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the voting instructions form is to be delivered.

A Beneficial Shareholder may revoke a form of proxy or voting instructions form given to an Intermediary by contacting the Intermediary through which the Beneficial Shareholder’s Corporation Shares are held and following the instructions of the Intermediary respecting the revocation of proxies. In order to ensure that an Intermediary acts upon a revocation of a proxy form or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

## **Notice and Access**

The Corporation is sending proxy-related materials to Beneficial Shareholders using Notice and Access. Notice and Access is a new set of rules for reducing the volume of materials that must be physically mailed to shareholders by posting the information circular and additional materials online. Beneficial Shareholders will still receive the Notice of Meeting, and may choose to receive a hard copy of the Circular and other materials. Details are included in the Notice of Meeting. This Circular, the Notice of Meeting, a form of proxy, the audited annual financial statements of the Corporation for the year ended December 31, 2012 and the MD&A relating to such financial statements are available on SEDAR at [www.sedar.com](http://www.sedar.com) and at [www.lwlaw.com/SAO](http://www.lwlaw.com/SAO). Shareholders are reminded to review these online materials when voting. Beneficial Shareholders may choose to receive paper copies of such materials by contacting the Corporation's transfer agent at the toll free number 1-866-393-4891.

Pursuant to the requirements of the *Canada Business Corporations Act*, registered shareholders of the Corporation will receive hard copies of this Circular, the Notice of Meeting, the form of proxy, the audited annual financial statements of the Corporation for the year ended December 31, 2012 and the MD&A relating to such financial statements.

The Corporation does not intend to pay for intermediaries to forward to objecting beneficial owners under NI 54-101 the proxy-related materials and Form 54-101F7 -- Request for Voting Instructions Made by Intermediary, and that in the case of an objecting beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

## **Authorized Capital, Voting Shares and Principal Holders Thereof**

The authorized capital of the Corporation consists of an unlimited number of Corporation Shares. The holders of Corporation Shares are entitled to one vote in respect of each Corporation Share held at all meetings of the Shareholders of the Corporation. No group of Shareholders has the right to elect a specified number of directors nor are there cumulative or similar voting rights attached to the Corporation Shares.

17,368,153 Corporation Shares were issued and outstanding on the Record Date. Holders of outstanding Corporation Shares of record at the close of business on the Record Date are entitled to vote at the Meeting.

To the knowledge of the directors and senior officers of the Corporation, no Person beneficially owns, directly or indirectly, or exercises control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation

On the Record Date, all directors and senior officers of the Corporation as a group owned beneficially, or exercised control or direction over, 4,750,000 Corporation Shares representing approximately 27% of the issued and outstanding Corporation Shares.

## **Interest of Certain Persons or Companies in Matters to be Acted Upon**

Other than as set forth in this Circular, no Person who has been a director or executive officer of the Corporation at any time since the beginning of the financial year ended December 31, 2012, and no proposed director of the Corporation, nor any Associate or "affiliate" (as defined in NI 51-102) of any such director, executive officer or proposed director has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Scott Dexter, a director of the Corporation, owns directly or indirectly 2,006,500 Digital Shares and 1,033,250 Digital Warrants (approximately 2.44% of the Digital Shares and approximately 3.71% of the Digital Warrants outstanding prior to the Transaction) and holds a \$100,000 unsecured convertible debenture issued by Digital.

Jason Sparaga, a director and officer of the Corporation, is proposed for election to the board of directors of Digital following the closing of the Transaction.

### **Interest of Informed Persons in Material Transactions**

Other than as set forth in this Circular, no director, executive officer, proposed director, any Person or Company beneficially owning, controlling or directing, directly or indirectly, voting securities of the Corporation carrying more than ten percent of the voting rights attached to all outstanding voting securities of the Corporation, any directors or executive officers of any such Company, or any Associate or "affiliate" (as defined in NI 51-102) of the foregoing Persons, have had a material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the financial year ended December 31, 2012, or in any proposed transaction, that has materially affected or would materially affect the Corporation.

Scott Dexter, a director of the Corporation, owns directly or indirectly 2,006,500 Digital Shares and 1,033,250 Digital Warrants (approximately 2.44% of the Digital Shares and approximately 3.71% of the Digital Warrants outstanding prior to the Transaction) and holds a \$100,000 unsecured convertible debenture issued by Digital.

Jason Sparaga, a director and officer of the Corporation, is proposed for election to the board of directors of Digital following the closing of the Transaction.

## **ANNUAL BUSINESS TO BE CONDUCTED AT THE MEETING**

### **Election of Directors**

Under the articles of incorporation of the Corporation, as amended, the number of directors of the Corporation can range from a minimum of one (1) to a maximum of ten (10). As of the Record Date, the Corporation's board of directors was comprised of five directors, namely Jason Sparaga, Stephen Headford, Jeff Rushton, Scott Dexter and Scott Broder.

At the Meeting, the shareholders will be asked to approve the re-election of Messrs Sparaga, Headford, Rushton, Dexter and Broder.

If elected, the term of office of each of Messrs. Sparaga, Headford, Rushton, Dexter and Broder will run from the date of the Meeting until the earlier of (i) close of the next annual meeting of the Shareholders, (ii) if the Transaction occurs, the date of dissolution of the Corporation, or (iii) until a successor is elected or appointed.

It is intended that on any ballot that may be called for relating to the election of directors, the shares represented by proxies in favour of management nominees will be voted in favour of the election of such persons as directors of Corporation, unless a Shareholder has specified in his or her proxy that his or her shares are to be withheld from voting in the election of directors.

The nominees for election to the board of directors will be elected if approved by a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting and entitled to vote thereon.

*Information Concerning Nominees as Directors*

The name, present position and office with the Corporation, present principal occupation or employment, period of service as a director and number of Common Shares of the Corporation held as of the Record Date by each of the individuals who are nominated for election as directors are as set out below.

<b>Name</b>	<b>Present Position and Offices with the Corporation</b>	<b>Present Principal Occupation or Employment</b>	<b>Director Since</b>	<b>Number of Common Shares of the Corporation Held<sup>(1)</sup></b>
Jason Sparaga	Director, President, CEO and CFO	President of Spara Capital Partners Inc.	March 10, 2011	1,000,000 <sup>(2)</sup>
Stephen Headford	Director	Private Investor	March 30, 2011	1,000,000
Scott Dexter	Director	Private Investor	May 17, 2011	1,000,000
Jeff Rushton	Director	President and Co-Chief Executive Officer of Media Resources International Inc.	March 30, 2011	500,000 <sup>(3)</sup>
Scott Broder	Director	Chief Executive Officer of CanAm LLC	March 30, 2011	1,000,000 <sup>(4)</sup>

- Notes: (1) Number of Common Shares of the Corporation known to the Corporation to be beneficially owned, directly or indirectly, or over which control or direction was exercised on the Record Date.  
(2) Held by Spara Merchant Capital Corp., a corporation controlled by Mr. Sparaga.  
(3) Held by Transition Support Management Inc., a corporation controlled by Mr. Rushton  
(4) Held by Can-Inland Fund LLC, a limited liability corporation of which Mr. Broder owns 50% of the voting securities.

**Appointment of Auditors**

At the Meeting, the Shareholders of the Corporation will be called upon to appoint the auditors to serve until the next annual meeting of the Shareholders of the Corporation and to authorize the board of directors to fix the remuneration of the auditors as appointed.

Management nominates MSCM LLP for re-appointment as auditor of the Corporation to hold office until the next annual meeting of Shareholders. It is intended that on any ballot that may be called relating to the appointment of auditors and the fixing of their remuneration by the directors, that the shares represented by proxies in favour of management nominees will be voted in favour of the reappointment of MSCM LLP and the fixing of their remuneration by the directors, unless a Shareholder has specified in his or her proxy that his or her shares are to be withheld from voting. MSCM LLP was first appointed as auditor of the Corporation in 2011.

The appointment of MSCM LLP as auditor of the Corporation will be authorized if it is approved by a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting and entitled to vote thereon.

## **Annual Approval of Stock Option Plan**

In accordance with Policy 4.4 of the Exchange, a corporation that has a rolling stock option plan must have its Shareholders re-approve the plan on an annual basis. The Corporation's Stock Option Plan authorizes the board of directors to issue stock options to directors, officers, employees and consultants of the Corporation. The Stock Option Plan is a rolling stock option plan in that it provides that the aggregate number of Common Shares issuable upon exercise of stock options granted thereunder may not exceed 10% of the total number of outstanding Common Shares of the Corporation at the time the stock options are granted.

At the Meeting, Shareholders will be asked to re-approve the Stock Option Plan to satisfy the requirements of the Exchange. In order to be effective, the Stock Option Plan Resolution must be passed by the affirmative vote of more than 50% of the votes cast at the Meeting with respect to this resolution.

## **SPECIAL BUSINESS TO BE CONDUCTED AT THE MEETING**

### **The Transaction**

#### *Background to the Proposed Transaction*

On March 13, 2012, the Corporation announced that it had entered into a letter of intent with STE (Clean Recycling and Energy) plc ("STE") related to a potential acquisition of STE as the Corporation's Qualifying Transaction. On September 19, 2012 the Corporation announced that it would not be proceeding with an offer for STE, having determined that applicable closing conditions could not be satisfied.

Following the failure of the proposed transaction with STE the Corporation continued a wide search for a viable private company target with attractive Qualifying Transaction characteristics. Having looked at a large number of potential targets, the Corporation has thus far been unable to identify a company that would likely be successful of raising adequate growth capital in a concurrent financing with the Qualifying Transaction and that had reasonable prospects for creating shareholder value.

Policy 2.4 requires capital pool companies to complete a Qualifying Transaction within two years of listing and the Exchange may suspend from trading or delist the Corporation Shares where the Exchange has not issued a Final Exchange Bulletin to the Corporation by such date. The two year anniversary of the Corporation's listing on the Exchange is November 12, 2013. If the Corporation's Shares are delisted by the Exchange, then within 90 days from the date of such delisting, the Corporation is required to wind up and liquidate its assets pursuant to the CBCA and make a pro rata distribution of its remaining assets to Shareholders, unless, within that 90 day period and pursuant to a TSXV Majority of the Minority Approval, Shareholders determine to deal with the remaining assets in some other manner.

In order to avoid delisting the Corporation is required to either complete a Qualifying Transaction by no later than November 12, 2013 or transfer its listing to NEX. See "*Special Business to be Conducted at the Meeting – Transfer to NEX Resolution*" for further information about the NEX.

In order to facilitate certain CPCs in their identification and completion of a Qualifying Transaction, subject to certain conditions the Exchange will permit a transaction between a CPC and an existing public company in connection with the completion of a Qualifying Transaction.

Through its efforts at finding a suitable target company to complete its Qualifying Transaction, the

Corporation identified Digital as a potential transaction partner. Following discussions and preliminary due diligence into Digital, on March 20, 2013 the Corporation and Digital entered into a non-binding letter of intent outlining the proposed terms of the Transactions. Following execution of the letter of intent the Corporation conducted additional due diligence into the business of Digital and on May 14, 2013 the Corporation and Digital entered into the Subscription Agreement.

#### *Overview of the Proposed Transaction*

The Corporation proposes to complete its Qualifying Transaction by (a) conducting the Private Placement, (b) subsequently distributing its assets (being the Digital Shares and Digital Warrants purchased by the Corporation in the Private Placement) pro rata to the Shareholders as a return of capital, (c) delisting the Corporation Shares from trading on the Exchange, and (d) completing the dissolution of the Corporation.

The Corporation estimates that it will have \$460,000 of Available Funds to subscribe for Digital Shares and Digital Warrants after anticipated costs related to the Transaction including the dissolution. If the Corporation's Available Funds are less than \$460,000 the number of Digital Shares and Digital Warrants will be adjusted to equal the Available Funds divided by \$0.05.

#### *The Private Placement*

The following is a summary of information relating to the Corporation, Digital and the Transaction and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular and in the public filings of the Corporation and Digital which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

##### *Overview*

The Corporation has entered into the Subscription Agreement with Digital that sets forth the terms and conditions of the Private Placement. In the Private Placement, the Corporation will subscribe for 9,200,000 Digital Shares and an equal number of Digital Warrants at \$0.05 per each unit comprised of a Digital Share and a Digital Warrant for aggregate gross proceeds to Digital of \$460,000. The Corporation intends to invest all of its Available Funds, currently estimated to be \$460,000 after anticipated costs related to the Transaction. If the Corporation's Available Funds are less than \$460,000 the number of Digital Shares and Digital Warrants will be adjusted to equal the Available Funds divided by \$0.05.

##### *Closing*

It is expected that the Private Placement (the sale and issuance of the Digital Shares and Digital Warrants to the Corporation) will take place as soon as practicable after the Meeting on a date determined by the Corporation and Digital and approved by the Exchange provided that such date is no later than June 30, 2013.

##### *Conditions to the closing of the Private Placement*

The completion of the Private Placement is subject to the satisfaction or waiver of the following conditions in favour of Digital:

1. the Corporation shall have duly completed, signed, and delivered to Digital a copy of the Subscription Agreement, together with all documents required by applicable securities legislation and the Exchange for delivery on the Corporation's behalf, including without limitation the

documents described in section 2.3 of the Subscription Agreement;

2. Digital shall have received all necessary regulatory approvals to the Private Placement including the approval of the Exchange;
3. the sale of the Digital Shares and Digital Warrants shall be exempt from prospectus and registration requirements under applicable securities legislation relating to the sale of the Digital Shares and Digital Warrants, or all applicable securities regulators have issued all orders, consents, or approvals required to permit the purchase and sale of the Digital Shares and Digital Warrants without Digital having to register or file a prospectus or deliver an offering memorandum to the Corporation;;
4. the Corporation's representations and warranties contained in the Subscription Agreement shall remain true and correct as at the closing date of the Private Placement, as evidenced by a bring down certificate delivered to Digital by the Corporation;
5. Digital and Digital's transfer agent shall have entered into a warrant indenture governing the terms of the Digital Warrants; and
6. Digital shall have received from the Corporation such other documents as it may reasonably request in respect of the transactions contemplated by the Subscription Agreement.

The completion of the Private Placement is subject to the satisfaction or waiver of the following conditions in favour of the Corporation:

1. Digital shall have received all necessary regulatory approvals to the Private Placement including the approval of the Exchange;
2. The Digital Shares shall be listed on the Exchange and, without limiting the foregoing, the Exchange shall have conditionally approved the listing of the Digital Shares being issued to the Corporation pursuant to the Private Placement and the Digital Shares to be issued on exercise of the Digital Warrants being issued to the Corporation pursuant to the Private Placement on conditions that are satisfactory to the Corporation acting reasonably;
3. The Corporation shall have obtained the approval to complete the Private Placement from (i) its shareholders at the Meeting as required pursuant to the policies of the Exchange; and (ii) the Exchange;
4. the sale of the Digital Shares and Digital Warrants shall be exempt from prospectus and registration requirements under applicable securities legislation relating to the sale of the Digital Shares and Digital Warrants, or all applicable securities regulators have issued all orders, consents, or approvals required to permit the purchase and sale of the Digital Shares and Digital Warrants without Digital having to register or file a prospectus or deliver an offering memorandum to the Corporation;
5. Digital's representations and warranties contained in the Subscription Agreement shall remain true and correct as at the closing date of the Private Placement, as evidenced by a bring down certificate delivered to the Corporation by Digital;
6. Jason Sparaga shall have been appointed to the board of directors of Digital, effective as of closing of the Private Placement and Digital shall have delivered an undertaking of Digital to the



Corporation and Jason Sparaga in which Digital undertakes that it will continue to nominate Mr. Sparaga for election to the board of directors of Digital for at least three years following the closing of the Private Placement, subject to the approval of the Exchange and any other applicable regulatory authority;

7. no material adverse change in the business, affairs, financial condition or operations of Digital shall have occurred between the date of its last audited financial statements that were publicly disclosed prior to the date of the Subscription Agreement and the closing date of the Private Placement, and the business of Digital shall have been carried on in the ordinary course of business since the date of such financial statements, all as confirmed by a certificate delivered by Digital to the Corporation as of the closing date of the Private Placement;
8. Digital and Digital's transfer agent shall have entered into a warrant indenture governing the terms of the Digital Warrants on terms reasonably acceptable to the Corporation; and
9. no action or proceeding shall be pending or threatened by any person, company, firm, governmental authority, securities commission, regulatory body or agency to enjoin or prohibit the Private Placement or suspend or stop trading of the common shares of Digital.

#### *Termination*

The Subscription Agreement may be terminated by either party under any of the following circumstances:

1. if the conditions precedent to such party's obligations under the Subscription Agreement are not satisfied or waived by such party on or prior to June 30, 2013 such party may terminate the Subscription Agreement on written notice to the other;
2. If notice is given to the other party of a breach of the Subscription Agreement by such other party and such breach remains uncured 10 days following such notice, the party not in breach may terminate the Subscription Agreement immediately on written notice to the other.

#### *Hold Period*

The Digital Shares and Digital Warrants issued by Digital to the Corporation, and subsequently distributed to Shareholders by the Corporation, will be subject to a 4 month hold period from the date of closing of the Private Placement.

#### *Use of Proceeds*

Digital will use the proceeds of the Private Placement to finance planned marketing and advertising initiatives and other general operating expenses.

#### *Return of Capital*

Upon completion of the Private Placement, the Corporation intends to distribute the Digital Shares and Digital Warrants held by it to the Shareholders on a pro-rata basis as a return of capital. The Shareholders at the record date to be determined by the Board will be eligible to receive the Digital Shares, in proportion to the number of Corporation Shares held by them on such record date.

Under the CBCA, the Corporation can reduce its stated capital for the purpose of distributing capital to its Shareholders. The Corporation proposes to reduce its stated capital by an amount equal to not less than

the value of the Digital Shares and Digital Warrants that are distributed to Shareholders. It is anticipated that the distribution of Digital Shares and Digital Warrants to Shareholders of record as of the record date determined by the Board (pro rata, based on the respective numbers of Corporation Shares held) will occur as soon as practicable following the Meeting. Shareholders will not be required to pay for any Digital Shares and Digital Warrants that they receive under the distribution nor will they be required to surrender or exchange Corporation Shares in order to receive the Digital Shares and Digital Warrants or to take any other action in connection with such distribution.

No fractional Digital Shares or Digital Warrants will be distributed in connection with the return of capital and no consideration will be paid in lieu thereof. Any fractional Digital Shares that persons would otherwise be entitled to receive will be rounded down to the nearest whole number. The balance of Digital Shares and Digital Warrants not distributed to Shareholders as a result of such rounding down, if any, will not be distributed and will be sold by the Corporation with proceeds used to pay the Corporation's expenses.

#### *Delisting and Voluntary Dissolution*

The Exchange requires that following the Private Placement and the distribution of the Digital Shares and Digital Warrants to Shareholders pursuant to the Return of Capital Resolution, the Corporation delist from the Exchange and dissolve.

Pursuant to subsection 210(3) of the CBCA, the Corporation may be dissolved upon the authorization of a special resolution passed at a meeting of the Shareholders duly called for that purpose.

If the Dissolution Resolution is passed by the requisite number of votes, the Corporation shall apply to be delisted from the Exchange and articles of dissolution shall be filed upon confirmation by the Corporation in accordance with subsection 210(3) of the CBCA, that it has: (a) distributed all of its property and (b) discharged all of its liabilities.

The Corporation's only asset to date is cash and, upon completion of the Private Placement, the Corporation's only assets will be the Digital Shares, the Digital Warrants and cash sufficient to discharge the Corporation's liabilities. The Corporation estimates that the existing and anticipated costs required to complete the Transaction up to and including the dissolution are approximately \$76,000. If the Corporation's Available Funds are less than \$460,000 the number of Digital Shares and Digital Warrants will be adjusted to equal the Available Funds divided by \$0.05.

When the Corporation has distributed all of its property and discharged all of its liabilities it will file articles of dissolution under the CBCA and apply to cease to be a reporting issuer in each jurisdiction of Canada in which it is currently a reporting issuer.

The Corporation intends to complete the dissolution as soon as practicable after receipt of shareholder approval of the resolutions approving the Transaction.

Under the provisions of the CBCA, despite any dissolution of the Corporation: (a) a civil, criminal or administrative action or proceeding commenced by or against the Corporation before its dissolution may be continued as if the Corporation had not been dissolved, (b) a civil, criminal or administrative action or proceeding may be brought against the Corporation within two years after its dissolution as if it had not been dissolved, (c) any property that would have been available to satisfy any judgment or order if the Corporation had not been dissolved remains available for such purpose. Each Shareholder to whom distributions are made in connection with the dissolution of the Corporation is liable for the payment to any person claiming under a civil, criminal or administrative action or proceeding brought in accordance

with the foregoing to the extent of the amount received by that Shareholder on such distribution, and an action to enforce such liability may be brought within two years after the date of dissolution of the Corporation.

As at the date hereof, the Corporation is not aware of any pending or threatened civil, criminal or administrative actions or proceedings commenced against or involving the Corporation or of any grounds upon which such an action or proceeding might reasonably be brought. In the event that any civil, criminal or administrative actions or proceedings arise prior to dissolution, the Corporation will take all reasonable steps to ensure that such actions or proceedings are dispensed with or completed prior to dissolution.

Upon dissolution, all Corporation Shares will cease to exist.

The Corporation currently has outstanding stock options and warrants exercisable for an aggregate of 2,400,000 Corporation Shares at a price of \$0.10 per share. All such convertible securities are "out-of-the-money" based on the subscription price for the Digital Shares. Prior to the dissolution, such securities will be terminated.

#### *Arm's Length Transaction*

The Transaction is not a Non-Arm's Length Qualifying Transaction.

#### *Interests of Insiders*

Insiders, Promoters and Control Persons of the Corporation and their Associates and Affiliates will be treated in the same manner as all other Shareholders in connection with the Transaction. The following table summarizes the share holdings of the Insiders, Promoters and Control Persons of the Corporation before and after giving effect to the Transaction.

<b>Insiders, Promoters or Control Person</b>	<b>Number of Corporation Shares held prior to giving effect to the Transaction</b>	<b>Number of Digital Shares and Digital Warrants held before giving effect to the Transaction</b>	<b>Anticipated number of Digital Shares and Digital Warrants after giving effect to the Transaction<sup>(4)</sup></b>
Jason Sparaga	1,000,000 <sup>(1)</sup>	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Stephen J Headford	1,000,000	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Scott Dexter <sup>(5)</sup>	1,000,000	2,006,500 common shares and 1,033,250 warrants	2,536,205 Digital Shares and 1,562,955 Digital Warrants
Jeffrey Rushton	500,000 <sup>(2)</sup>	Nil	264,853 Digital Shares and 264,853 Digital Warrants
Scott Broder	1,000,000 <sup>(3)</sup>	Nil	529,705 Digital Shares and 529,705 Digital Warrants
Shane McLean	250,000	Nil	132,426 Digital Shares and 132,426 Digital Warrants

- Notes:
- (1) Held by Spara Merchant Capital Corp., a corporation controlled by Mr. Sparaga.
  - (2) Held by Transition Support Management Inc., a corporation controlled by Mr. Rushton
  - (3) Held by Can-Inland Fund LLC, a limited liability corporation of which Mr. Broder owns 50% of the voting securities.
  - (4) Assumes that the Corporation invests \$460,000 and receives an aggregate of 9,200,000 Digital Shares and 9,200,000 Digital Warrants.
  - (5) Mr. Dexter also holds a \$100,000 unsecured convertible debenture issued by Digital. For details of the terms of such debenture see "*Information Concerning Digital – Description of Securities of Digital*"

### *Canadian Securities Law Matters*

MI 61-101 is intended to regulate certain transactions to ensure the protection and fair treatment of minority securityholders. The Transaction is a "business combination" under MI 61-101 and, as such, MI 61-101 imposes certain requirements on the Corporation in respect of the Transaction.

MI 61-101 requires that, unless exempted, the resolutions approving the Transaction must receive Majority of the Minority Shareholder Approval at the Meeting. In determining minority approval for a business combination, the votes attached to affected securities that, to the knowledge of the Corporation or any Interested Party or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by (a) the Corporation, (b) an Interested Party, (e) a related party of an Interested Party (as such term is defined in MI 61-10 I), unless the related party meets that description solely in its capacity as a director or senior officer of one or more persons that are neither interested parties nor issuer insiders of the Corporation, or (d) a joint actor with a person referred to in (b) or (e) in respect of the Transaction.

To the knowledge of the Corporation, any Interested Party or their respective directors or senior officers, the only votes that are required to be excluded pursuant to MI 61-101 are the votes cast in respect of the 1,000,000 Corporation Shares held by Spara Merchant Capital Corp., a corporation controlled by Jason Sparaga, a director and officer of the Corporation. Mr. Sparaga is deemed to be an "Interested Party" and votes controlled directly or indirectly by Mr. Sparaga must be excluded pursuant to MI 61-101 because as a condition to the Transactions Mr. Sparaga will become a director of Digital on closing of the Transactions.

MI 61-101 provides that, unless exempted, an issuer proposing to carry out a "business combination" is required to engage an independent valuator to prepare a formal valuation of the affected securities and to provide to the holders of the affected securities a summary of such valuation. In connection with the Transaction, an exemption from this valuation requirement is available pursuant to MI 61-101, because none of the securities of the Corporation are listed or quoted on any of the specific exchanges or markets listed in MI 61-101.

MI 61-101 requires the Corporation to disclose any prior valuations of the Corporation and Digital, respectively, or their securities or material assets made in the 24 months preceding the date of this Circular, whether or not prepared by an independent valuator, that, if disclosed, would reasonably be expected to affect the decision of a Shareholder to vote for or against the resolutions approving the Transaction, or to retain or dispose of his, her or its Corporation Shares. After reasonable inquiry, none of the Corporation nor any director or any senior officer of the Corporation has knowledge of any such prior valuation.

### *TSXV Majority of the Minority Approval*

Pursuant to Policy 2.4, in order for the Private Placement Resolution to be passed, a TSXV Majority of the Minority Approval is required. Accordingly, such resolutions must be approved by the majority of the votes cast by Shareholders, other than a Shareholder who is (a) a Non-Arm's Length Party to the Corporation, or (b) a Non-Arm's Length Party to the Transaction. The following table contains a list of Shareholders whose votes will not be considered for the purpose of approving the Private Placement Resolution and the Transfer to NEX Resolution, the respective number of Corporation Shares held by each such Shareholder, and the respective relationship of the Shareholder to the Corporation or the Transaction:

Name	Number of Corporation Shares owned or over which control is exercised	Percentage of outstanding Corporation Shares	Relationship to the Corporation or the Transaction
Jason Sparaga	1,000,000 <sup>(1)</sup>	5.8%	Director and Officer of the Corporation
Stephen J Headford	1,000,000	5.8%	Director of the Corporation
Scott Dexter	1,000,000	5.8%	Director of the Corporation
Jeffrey Rushton	500,000 <sup>(2)</sup>	2.9%	Director of the Corporation
Scott Broder	1,000,000 <sup>(3)</sup>	5.8%	Director of the Corporation
Shane McLean	250,000	1.4%	Officer of the Corporation

- Notes:
- (1) Held by Spara Merchant Capital Corp., a corporation controlled by Mr. Sparaga.
  - (2) Held by Transition Support Management Inc., a corporation controlled by Mr. Rushton
  - (3) Held by Can-Inland Fund LLC, a limited liability corporation of which Mr. Broder owns 50% of the voting securities.

### *Certain Canadian Federal Income Tax Considerations*

The following summary describes the principal Canadian federal income tax considerations generally applicable to Shareholders who receive Digital Shares and Digital Warrants in connection with the completion of the Transaction and/or who are Shareholders at the time the Corporation is dissolved and who, for the purposes of the Tax Act, are resident in Canada, deal at arm's length with the Corporation and hold their Corporation Shares as capital property.

This summary is based on the current provisions of the Tax Act and an understanding of the current published administrative practices and assessing policies of the CRA.

#### *Distribution of Digital Shares and Digital Warrants*

Shareholders who receive Digital Shares and Digital Warrants pursuant to the Return of Capital Resolution should generally be considered to have received a dividend only to the extent (if any) that the fair market value of the Digital Shares and Digital Warrants so received exceeds the amount of the stated capital reduction in respect of the Shareholder's Corporation Shares. The Corporation does not expect that the distribution of the Digital Shares and Digital Warrants will result in a Shareholder being deemed to receive a dividend.

Based on the CRA's administrative policy, Shareholders will be considered to have acquired the Digital Shares and Digital Warrants at a cost equal to their fair market value.

Should a Shareholder be deemed to receive a dividend, he or she must include the amount of the dividend into income. The dividend gross-up and tax credit treatment normally applicable to ordinary dividends paid by taxable Canadian corporations will apply.

The aggregate fair market value of the Digital Shares and Digital Warrants received by a Shareholder (less any amount deemed to be a dividend as described above) will be deducted from the Shareholder's adjusted cost base (and paid-up capital) of his or her Corporation Shares. To the extent that the reduction exceeds the adjusted cost base of a Shareholder's Corporation Shares as otherwise determined, the holder will be deemed to have realized a capital gain equal to such excess and the adjusted cost base of the Shareholder's Corporation Shares will be nil.

#### *Dissolution of the Corporation*

In connection with the dissolution of the Corporation, Shareholders will receive the remaining assets of

the Corporation prior to the formal dissolution of the Corporation. Shareholders will generally be considered to have received a dividend in connection with the distributions of property by the Corporation on its winding up and dissolution only to the extent (if any) that the fair market value of such property so received exceeds the paid-up capital in respect of the Shareholder's Corporation Shares. The Corporation does not expect that any property other than the Digital Shares and Digital Warrants will be distributed among the Shareholders in the course of the dissolution.

The aggregate fair market value of the property received from the Corporation, net of any deemed dividend arising from such distribution, will be deducted from the Shareholder's adjusted cost base in his or her Corporation Shares. To the extent that the fair market value of the property distributed from time to time exceeds the adjusted cost base of the Shareholder's Corporation Shares then remaining, such shareholder shall be deemed to have realized a capital gain equal to such excess.

Shareholders will be deemed to have disposed of their Corporation Shares in connection with the formal dissolution of the Corporation. On the dissolution of the Corporation, the Shareholder will realize a capital loss to the extent of such Shareholder's adjusted cost base in the Corporation Shares at such time.

#### *Taxation of Capital Gains and Losses*

Only one-half of the capital gain realized by a Shareholder in connection with any distribution, including the Return of Capital Resolution, will be included in the Shareholder's income for the year of such distribution as a taxable capital gain. One-half of any capital loss that may be realized by a Shareholder in connection with the dissolution of the Corporation may be used to offset taxable capital gains realized by the Shareholder in the year of dissolution and any excess may be deducted against taxable capital gains, in the three preceding taxation years or in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act.

A capital gain realized by a Shareholder who is an individual may give rise to a liability for alternative minimum tax. A holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including interest and taxable capital gains.

No advance income tax ruling has been sought or obtained from CRA to confirm the tax consequences of the distribution of Digital Shares and Digital Warrants to Shareholders.

#### *Non-Resident Shareholder Tax Considerations*

A Shareholder that is not resident in Canada for the purposes of the Tax Act will not be subject to tax under the Tax Act in respect of any capital gain realized unless the Corporation Shares constitute "taxable Canadian property" of such Shareholder and the Shareholder is not entitled to relief under an applicable tax treaty or convention. Corporation Shares will generally not constitute "taxable Canadian property" of such Shareholder unless at any time in the preceding 60 months both of the following statements were true: (a) the Shareholder, together with persons with whom the Shareholder does not deal at arm's length, hold or have held at any time in the preceding 60 months, shares and/or rights to acquire shares representing 25% or more of the issued shares of any class of the capital stock of the Corporation; and (b) more than 50% of the fair market value of the Corporation Shares was derived directly or indirectly from one or any combination of (i) real or immovable property situated in Canada, (ii) Canadian resource properties, (iii) timber resource properties, and (iv) options in respect of, or interests in, or for civil law rights in, property described in any of (i) to (iii).

Shareholders whose Corporation Shares constitute "taxable Canadian property" should consult their own

tax advisors for advice having regard to their particular circumstances.

Dividends paid, credited or deemed to have been paid or credited on Corporation Shares held by a Shareholder that is not resident in Canada for the purposes of the Tax Act will be subject to a Canadian withholding tax under the Tax Act at a rate of 25% of the gross amount of the dividends, subject to the reduction of such rate under an applicable income tax treaty.

The Corporation has not sought advice from legal counsel in other jurisdictions with respect to the return of capital for Shareholders that are not resident in Canada for the purposes of the Tax Act, therefore any such Shareholders should consult their own legal and accounting professionals for advice as to the impact of local laws upon the proposed return of capital.

#### *Exchange Approval*

The Exchange has conditionally accepted the Transaction subject to the Corporation and Digital fulfilling all of the requirements of the Exchange on or before July 30, 2013.

#### *Approvals and Recommendations*

The Board has reviewed the terms of the Transaction and authorized the delivery of the Subscription Agreement as well as the mailing of this Circular to Shareholders. The Board has unanimously determined that the Transaction is in the best interests of the Corporation and its Shareholders.

The Transaction will not proceed unless the Private Placement Resolution, Return of Capital Resolution and Dissolution Resolution are all passed at the Meeting.

#### *Approval of the Private Placement*

At the Meeting Shareholders will be asked to approve the Private Placement by passing the Private Placement Resolution (the text of which is set out at Appendix C hereto).

The Board unanimously recommends that Shareholders approve the Private Placement Resolution at the Meeting. Unless otherwise directed in a Proxy, it is the intention of the Nominees to vote proxies in favour of the Private Placement Resolution.

Pursuant to Policy 2.4, in order for the Private Placement Resolution to be passed, a TSXV Majority of the Minority Approval (as such term is defined in Policy 2.4) is required. Accordingly, the Private Placement Resolution must be approved by the majority of the votes cast by Shareholders, other than those Shareholders to be excluded as described above under “*Special Business to be Conducted at the Meeting – The Transaction – TSXV Majority of the Minority Approval*”.

#### *Approval of the Reduction of Stated Capital and Return of Capital*

At the Meeting Shareholders will be asked to approve the Return of Capital Resolution (the text of which is set out at Appendix D hereto).

The Board unanimously recommends that Shareholders approve the Return of Capital Resolution at the Meeting. Unless otherwise directed in a Proxy, it is the intention of the Nominees to vote proxies in favour of the Return of Capital Resolution.

In order to pass the Return of Capital Resolution, at least two-thirds of the votes east at the Meeting must

be voted in favour of the Return of Capital Resolution. If the Return of Capital Resolution does not receive the requisite shareholder approval, no reduction of stated capital or return of capital will occur.

Notwithstanding approval by Shareholders of the Return of Capital Resolution, in the event the Private Placement is not approved or does not close the Board may determine not to proceed with the reduction of its stated capital or the distribution of the Digital Shares and Digital Warrants.

#### *Approval of the De-Listing and Dissolution of the Corporation*

At the Meeting Shareholders will be asked to approve the Dissolution Resolution (the text of which is set out at Appendix E hereto) in order to approve the delisting and dissolution of the Corporation.

The Board unanimously recommends that Shareholders approve the Dissolution Resolution at the Meeting. Unless otherwise directed in a Proxy, it is the intention of the Nominees to vote proxies in favour of the Dissolution Resolution.

In order to pass the Dissolution Resolution, at least two-thirds of the votes cast at the Meeting must be voted in favour of the Dissolution Resolution. If the Dissolution Resolution does not receive the requisite shareholder approval, no dissolution will occur.

#### **Transfer to NEX Resolution**

The Corporation is a CPC under the policies of the Exchange. The Corporation intends that the Transaction will constitute the Corporation's Qualifying Transaction. Pursuant to the policies of the Exchange the Corporation must complete its Qualifying Transaction by November 12, 2013. If the Corporation does not complete a Qualifying Transaction by such date, the Corporation Shares may be delisted from the Exchange and the Corporation will be required to be wound up and to liquidate its assets. However, as an alternative to liquidation the Corporation may apply for listing on NEX.

Under the policies of the Exchange, the Corporation is required to obtain majority shareholder approval for the transfer to NEX exclusive of votes of Non Arm's Length Parties of the Corporation. See "*Special Business to be Conducted at the Meeting – The Transaction – TSXV Majority of the Minority Approval*".

In addition, pursuant to the policies of the Exchange, the Corporation must either:

- (i) cancel all seed shares purchased by Non-Arm's Length Parties to the Corporation at less than the Corporation's initial public offering price of \$0.10; or
- (ii) subject to shareholder approval as described above, cancel an amount of seed shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining seed shares is at least equal to the Corporation's initial public offering price of \$0.10.

Prior to completing its initial public offering the Corporation issued 10,000,000 Corporation Shares, as seed shares at a price of \$0.05 per share for gross proceeds of \$500,000. Reducing the average cost of the seed shares to \$0.10 would require cancellation of 5,000,000 Corporation Shares.

NEX is a distinct trading board of the Exchange designed for listed issuers which were previously listed on the Toronto Stock Exchange or the Exchange that have been unable to meet the ongoing financial listing standards of those markets. NEX provides a trading forum for publicly listed companies while they seek and undertake transactions. A CPC, such as the Corporation, that transfers to NEX must continue to



comply with all of the requirements and restrictions of the Exchange's Policy 2.4 relating to capital pool companies.

Since the Corporation does not anticipate holding another meeting of its Shareholders between the date of the Meeting and November 12, 2013, Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution permitting the Corporation to apply for listing on NEX if it does not complete a qualifying transaction by the required deadline, or such later date as may be agreed to by the Exchange. In the event the Transaction closes, this special resolution will never be acted on by the Corporation.

At the Meeting, the Shareholders will be asked to pass the Transfer to NEX Resolution (the text of which is set out in Appendix F)

The Board unanimously recommends that Shareholders approve the Transfer to NEX Resolution at the Meeting. Unless otherwise directed in a Proxy, it is the intention of the Nominees to vote proxies in favour of the Transfer to NEX Resolution.

In order for the Transfer to NEX Resolution to be carried, it must be passed by a simple majority of Shareholders, other than Non Arm's Length Parties to the Corporation.

The Corporation will only take the steps permitted by the Transfer to NEX Resolution if a qualifying transaction does not occur for any reason whatsoever, prior such the date as the Exchange may permit if such steps are required by the Exchange.

## **INFORMATION CONCERNING THE CORPORATION**

### **Corporate Structure**

The Corporation was incorporated pursuant to the CBCA on March 10, 2011. The head office of the Corporation is located at 1315 North Service Road East, Suite 300, Oakville, Ontario L6H 1A7, and the registered office is located at 515 Legget Drive, Suite 800, Ottawa, Ontario, K2K 3G4.

The share capital of the Issuer consists of an unlimited number of Common Shares. As of the date hereof, 17,368,153 Common Shares are issued and outstanding.

The Issuer has no Subsidiaries.

The Issuer is a CPC pursuant to the CPC Policy, and since its incorporation it has not carried on any business or operations other than the identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction. The Issuer completed the IPO as a CPC on November 1, 2011 and the Common Shares began trading on the Exchange on November 9, 2011 under the symbol "SAO.P".

On November 6, 2012 the Corporation completed a private placement of 368,153 Corporation Shares at \$0.10 per share for gross proceeds of \$36,815.30.

### **Financial Information**

The following information is taken from and should be read in conjunction with the Corporation's audited financial statements for the fiscal years ended December 31, 2012 and 2011 and related notes thereto which are filed at [www.SEDAR.com](http://www.SEDAR.com) and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements which are also filed at

[www.SEDAR.com](http://www.SEDAR.com). Such financial statements and Management's Discussion and Analysis of Financial Condition and Result of Operations are incorporated herein by reference.

Item	Financial Year Ended December 31, 2012 (audited)	Financial Year Ended December 31, 2011 (audited)
Total expenses	\$483,365	\$180,963
Amounts deferred in connection with the Transactions	Nil	Nil

### Description of Securities of the Corporation

The Corporation is authorized to issue an unlimited number of Corporation Shares of which 17,368,153 Corporation Shares are issued and outstanding as fully paid and non-assessable as at the date hereof. In addition, 1,700,000 Corporation Shares are reserved for issuance upon exercise of the incentive stock options and 700,000 Corporation Shares are reserved for issuance upon exercise of agent options issued in connection with the Corporation's initial public offering.

The holders of the Corporation Shares are entitled to dividends, if, as and when declared by the Board, to receive notice of and attend all meetings of shareholders of the Corporation, to one vote per share at such meetings and, upon liquidation, to rateably receive such assets of the Corporation as are distributable to the holders of the Corporation Shares.

The Corporation has granted the following options pursuant to the Stock Option Plan prior to the date of this Circular:

Name of Optionee	Number of Shares Under Option	Exercise Price per Share	Date of Grant	Expiry Date
Jason Sparaga	500,000	\$0.10	August 19, 2011	August 19, 2021
Jeff Rushton	125,000	\$0.10	August 19, 2011	August 19, 2021
Scott Broder	125,000	\$0.10	August 19, 2011	August 19, 2021
Scott Dexter	125,000	\$0.10	August 19, 2011	August 19, 2021
Stephen Headford	125,000	\$0.10	August 19, 2011	August 19, 2021
Jason Sparaga	350,000	\$0.10	November 1, 2011	November 1, 2021
Jeff Rushton	87,500	\$0.10	November 1, 2011	November 1, 2021
Scott Broder	87,500	\$0.10	November 1, 2011	November 1, 2021
Scott Dexter	87,500	\$0.10	November 1, 2011	November 1, 2021
Stephen Headford	87,500	\$0.10	November 1, 2011	November 1, 2021
<b>Total</b>	<b>1,700,000</b>			

The Corporation has adopted the Stock Option Plan for the benefit of its employees, directors, officers and consultants. The Stock Option Plan was established to provide additional incentives to attract, retain and motivate directors, officers, employees and consultants.

The Stock Option Plan is a "rolling" option plan and options to purchase up to 10% of the issued and outstanding Common Shares have been authorized under the Stock Option Plan. In addition, the following restrictions apply to the Stock Option Plan: (i) no individual may be granted options to purchase Common Shares representing more than 5% of the Corporation's issued and outstanding Common Shares in any 12 month period, unless the Corporation has obtained disinterested shareholder approval; (ii) no consultant may be granted options to purchase Common Shares representing more than 2% of the Corporation's issued and outstanding Common Shares in any 12 month period; (iii) all persons conducting investor relations activities may not be granted, in the aggregate, options to purchase Common Shares representing more than 2% of the Corporation's issued and outstanding Common Shares in any 12

month period; and (iv) options granted to consultants performing investor relations activities must vest in stages over 12 months with no more than one quarter of the options vesting in any three (3) month period.

Options granted under the Stock Option Plan are non-transferable and generally vest over a three (3) year period and may be exercised in whole or in part at any time as follows: one third (1/3) on or after each of the first, second and third anniversary of the grant date (so that 100% of the options shall have vested on the third anniversary of the date of the grant). Options are exercisable for a period of up to ten (10) years from the date of the grant; provided that, should the expiry date of any vested option fall on, or within ten (10) Business Days immediately following, a date upon which the participant is prohibited from exercising such option due to a black-out period or other trading restriction, then the expiry date of such option shall instead be ten (10) Business Days following the date the relevant black-out period or other trading restriction is lifted, terminated or removed.

Notwithstanding the vesting periods set forth above or in a stock option agreement, in the event of a change in control of the Corporation, the Board may, in its sole discretion, deal with the options granted under the plan in the manner it deems fair and reasonable in light of the circumstances of the transaction.

All Corporation Shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

If a participant under the Stock Option Plan dies or becomes disabled while engaged with the Corporation or retires from engagement with the Corporation or is terminated without cause, the right of that participant (or of that participant's legal representative) to participate in the Stock Option Plan terminates as of the date of death, disability, retirement or termination, as may be applicable, but any vested options may be exercised within 30 days of that event (180 days in the event of death) (unless such options terminate earlier pursuant to their terms) and any unvested options terminate immediately on the date of that event. If a participant under the Stock Option Plan is terminated by the Corporation for cause, all options terminate immediately on the date of that termination.

The Stock Option Plan is administered by the Board, which has authority and discretion, subject to the express provisions of the Stock Option Plan, to interpret the Stock Option Plan, to amend the Stock Option Plan and to make all other determinations deemed necessary or advisable for the administration of the Stock Option Plan. The Board shall have the right, in its sole discretion, to amend, suspend or terminate the Stock Option Plan or any portion thereof at any time, in accordance with applicable legislation, without obtaining the approval of shareholders; provided that any amendment to any provision of the Stock Option Plan will be subject to any required regulatory approval, stock exchange rules and the provisions of applicable law, if any, that require the approval of shareholders.

In partial consideration for its services in connection with the Corporation's initial public offering, Fin-Xo Securities Inc. was granted a non-transferable option to purchase 700,000 Corporation Shares at a price of \$0.10 per Corporation Share, exercisable for a period of 24 months from the date of listing the Corporation Shares on the Exchange.

All options granted pursuant to the Stock Option Plan and the options granted to Fin-XO Securities Inc. are "out-of-the-money" relative to the value of the Corporation Shares on the Exchange and the value associated with the Digital Shares and Digital Warrants in the Private Placement. As such, all options shall be terminated prior to the dissolution of the Corporation.

## Prior Sales

Since the date of incorporation of the Corporation, 17,368,153 Corporation Shares have been issued as follows:

Date	Number of Common Shares	Aggregate Issue Price before share issuance costs	Issue Price per Common Share	Nature of Consideration Received
March 10, 2011	1,000,000	\$50,000	\$0.05	Cash
April 29, 2011	9,000,000	\$450,000	\$0.05	Cash
November 1, 2011	7,000,000	\$700,000	\$0.10	Cash
November 6, 2012	368,153	\$36,815.30	\$0.10	Cash
<b>Total</b>	<b>17,368,153</b>	<b>\$1,236,815.30</b>		

## Stock Exchange Price

The Corporation Shares were first listed for trading on the Exchange on November 9, 2011. The closing market price of the Corporation Shares on February 13, 2013, the last day on which there was a trade of Corporation Shares on the Exchange prior to the announcement of the proposed Transactions was \$0.05.

The following table sets forth the price ranges and trading volume of the Common Shares on the Exchange on a monthly basis for each month or, if applicable, part month, of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding two quarters:

Period	High Trading Price (\$)	Low Trading Price (\$)	Volume (#)
May 1, 2013 to May 13, 2013	0.045	0.045	43,000
April 2013	N/A	N/A	Nil
March 2013	0.06	0.06	1,000
February 2013	0.05	0.01	82,000
January 2013	0.06	0.05	35,000
Quarter ended December 31, 2012	0.08	0.05	174,000
Quarter ended September 30, 2012	N/A	N/A	Nil
Quarter ended June 30, 2012	N/A	N/A	Nil
Quarter ended March 31, 2012	0.10	0.10	5,000
Quarter ended December 31, 2011	0.125	0.11	180,000

## Legal Proceedings

The Corporation is not party to any legal proceedings and no such proceedings are known to the Corporation to be contemplated.

## Auditors, Transfer Agent and Registrar

The auditors of the Corporation are MSCM LLP at its Toronto office located at 701 Evans Avenue, 8th Floor, Toronto, Ontario M9C 1A3, Canada.

Equity Financial Trust Company, at its Toronto Office located at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, is the transfer agent and registrar for the Corporation Shares.

## Material Contracts

The Corporation is not party to any material contracts and is not expected to enter into any material contracts prior to closing of the Transaction, other than:

- (a) the transfer agent, registrar and disbursing agent agreement dated August 22, 2011 between the Corporation and the transfer agent and registrar of the Corporation;
- (b) the Escrow Agreement; and
- (c) the Subscription Agreement.

Copies of these agreements will be available for inspection without charge at the offices of LaBarge Weinstein LLP, at 800 – 515 Legget Drive, Ottawa, Ontario, K2K 3G4 until the date of closing of the Transactions and a period of 30 days thereafter, as well as on SEDAR at [www.sedar.com](http://www.sedar.com).

## Statement of Executive Compensation

### *Compensation Discussion and Analysis*

This compensation discussion and analysis describes and explains the Corporation’s policies and practices with respect to the compensation of Jason Sparaga, its President, Chief Executive Officer and Chief Financial Officer.

As a Capital Pool Company pursuant to the policies of the Exchange, the Corporation did not provide any cash or incentive compensation to Mr. Sparaga during the fiscal year ended December 31, 2012.

### *Summary Compensation Table*

The following table sets forth all compensation earned by Mr. Sparaga during the Corporation’s two most recently completed financial years:

Name and Principal Position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jason Sparaga President, CEO, CFO and Director	2012	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2011	NIL	NIL	63,010	NIL	NIL	NIL	NIL	63,010

Notes: (1) Based on the grant date fair value calculated using the Black Scholes model. The Corporation chose the Black Scholes model because it is a commonly used and accepted method of calculating grant date fair value. The assumptions underlying the model included: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.92% and expected option life of 3 years.

### *Incentive Plan Awards*

The following table sets out all of the share based-awards and option-based awards that had been granted and were outstanding to Mr. Sparaga as at December 31, 2012.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jason Sparaga	500,000	\$0.10	Aug 19/21	Nil	NIL	NIL	NIL
Sparaga	350,000	\$0.10	Nov 1/21				

Notes: (1) Calculated based on the difference between \$0.05, being the market value of the shares underlying the options at the end of the financial year ended December 31, 2012, and the exercise price of such option.

The following table sets out the value of incentives earned by Jason Sparaga or vested in his favour during the financial year ended December 31, 2012.

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jason Sparaga	NIL	NIL	NIL

Notes: (1) The aggregate dollar value that would have been realized if the options had been exercised on the vesting date. Calculated based on the difference between the market value of the shares underlying the options on the vesting date and the exercise price of such option.

#### *Termination and change of Control Benefits*

There is no employment contracts between Mr. Sparaga and the Corporation nor is there any compensatory plan, contract or arrangement where Mr. Sparaga is entitled to receive any compensation from the Corporation in the event of the event of (i) the resignation, retirement or any other termination of employment of Mr. Sparaga, (ii) a change of control of the Corporation, or (iii) changes in responsibilities of Mr. Sparaga following a change of control of the Corporation.

#### *Compensation of Directors*

Directors of the Corporation were not compensated for services during the financial year ended December 31, 2012.

The following table sets out all of the share based-awards and option-based awards that had been granted and were outstanding to directors of the Corporation, other than Mr. Sparaga, as at December 31, 2012.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Stephen Headford	125,000	\$0.10	Aug 19/21	Nil	NIL	NIL	NIL
	87,500	\$0.10	Nov 2/21				
Jeff Rushton	125,000	\$0.10	Aug 19/21	Nil	NIL	NIL	NIL
	87,500	\$0.10	Nov 2/21				

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Scott Dexter	125,000 87,500	\$0.10 \$0.10	Aug 19/21 Nov 2/21	Nil	NIL	NIL	NIL
Scott Broder	125,000 87,500	\$0.10 \$0.10	Aug 19/21 Nov 2/21	Nil	NIL	NIL	NIL

Notes: (1) Calculated based on the difference between \$0.05, being the market value of the shares underlying the options at the end of the financial year ended December 31, 2012, and the exercise price of such option.

The following table sets out the value of incentives earned by directors, other than Jason Sparaga, or vested in their favour during the financial year ended December 31, 2012.

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Stephen Headford	NIL	NIL	NIL
Jeff Rushton	NIL	NIL	NIL
Scott Dexter	NIL	NIL	NIL
Scott Broder	NIL	NIL	NIL

Notes: (1) The aggregate dollar value that would have been realized if the options had been exercised on the vesting date. Calculated based on the difference between the market value of the shares underlying the options on the vesting date and the exercise price of such option.

### Equity Compensation Plan Information

The following table sets out certain information relating to outstanding options granted pursuant to the Stock Option Plan as of December 31, 2012:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Option Plan	1,700,000	\$0.10	Nil

### Executive and Audit Committees

The Corporation is not required to have and does not have an executive committee of the board of directors.

The Corporation has an audit committee of the board of directors comprised of Messrs. Sparaga, Headford and Broder. The Corporation considers each member of its audit committee to be financially literate based on the following education and experience:

- Jason Sparaga –Mr. Sparaga is the President of Spara Capital Partners Inc., a provider of customized investment and merchant banking solutions to owners of private businesses in matters relating to liquidity, growth or transition, which Mr. Sparaga founded in 2001. He is the founder and former Managing Director of TL Corporate Finance Inc. and has held positions with PriceWaterhouseCoopers LLP and BDO Dunwoody LLP. Mr. Sparaga holds a Bachelor of Business Administration, with Honours, from Brock University and is a Chartered Accountant and a member of the Canadian Institute of Chartered Accountants.
- Stephen Headford – Between 2005 and 2010 Mr. Headford worked as Vice President Business Development for Equity Transfer & Trust which is now known as Equity Financial Trust Company and is the wholly-owned subsidiary of the publicly traded Equity Financial Holdings Inc. Mr. Headford is now a private investor. Mr. Headford has extensive experience in the public market sector and has been a founder and seed financier of three (3) CPC's all of which have completed Qualifying Transactions. Mr. Headford holds a Bachelor of Arts degree from the University of Western Ontario and a law degree from the University of Toronto.
- Scott Broder – Since 2006 Mr. Broder has been the Chief Executive Officer of CanAm LLC, a web 2.0 company that owns and operates several ecommerce and social media sites in the sports, health and wellness sector. From 2003 to 2006 Mr. Broder was Chief Executive Officer of Opalis Inc. a software innovation leader in automation for cloud computing and virtualization. Prior to Opalis Inc., Mr. Broder was part of the management team at Citrix Systems, Inc., a publicly traded company on the NASDAQ, where he held several director level positions. Mr. Broder holds a Bachelor of Arts degree from University of Miami and has completed the Stanford Executive Program at Stanford University.

A copy of the Audit Committee's charter is attached as Appendix A. The Corporation, as an Exchange listed issuer, is relying on the exemption in Section 6.1 of National Instrument 52-110, exempting the Corporation from the requirements of Part 3 and Part 5 of National Instrument 52-110.

### Payments to Auditors

The aggregate fees billed by the Company's external auditors during the fiscal years described below are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
December 31, 2012	\$9,858	\$8,500	\$1,200	\$12,600
December 31, 2011	\$7,500	\$510	\$1,000	\$8,700

(1) The aggregate fees billed by the Corporation's external auditors during the applicable financial year for professional services rendered for the audit of the consolidated financial statements of the Corporation and its subsidiaries, reporting in connection with the various securities offerings of the Corporation and for the reviews of the Corporation's quarterly financial statements.

(2) The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors during the applicable financial year for services related to the audit or review of the Corporation's financial statements.

(3) The aggregate fees, including expenses reimbursed, billed by the Corporation's external auditors during the applicable financial year for the preparation of corporate tax returns, tax compliance, tax advice and tax planning services.

(4) The aggregate fees, including expenses reimbursed, billed by the Corporations' external auditors during the applicable financial year for services rendered to the Corporation and its subsidiaries, other than the services described above.

### Indebtedness of Directors, Executive Officers and Senior Officers

As of the end of the most recently completed fiscal year, no director, executive officer, senior officer, any proposed nominee for election as a director or any of their associates were indebted to the Corporation.



## **Corporate Governance Disclosure**

### *Independent Directors*

Four out of the five directors on the Corporation's board of directors, namely Messrs. Headford, Rushton, Dexter and Broder are considered independent directors as they do not, in the view of the board of directors, have a relationship with the Corporation which could be reasonably expected to interfere with the exercise of their independent judgement. Mr. Sparaga is not considered independent as he is currently the President, CEO and CFO of the Corporation.

### *Directorships on Other Boards*

To the knowledge of the Corporation, none of the current members of the board of directors nor any proposed director serves as a director of any other reporting issuer.

### *Orientation and Continuing Education*

The board of directors has determined that it is an unnecessary use of resources for the Corporation to formally develop an orientation program for new members at this time. Due to the limited nature of the operations conducted by the Corporation while it has been a Capital Pool Company the Corporation has not developed or identified a need to develop a continuing education program for its directors at this time.

### *Ethical Business Conduct*

The board of directors monitors on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. Due to the limited nature of the operations conducted by the Corporation while it has been a Capital Pool Company it has not been considered necessary to adopt business conduct policies to date.

### *Nomination of Directors*

Due to the limited nature of the operations conducted by the Corporation while it has been a Capital Pool Company, the board of directors does not have a formal process in place with respect to the appointment of new directors.

### *Compensation*

Due to the restrictions imposed by the Exchange, as long as it is a Capital Pool Company the Corporation is restricted from paying compensation to its directors or officers except incentive stock options. The number of options to be granted by is determined by the board of directors as a whole. At this time, the Corporation does not believe its size and limited scope of operations requires a formal compensation committee.

### *Assessments*

In the most recently completed fiscal year, the board of directors believes that it and its committees have performed effectively. The board of directors has not implemented any formal policy or structure to assess its effectiveness.

## INFORMATION CONCERNING DIGITAL

### **Name and Incorporation**

Digital was incorporated pursuant to the BCBCA on December 11, 2009 under the name Palatine Capital Corp as a CPC. On December 21, 2010 Digital completed its Qualifying Transaction by acquiring all of the issued and outstanding shares of the Subsidiary (then called Pypeline Health Inc.). The Subsidiary was incorporated on March 5, 2007 pursuant to the BCBCA. Following closing of its Qualifying Transaction Digital changed its name to Digital Shelf Space Corp. and the Subsidiary changed its name from Pypeline Health Inc. to DSS Digital Shelf Space Inc.

The head office of Digital is located at 214 – 1847 W. Broadway, Vancouver, British Columbia, and the registered office is located at 214 – 1847 W. Broadway, Vancouver, British Columbia.

The share capital of Digital consists of unlimited number of common shares. As of the date hereof, 72,629,732 are issued and outstanding.

The Digital Shares are listed on the Exchange under the symbol “DSS”.

Further information about Digital can be found online at [www.sedar.com](http://www.sedar.com) and on Digital’s website at [www.digitalshelfspace.com](http://www.digitalshelfspace.com).

### **Corporate Structure**

Digital has a single wholly owned subsidiary called DSS Digital Shelf Space Inc. All of Digital’s commercial operations are conducted through the Subsidiary.

### **The Business of Digital**

#### *Overview of the Business*

Digital is an independent creator, producer and distributor of home entertainment content targeted at the fitness and sports instruction market. Digital’s overall content partnership strategy is to align itself with world-class, global brand partners.

#### *History*

Digital, formerly Palatine Capital Corp., was incorporated under the BCBCA on December 11, 2009 as a CPC.

The Subsidiary, then called Pypeline Health Inc., was incorporated on March 5, 2007 under the BCBCA and began active operations on October 1, 2007.

On December 21, 2010, Digital acquired all issued and outstanding common shares of the Subsidiary in exchange for 29,999,416 common shares to the former shareholders of the Subsidiary, and as a consequence, the Subsidiary became a wholly-owned subsidiary of Digital. This transaction constituted Digital’s “Qualifying Transaction” as is defined in Exchange Policy 2.4.

On March 3, 2011, the Subsidiary changed its corporate name to “DSS Digital Shelf Space Inc.”.

### *Principal Services and Operations*

Digital through the Subsidiary produced and has marketed since December 21, 2010, its flagship product GSP RUSHFIT, an 8-week home-based DVD workout program starring Mixed Martial Arts welterweight world champion Georges St-Pierre. Digital's second product, the TOURAcademy® Home Edition 8-week golf instruction DVD program, was completed in September 2012 and shipments began in early October 2012.

### *Market*

Digital conducts business in the direct-to-home fitness and sports instructional industry. Based on 2012 revenues, Digital's sales are concentrated in the US (82.9%) with the remainder distributed in Canada (8.2%) and internationally (8.9%).

There are no industrial trends known to Digital either in the market segment or geographical areas in which Digital operates that may negatively impact the business' objectives.

Digital does conduct customer surveys and invites all consumers to provide feedback of their individual experiences with the company's products. Digital does not use any third party market testing or surveys. Through Digital's relationship with Amazon, Amazon does provide Digital feedback as to the success of the volume of sales through their websites and from its own customer feedback.

Within the fitness instructional industry there is always the potential that a particular exercise regime or technique(s) becomes dated or obsolete. Also the use of a particular celebrity can also create longer term obsolescence as a celebrity becomes less known or popular. However, Digital has specifically targeted both industries and individuals that are experiencing tremendous growth and popularity and are early in their individual growth cycles, or are well established and recognized internationally. Furthermore, Digital intends to continue to add to its product offerings so that there is less dependence on any one product or celebrity.

Both the fitness and sports industries have seasonal fluctuations. For example, the fitness industry tends to peak during the last quarter of the calendar year and in the first quarter.

### *Market Plans and Strategies*

Digital's products have traditionally been sold principally on the Internet either through Digital's dedicated websites or through websites like Amazon. Through a distribution partner, there have been sales of GSP RUSHFIT through a variety of retail outlets both in Canada and the USA. However, retail sales represent a very small percentage of total sales.

Effective April 23, 2013 Digital entered into a distribution agreement for the GSP RUSHFIT product with GAIAM Inc. ("GAIAM"). Under the terms of the two year distribution agreement, GAIAM will have rights to market and distribute GSP RUSHFIT in all sales channels, including but not limited to, retail, home shopping channels, internet, and television, in North America as well as Australia, United Kingdom and Japan. GAIAM will be responsible for all advertising and marketing associated with the exploitation and distribution of GSP RUSHFIT.

Currently, through online advertising Digital promotes its products using a variety of advertising and marketing strategies specific to the Internet including but not limited to affiliate marketing. There is also

limited print advertising in trade specific magazines. It is proposed that marketing will expand to include infomercials to increase exposure and in support of all avenues used to sell the products.

The allocation of the marketing budget of Digital has been traditionally 95% dedicated to online advertising and the remaining 5% to all other forms of advertising. Should the company be successful in the development and release of infomercials the distribution of the marketing budget will change as the costs associated with this advertising format (television) is more expensive than online advertising.

Digital's pricing policy has typically been at market. Discounts have been used to promote the product's initial release and to coordinate with special events and/or seasons. However, a discount pricing model is not currently Digital's pricing policy.

### *Competitive Conditions*

The "fitness conditioning" space in which Digital markets its products is dominated primarily by two companies, namely Beachbody, LLC ("Beachbody") and Zumba Fitness, LLC ("Zumba"). Beachbody, the largest and main producer of products, has occupied this space since 1998 and currently has diversified into 20+ titles, with a wide range of spinoff products. Over the past 10 years, to the knowledge of Digital this competitor has spent over \$100M building the direct-to-home exercise video market. Zumba has a single brand of DVD products and generates a significant portion of its revenues from its group fitness teacher certification program.

### *Future Developments*

Digital seeks to enter into product partnerships with additional global brands. Digital expects each new title to cost approximately \$750,000 to produce with an additional approximately \$250,000 required for upfront production and volume shipment to distributors. Digital expects that the time from brand signing to product on shelves or available online can take as little as 6 months.

There are also multiple spinoff opportunities for Digital's current and future products, including foreign language versions and branded accessories.

Digital believes that when its range of products is expanded, it will enable economies of scale and recognition for Digital's overarching "sport conditioning" brand.

### **Selected Consolidated Financial Information**

The following information is taken from and should be read in conjunction with the Digital audited financial statements and related notes thereto for the eleven months ended December 31, 2010 and the years ended December 31, 2011 and 2012 which are filed at [www.SEDAR.com](http://www.SEDAR.com) and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements which are also filed at [www.SEDAR.com](http://www.SEDAR.com). Such financial statements and Management's Discussion and Analysis of Financial Condition and Result of Operations are incorporated herein by reference.

	<b>Financial Year ended December 31, 2012 (USD) (audited)</b>	<b>Financial Year ended December 31, 2011 (USD) (audited)</b>	<b>Eleven months ended December 31, 2010 (USD) (audited)</b>
Net Sales	1,637,219	2,542,899	47,204
Income from Continuing Operations	(1,977,449)	(1,163,230)	(1,276,220)
Net Income (Loss), in Total	(1,979,449)	(1,221,523)	(1,430,016)
Total Assets	2,404,893	1,811,529	1,661,338
Total Long Term Financial Liabilities	716,649	398,405	649,306
Shareholders' Equity	1,688,244	1,413,124	1,012,032
Cash Dividends Declared	Nil	Nil	Nil

### Description of Securities of Digital

The authorized share capital of Digital consists of unlimited number of common shares. There are currently 82,159,732 issued and outstanding. In addition to the 82,159,732 Digital Shares outstanding, as at the date hereof, an additional 11,360,000 Digital Shares are issuable pursuant to previously issued stock options, 27,879,262 Digital Shares are issuable pursuant to previously issued warrants and there are convertible debentures in the principal amount of \$768,000 outstanding which would be convertible into a further 7,680,000 Digital Shares as of the date hereof.

The convertible debentures of Digital outstanding are unsecured, have a term to maturity of 36 months, and carry an interest rate of 12% per annum payable in cash on a semi-annual basis. The principal amount of the debentures are convertible at the holder's option at any time into Digital Shares at a conversion price of \$0.10 per share. Digital has the right to force the conversion of the debentures into Digital Shares in the event that the Digital Shares trade at a price of at least \$0.20 for a period of at least 15 consecutive trading days. Following the one-year anniversary of issuance, Digital has the right to redeem the debentures, in whole or in part, at a premium of 5% to the principal value plus any accrued interest.

### Consolidated Capitalization

The following table describes material changes in and the effect of the material change on the share and loan capital of Digital, on a consolidated basis, since December 31, 2012.

<b>Designation of Security</b>	<b>Amount Authorized or to be Authorized</b>	<b>Amount outstanding as at December 31, 2012</b>	<b>Amount outstanding as of May 8, 2013 prior to giving effect to the Transaction</b>
Common Shares	Unlimited	72,629,732	82,159,732
Common Share Options <sup>(1)</sup>	12,000,000	8,300,000	11,360,000
Common Share Purchase Warrants <sup>(2)</sup>	N/A	18,349,262	27,879,262
Convertible Debentures	\$768,000	Nil	\$768,000

Notes: (1) These Digital Share purchase options have exercise prices ranging from \$0.10 to \$0.22 and expiry dates ranging from May 16, 2015 to April 22, 2018.

(2) These Digital Share purchase warrants have exercise prices ranging from \$0.10 to \$0.30 and expiry dates ranging from September 3, 2013 to April 1, 2017.

(3) Digital had deficit of \$8,338,285 as of December 31, 2012.

## Prior Sales

The following table sets forth the number and price at which securities of Digital have been sold within the 12 month period prior to the date of this Filing Statement:

Date	Number and Type of Security	Issue Price per Security	Aggregate Issue Price	Consideration Received
October 12, 2012	10,010,000 Common Shares and 10,010,000 Warrants	\$0.05 per Unit	\$500,500	Cash
October 12, 2012	404,600 agent warrants	N/A	N/A	Issued as partial consideration for agent services
May 3, 2013	9,530,000 Common Shares and 9,530,000 Warrants	\$0.05 per Unit	\$476,500	Cash
May 3, 2013	\$768,000 principal amount convertible debentures	Principal amount	\$768,000	Cash

## Stock Exchange Price

The Digital Shares are listed and posted for trading on the Exchange under the trading symbol "DSS". The following table sets forth the high and low trading prices and volume for the Digital Shares traded through the Exchange for each month or part month of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding seven quarters:

Period	High Trading Price (\$)	Low Trading Price (\$)	Volume (#)
May 1, 2013 to May 13, 2013	0.05	0.045	1,035,000
April 2013	0.05	0.04	4,490,900
March 2013	0.05	0.04	912,000
February 2013	0.04	0.03	1,776,500
January 2013	0.05	0.03	1,380,800
Quarter ended December 31, 2012	0.08	0.03	5,158,600
Quarter ended September 30, 2012	0.10	0.06	1,559,294
Quarter ended June 30, 2012	0.15	0.06	2,359,360
Quarter ended March 31, 2012	0.16	0.11	7,778,444
Quarter ended December 31, 2011	0.16	0.10	3,803,552
Quarter ended September 30, 2011	0.19	0.08	5,265,279
Quarter ended June 30, 2011	0.24	0.10	3,951,072

## Directors and Officers

The following table sets out the name, municipality and country of residence of each director and executive officer of Digital, their current position and office with Digital, their respective principal occupation, and the date on which they were first elected or appointed as a director or officer of Digital:

Name, Province or State, and Country of Residence	Present Position and Offices with Digital	Principal Occupation or Positions Held During the Past Five Years	Director Since
Jeffrey N. Sharpe British Columbia, Canada	Director, President, and CEO	President and CEO of Digital Shelf Space Inc.; CEO of Innovative Fitness Consultants Inc.	December 21, 2010

<b>Name, Province or State, and Country of Residence</b>	<b>Present Position and Offices with Digital</b>	<b>Principal Occupation or Positions Held During the Past Five Years</b>	<b>Director Since</b>
Thomas D. Lamb  British Columbia, Canada	Director and CFO	Director of DGM Minerals Corp; Director of Polo Biology Global Group Corp; Director of First Source Resources Inc.; Lawyer; VP, Corporate of Goldgroup Mining Inc.	December 11, 2009
R. Hector Mackay-Dunn, Q.C.  British Columbia, Canada	Director and Secretary	Partner, Farris, Vaughan, Wills & Murphy LLP	December 21, 2010
Jeffrey Sackman  Ontario, Canada	Director	Co-founder of Hollywood Suite Inc.; Media Consultant/Producer	June 27, 2011
John J. Sutherland  British Columbia, Canada	Director	Certified General Accountant; CFO and VP of Goldgroup Mining Inc.	November 30, 2010

On closing of the Transaction, Jason Sparaga, a director of the Corporation, shall become a director of Digital.

Following are brief information about the current directors of Digital and Jason Sparaga:

*Jeffrey N. Sharpe, Chief Executive Officer and Director*

A graduate of the University of British Columbia's Human Kinetics program, Mr. Sharpe co-founded a privately held health and wellness company, No Excuse Inc., the parent company of Innovative Fitness. For 15 years, Mr. Sharpe directed the company's day-to-day operations, strategic planning and franchise development. Mr. Sharpe also led the financial planning and international location development for Innovative Fitness. He secured capital to achieve Innovative's ongoing growth, as well as overseeing all physical store selection, and design and construction. Finally, Mr. Sharpe provided leadership excellence in the design and development of the company's customer management system, operations manual and franchise processes. Mr. Sharpe was named to Canada's Top 40 Under 40 in 2006. Mr. Sharpe is 42 years old and resides in Delta, British Columbia. Mr. Sharpe is a full time employee of Digital.

*R. Hector MacKay-Dunn, Q.C., Director*

Mr. MacKay-Dunn is a Senior Partner at Farris, Vaughan, Wills & Murphy LLP. Mr. MacKay-Dunn advises and has served as a director and corporate secretary of private and public high growth companies in a broad range of industries on domestic and cross-border private and public securities offerings, mergers and acquisitions, tender offers, and international partnering transactions. Mr. MacKay-Dunn has been recognized by Lexpert, the most respected legal publication in Canada, among the Top 100 Canada/US Cross-Border Corporate lawyers in Canada and among Canada's leading lawyers in mergers and acquisitions, technology, and biotechnology. Mr. MacKay-Dunn is the immediate past Chair of the British Columbia Innovation Council, the Province's lead

agency with the mandate to advance ideas into investment-ready companies in the areas of science and technology, a director of British Columbia Leading Edge Endowment Fund, British Columbia's C\$60 million program to attract top researchers to B.C.'s universities and LifeSciences BC and a former director of Genome British Columbia. Mr. Mackay- Dunn holds a B.A. and J.D. from the University of British Columbia. Mr. MacKay-Dunn was appointed Queen's Counsel in 2003. Mr. MacKay-Dunn is 62 years old and resides in Vancouver, British Columbia. Mr. MacKay-Dunn is not an employee or contractor of Digital but devotes such time as is required in connection with his duties as a director of Digital.

*Thomas D. Lamb, Chief Financial Officer and Director*

Mr. Lamb is a Vancouver-based businessman. He co-founded First Source Resources Inc. (TSX-V: FSR) and was a director from October 2005 to October 2010. He co-founded Goldgroup Mining Inc. (TSX: GGA) and served as its Vice President, Corporate from June 2005 to May 2010. From September 2007 to November 2009, Mr. Lamb was a director of Amicus Capital Corp., a TSX-V Capital Pool Company which completed a Qualifying Transaction in November 2008 and changed its name to Polo Biology Global Group Corporation (TSX-V: PGG). In 2011 Mr. Lamb obtained his Master of Science degree from London Business School, where he was a Sloan Fellow. Mr. Lamb obtained his Law Degree from the University of British Columbia in April 2000 and his Bachelor of Arts from the University of Victoria in April 1996. From 2001 until 2011 Mr. Lamb was a member of the Law Society of British Columbia. Mr. Lamb was a lawyer at what is now McMillan LLP from September 2001 to June 2003 and an articulated student at McCarthy Tétrault LLP from August 2000 to August 2001. Mr. Lamb's legal practice was focused on mergers and acquisitions. Mr. Lamb is now, or has been in the last five years a director or officer of six public companies or reporting issuers. Mr. Lamb is 39 years old and resides in Vancouver, British Columbia. Mr. Lamb is not an employee or contractor of Digital and devotes such time as is required in connection with his duties as CFO and a director of Digital.

*John J. Sutherland, Director*

Mr. Sutherland has been a Certified General Accountant since 1976. Mr. Sutherland has been the Vice President and Chief Financial Officer of Goldgroup Mining Inc. since February 2007 and Chief Financial Officer of Uracon Resources Ltd. since May 2007 and a Director since April 2009. Mr. Sutherland was a director of International Absorbents Inc., a publicly-held company listed on the American Stock Exchange from August 1988 to May 2010. Mr. Sutherland was also a director of Aquiline Resources Inc., a Toronto Stock Exchange listed company from May 2002 to January 2010. Mr. Sutherland has also been a director of Silex Ventures Ltd., Arco Resources Corp., and Barranco Resources Corp., being companies listed at the TSX Venture Exchange, since July 2007 until February 2011, December 2007 and March 2011, respectively. Mr. Sutherland is now, or has been in the last five years a director or officer of eleven public companies or reporting issuers. Mr. Sutherland is 63 years old and resides in West Vancouver, British Columbia. Mr. Sutherland is not an employee or contractor of Digital but devotes such time as is required in connection with his duties as a director of Digital.

*Jeffrey Sackman, Director*

Mr. Sackman was a Founder, President and Chief Executive Officer of ThinkFilm, involved with every aspect of ThinkFilm's growth and development, culminating in a sale of ThinkFilm in October 2006, five years from inception. Prior to founding ThinkFilm, Mr. Sackman was the President of Lionsgate Films for six years. Mr. Sackman successfully led Lionsgate into the crucial and highly competitive U.S. market, a first for a Canadian based entity, structured and negotiated rarely available



output arrangements with Universal Studios, Home Box Office and Bravo, created and grew three profitable video companies, and executive produced nearly fifty films, including Buffalo 66 and American Psycho. Prior to that, Mr. Sackman was a Principal at Cinepix Film Properties which was sold into what is now Lionsgate, as well as Vice President at Cineplex Odeon from 1987-1991. Mr. Sackman has recently co-founded and also sits on the board of Hollywood Suite Inc., as well as serves on the board of Rainmaker Entertainment. Mr. Sackman is 52 years old and resides in Toronto, Ontario. Mr. Sackman is not an employee or contractor of Digital but devotes such time as is required in connection with his duties as a director of Digital.

*Jason Sparaga*

Mr. Sparaga is the President of Spara Capital Partners Inc., a provider of customized investment and merchant banking solutions to owners of private businesses in matters relating to liquidity, growth or transition, which Mr. Sparaga founded in 2001. Mr. Sparaga has specific expertise in raising capital, the succession or sale of privately owned businesses, management buy-outs, and turnarounds. He is the founder and former Managing Director of TL Corporate Finance Inc. and has held positions with PriceWaterhouseCoopers LLP and BDO Dunwoody LLP. Mr. Sparaga holds a Bachelor of Business Administration, with Honours, from Brock University and is a Chartered Accountant and a member of the Canadian Institute of Chartered Accountants. Mr. Sparaga is 43 years old and resides in Burlington, Ontario. Mr. Sparaga will not be an employee or contractor of Digital but will devote such time as is required in connection with his duties as a director of Digital.

**Executive Compensation**

*Summary Compensation Table*

The following table provides a summary of the compensation earned in respect to the two most recently completed financial years by any individual who acted as Chief Executive Officer or Chief Financial Officer of Digital and each of the three most highly compensated executive officers of the company, other than the Chief Executive Officer and Chief Financial Officer (referred to as a “**Named Executive Officer**”).

<b>Name and principal position</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Option-based awards (\$)<sup>(3)</sup></b>	<b>Annual incentive cash bonuses (\$)</b>	<b>All other compensation (\$)</b>	<b>Total compensation (\$)</b>
Jeffrey N. Sharpe, Chairman, Chief Executive Officer, President and Director <sup>(1)</sup>	2012	\$144,000	\$44,920	\$0	\$0	\$188,920
	2011	\$60,000	\$22,920	\$7,500	\$0	\$90,420
Thomas D. Lamb, Chief Financial Officer and Director <sup>(2)</sup>	2012	\$0	\$5,615	\$0	\$0	\$5,615
	2011	\$0	\$7,640	\$0	\$0	\$7,640
David R. Bogart, Senior Vice President of Marketing and Business Development <sup>(4)</sup>	2012	\$120,000	\$22,460	\$0	\$0	\$142,460
	2011	\$69,231	\$118,100	\$5,000	\$0	\$192,331
Jason Pamer, Senior Vice President of Technology and Product Development	2012	\$120,000	\$22,460	\$0	\$0	\$142,460
	2011	\$118,461	\$118,100	\$5,000	\$0	\$241,561

- (1) On April 2, 2012, approval was granted by the Compensation Committee to increase Mr. Sharpe's salary to \$12,000 per month (retro-active to January 1, 2012) to bring to fair market value his compensation for his roles as Digital's Chief Executive Officer and President.
- (2) Thomas D. Lamb does not currently have an employment agreement with the Digital.
- (3) The grant date fair value of these options has been calculated in accordance with the CICA Handbook using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return.
- (4) David R. Bogart entered into an employment agreement effective May 30, 2011. Prior to this date Mr. Bogart worked with Digital as an independent contractor.

### *Option Based Awards*

Option awards are generally awarded to executive officers at commencement of employment and periodically thereafter after taking into consideration, among other things, the number of share options held by an executive officer. The exercise price for option awards is recommended by the Compensation Committee to the Digital board of directors for approval, provided that such price may not be less than the lowest price permitted under the applicable rules and regulations of all regulatory authorities to which Digital is subject, including the TSX Venture Exchange.

#### *Incentive Plan Awards – Outstanding Option-Based Awards*

The following table sets forth, for each Named Executive Officer, all option awards outstanding at the end of the most recently completed financial year.

<b>Option-Based Awards</b>				
<b>Name</b>	<b>Number of Securities Underlying Unexercised Options (#)</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options (\$)</b>
Jeffrey N. Sharpe	950,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	300,000	\$0.22	June 29, 2016	\$0.00 <sup>(1)</sup>
	400,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>
Thomas D. Lamb	300,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	100,000	\$0.22	June 29, 2016	\$0.00 <sup>(1)</sup>
	50,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>
David R. Bogart	300,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	700,000	\$0.15	January 10, 2016	\$0.00 <sup>(1)</sup>
	100,000	\$0.22	June 29, 2016	\$0.00 <sup>(1)</sup>
	200,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>
Jason Pamer	300,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	700,000	\$0.15	January 10, 2016	\$0.00 <sup>(1)</sup>

<b>Option-Based Awards</b>				
<b>Name</b>	<b>Number of Securities Underlying Unexercised Options (#)</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options (\$)</b>
	100,000	\$0.22	June 29, 2016	\$0.00 <sup>(1)</sup>
	200,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>

<sup>(1)</sup> Based upon the difference between the closing market price of the Digital's common shares on the TSX Venture Exchange on December 31, 2012, being \$0.03, and the exercise price of the option.

#### *Incentive Plan Awards – Value Vested During the Year*

The aggregate value of option based awards vested during the most recently completed financial year, as measured at their date of vesting by comparing the option exercise price on that day was:

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)</b>
Jeffrey N. Sharpe	\$7,487
Thomas D. Lamb	\$936
David R. Bogart	\$3,743
Jason Pamer	\$3,743

#### *Pension Plan Benefits*

Digital does not have a defined benefit plan, deferred contribution plan or a deferred compensation plan.

#### *Termination and Change of Control Benefits*

Except as described below, there are no contracts, agreements, plans or arrangements that provide for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of Digital or its subsidiaries or a change in a Named Executive Officer's responsibilities (excluding perquisites and other personal benefits if the aggregate of this compensation is less than \$50,000).

Mr. Sharpe may terminate his employment by giving at least 90 days' written notice. Digital may terminate Mr. Sharpe's employment at any time without just cause, in which event Digital is obligated to provide Mr. Sharpe with 3 months' notice of such termination plus one additional month of notice for each full year of continuous service with Digital, to a maximum of 12 months.

## Director Compensation

### Overview

Other than through the grant of stock options, Digital does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by Digital or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts during the most recently completed financial year or subsequently, up to and including the date of this Information Circular. The directors are reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

Stock options were granted to the directors of Digital in the most recently completed financial year, as indicated in the below “Director Summary Compensation Table”. Any future grants of stock options to the directors of Digital will be made by the Compensation Committee, as ratified by the Board of Directors, pursuant to the terms of Digital’s Option Plan.

### Director Summary Compensation Table

The following table provides a summary of compensation provided to the directors of Digital, who are not Named Executive Officers, for Digital’s most recently completed financial year. See “Summary Compensation Table” above for any compensation received by Named Executive Officers for services as a director of Digital.

Name	Fees earned (\$)	Option-based awards \$( <sup>(1)</sup> )	All other compensation (\$)	Total (\$)
R. Hector MacKay-Dunn, Q.C.	Nil	\$11,230	Nil	\$11,230
Jeffrey Sackman	Nil	\$5,615	Nil	\$5,615
John Sutherland	Nil	\$8,423	Nil	\$8,423

<sup>(1)</sup> The grant date fair value of these options has been calculated in accordance with the CICA Handbook using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return.

### Director Incentive Plan Awards

#### Outstanding Option-Based Awards

The following table sets forth, for each director that is not a Named Executive Officer, all option-based awards outstanding at the end of the most recently completed financial year:

<b>Option-Based Awards</b>				
<b>Name</b>	<b>Number of securities underlying unexercised options (#)</b>	<b>Option exercise price (\$)</b>	<b>Option expiration date</b>	<b>Value of unexercised in-the-money options (\$)</b>
R. Hector MacKay-Dunn, Q.C.	950,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	100,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>
Jeffrey Sackman	250,000	\$0.12	June 25, 2016	\$0.00 <sup>(1)</sup>
	50,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>
John Sutherland	200,000	\$0.10	May 17, 2015	\$0.00 <sup>(1)</sup>
	450,000	\$0.15	December 21, 2015	\$0.00 <sup>(1)</sup>
	75,000	\$0.15	April 1, 2017	\$0.00 <sup>(1)</sup>

<sup>(1)</sup> Based upon the difference between the closing market price of Digital's common shares on the TSX Venture Exchange on December 31, 2012, being \$0.03, and the exercise price of the option.

#### *Option-Based Awards – Value Vested During the Year*

The aggregate value of option based awards vested during the most recently completed financial year, as measured at their date of vesting by comparing the option exercise price on that day was:

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)</b>
R. Hector MacKay-Dunn, Q.C.	\$ 1,872
Jeffrey Sackman	\$ 936
John Sutherland	\$ 1,404

#### **Legal Proceedings**

There are currently no legal proceedings outstanding or threatened against Digital.

#### **Material Contracts Of Digital**

Following is a list of material contracts, other than contracts entered into in the ordinary course of business, that was entered into by Digital within the two years before the date of this Circular:

- i. On May 3, 2013 Digital entered into unsecured convertible debenture contracts for an aggregate amount of \$768,000. The terms of convertible debenture has a maturity of 36 months and carry an interest rate of 12% per annum payable in cash on a semi-annual basis. The principal amount of the debentures are convertible at the holder's option at any time into Digital Shares at a conversion price of \$0.10 per share. Digital has the right to force the conversion of the

debentures into Digital Shares in the event that the Digital Shares trade at a price of at least \$0.20 for a period of at least 15 consecutive trading days. Following the one-year anniversary of issuance, Digital has the right to redeem the debentures, in whole or in part, at a premium of 5% to the principal value plus any accrued interest.

Copies of these agreements will be available for inspection without charge at the offices of Digital at 214 – 1847 W. Broadway, Vancouver, British Columbia until the date of closing of the Transactions and a period of 30 days thereafter.

### ESCROWED SHARES

Under the terms of the Escrow Agreement, each of the following Shareholders placed the number of Corporation Shares set opposite their respective names into escrow with the Escrow Agent. A total of 10,150,000 Corporation Shares are held in escrow pursuant to the Escrow Agreement. Each of the Digital Shares and Digital Warrants received by the following Shareholders pursuant to the Return of Capital Resolution will remain in escrow under the terms of the Escrow Agreement. The Corporation's rights and obligations under the Escrow Agreement will be assigned to Digital upon closing of the Transaction.

Name and Municipality of Residence of Shareholder	Securities of the Corporation held Prior to Giving Effect to the Transactions			Securities of Digital held After Giving Effect to the Transactions		
	Designation of Class	Number of Securities held in Escrow	Percentage of Class	Designation of Class	Number of Securities held in Escrow <sup>(1)(2)</sup>	Percentage of Class <sup>(3)</sup>
Spara Merchant Capital Corp. Oakville, Ontario	Common	1,000,000	5.80%	Common	529,705	0.58%
2169931 Ontario Inc. Oakville, Ontario	Common	1,000,000	5.80%	Common	529,705	0.58%
Can-Inland Fund, LLC Mississauga, Ontario	Common	1,000,000	5.80%	Common	529,705	0.58%
Stephen Headford Creemore, Ontario	Common	1,000,000	5.80%	Common	529,705	0.58%
Scott Dexter Ottawa, Ontario	Common	1,000,000	5.80%	Common	529,705	0.58%
Leon Turner Toronto, Ontario	Common	500,000	2.90%	Common	264,853	0.29%
Mike Eastwood Ottawa, Ontario	Common	500,000	2.90%	Common	264,853	0.29%
Matt Pacaud Toronto, Ontario	Common	500,000	2.90%	Common	264,853	0.29%
Transition Support Management Inc. Mississauga, Ontario	Common	500,000	2.90%	Common	264,853	0.29%

Name and Municipality of Residence of Shareholder	Securities of the Corporation held Prior to Giving Effect to the Transactions			Securities of Digital held After Giving Effect to the Transactions		
	Designation of Class	Number of Securities held in Escrow	Percentage of Class	Designation of Class	Number of Securities held in Escrow <sup>(1)(2)</sup>	Percentage of Class <sup>(3)</sup>
Reed Asset Management Corp. Toronto, Ontario	Common	500,000	2.90%	Common	264,853	0.29%
Morgan Cowl Orangeville, Ontario	Common	400,000	2.30%	Common	211,882	0.23%
Bob Cummings Havelock, Ontario	Common	400,000	2.30%	Common	211,882	0.23%
1742103 Ontario Inc. Toronto, Ontario	Common	400,000	2.30%	Common	211,882	0.23%
Walter Heidary Burlington, Ontario	Common	300,000	1.70%	Common	158,912	0.17%
Darren Slemko Troy, Ontario	Common	200,000	1.20%	Common	105,941	0.12%
Kevin Epp Mississauga, Ontario	Common	200,000	1.20%	Common	105,941	0.12%
Evan Lipton Toronto, Ontario	Common	180,000	1.00%	Common	95,347	0.10%
Greg Geurtjens Guelph, Ontario	Common	100,000	0.60%	Common	52,971	0.06%
Shane McLean Ottawa, Ontario	Common	250,000	1.40%	Common	132,426	0.14%
Daniel Ratushny Ottawa, Ontario	Common	100,000	0.60%	Common	52,971	0.06%
Eric Waxman Dundas, Ontario	Common	80,000	0.50%	Common	42,376	0.05%
Sean Kelly Mississauga, Ontario	Common	40,000	0.20%	Common	21,188	0.02%
<b>Total:</b>		<b>10,150,000</b>	<b>58.80%</b>		<b>5,376,507</b>	<b>5.88%</b>

Notes: (1) Each holder will also hold an equal number of Digital Warrants.

(2) Assumes 9,200,000 Digital Shares and an equal number of Digital Warrants are purchased by the Corporation on closing of the Private Placement.

(3) Assumes 91,359,732 Digital Shares are issued and outstanding after closing of the Private Placement.

The Digital Shares set forth in the table above will be held in escrow by the Escrow Agent pursuant to the Escrow Agreement. Upon the closing of the Transactions, the escrowed securities shall be released as to 10% immediately following the issuance of the Final Exchange Bulletin and 15% every six months thereafter.

## GENERAL INFORMATION

### Interests of Experts

Certain tax matters contained in this Circular related to the Transaction have been passed upon by LaBarge Weinstein LLP, Ottawa, Ontario, on behalf of the Corporation. Other than described below, LaBarge Weinstein LLP and its partners, associates and employees do not hold, nor is it or any of the foregoing individuals entitled to receive, any direct or indirect interest in any property of the Corporation or Digital or of an Associate or Affiliate of the Corporation or Digital. As at the date hereof, Shane McLean, a partner of LaBarge Weinstein LLP, is the corporate Secretary of the Corporation and holds 250,000 Corporation Shares.

### Other Material Facts

To the knowledge of the Corporation and its officers and directors, there are no other material facts about the Corporation, Digital or the Transaction that are not disclosed elsewhere in this Circular.

### Documents Incorporated by Reference

The following documents are incorporated into this Circular by reference:

- (a) the Corporation's audited financial statements for the fiscal years ended December 31, 2012 and 2011 and related notes thereto and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements; and
- (b) Digital's audited financial statements and related notes thereto for the eleven months ended December 31, 2010 and the years ended December 31, 2011 and 2012 and the Management's Discussion and Analysis of the Financial Condition and Results of Operations related to such financial statements.

Such documents are available at [www.SEDAR.com](http://www.SEDAR.com).

### Additional Information

Additional information regarding the Corporation and Digital is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of documents specifically incorporated in this Circular by reference are available free of charge by contacting the Corporation c/o LaBarge Weinstein LLP, 800 – 515 Legget Drive, Ottawa, ON, K2K 3G4 attention: Shane McLean.

### Deadline for Shareholder Proposals

If any Shareholder wishes to propose any matter for consideration at the next annual meeting, in order for such proposal to be considered for inclusion in the materials mailed to shareholders in respect of such meeting, such proposal must be received by the Corporation no later than 90 days before the anniversary date of this Meeting.

### Approval of the Board

The contents and delivery of this Circular to Shareholders have been approved by the Board. Where information contained in this Circular rests particularly within the knowledge of a Person other than the Corporation (such as Digital and its officers and directors), the Corporation has relied upon information



furnished by such Person.

**CERTIFICATE OF SPARA ACQUISITION ONE CORP.**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Spara Acquisition One Corp. assuming completion of the Qualifying Transaction.

*(Signed)*

---

Jason Sparaga  
President, Chief Executive Officer  
and Chief Financial Officer

ON BEHALF OF THE BOARD OF  
DIRECTORS:

*(Signed)*

---

Scott Dexter  
Director

*(Signed)*

---

Stephen Headford  
Director

## APPENDIX “A” AUDIT COMMITTEE CHARTER

### Purpose

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Spara Acquisition One Corp. (the “**Corporation**”) is to:

- assist the Board in fulfilling its responsibility to oversee the Corporation’s accounting and financial reporting processes and audits of the Corporation’s financial statements;
- review the financial reports and other financial information provided by the Corporation, the Corporation’s disclosure controls and procedures, and its internal accounting and financial controls;
- assume direct responsibility for the appointment, compensation, retention (and where appropriate, replacement), and oversight of the work of the external auditor in preparing or issuing an audit report or related work;
- oversee the independence of the external auditor and approve all auditing services and permitted non-audit services provided by the external auditor;
- receive direct reports from the external auditor and resolve any disagreements between management and the external auditor regarding financial reporting; and
- carry out the specific responsibilities set forth below in furtherance of this stated purpose.

### Committee Membership and Procedures

Committee members shall be appointed by the Board. The Board may designate one member of the Committee as its Chair.

The Committee shall be comprised of at least three directors. To the extent possible given the number of unrelated or independent directors on the Board, the members of the Committee should be: (i) unrelated directors for purposes of the TSX Venture Exchange Policies; (ii) and satisfy the independence requirements (the “**Independence Rules**”) of applicable securities regulators including National Instrument 52-110 (“**NI-52-110**”), provided that if the circumstances warrant, the Board may designate a non-independent member of the Committee to the extent permitted by the Independence Rules; and (iii) have the ability to read and understand a set of financial statements, including but not limited to balance sheets, income statements and cash flow statements, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

#### RESPONSIBILITIES

The Committee’s role is one of oversight, and it is recognized that the Corporation’s management is responsible for preparing the Corporation’s financial statements and that the external auditor is ultimately accountable to the Board and the Committee, as representatives of the stockholders, and is responsible for auditing those financial statements. In discharging its oversight role, the Committee is granted all responsibilities and authority required by NI 52-110.

The following functions shall be the common recurring activities of the Committee in carrying out its oversight role. The functions are set forth as a guide and may be varied and supplemented from time to time as appropriate under the circumstances.

*Nomination of External auditor.* The Committee shall have direct responsibility for the nomination, compensation, retention (and where appropriate, replacement), and oversight of the work of any accounting firm selected to be the Corporation’s external auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation.

*Disclosure Controls and Procedures.* The Committee shall review periodically with management the Corporation’s disclosure controls and procedures.

*Internal Controls.* The Committee shall discuss periodically with management and the external auditor the quality and adequacy of the Corporation’s internal controls and internal auditing procedures, if any, including any significant deficiencies in the design or operation of those controls which could adversely affect the Corporation’s ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation’s internal controls, and discuss with the external auditor how the Corporation’s financial systems and controls compare with industry practices.

*Accounting Policies.* The Committee shall review periodically with management and the external auditor the quality, as well as acceptability, of the Corporation’s accounting policies, and discuss with the external auditor how the Corporation’s accounting policies compare with those in the industry and all alternative treatments of financial information within Canadian generally

accepted accounting principles that have been discussed with management, the ramifications of use of such alternative disclosures and treatments and the treatment preferred by the external auditor.

*Pre-approval of All Audit Services and Permitted Non-Audit Services.* The Committee shall approve, in advance, all audit services and all permitted non-audit services to be provided to the Corporation by the external auditor; provided that any non-audit services performed pursuant to an exception to the pre-approval requirement permitted by applicable securities regulators shall not be deemed unauthorized.

*Annual Audit.* In connection with the annual audit of the Corporation's financial statements, the Committee shall:

- request from the external auditor a formal written statement delineating all relationships between the auditor and the Corporation, discuss with the external auditor any such disclosed relationships and their impact on the external auditor's objectivity and independence, and take appropriate action to oversee the independence of the external auditor.
- approve the selection and the terms of the engagement of the external auditor.
- review with management and the external auditor the audited financial statements to be included in the Corporation's Annual Report filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and review and consider with the external auditor the matters required to be discussed under applicable statements of auditing standards.
- perform the procedures set forth below in "*Financial Reporting Procedures*" with respect to the annual financial statements to be reported.
- review with management and the external auditor the Corporation's critical accounting policies and practices.
- recommend to the Board whether, based on the reviews and discussions referred to above, the annual financial statements should be included in the Corporation's Annual Report filed on SEDAR.

*Financial Reporting Procedures.* In connection with the Committee's review of each reporting of the Corporation's annual financial information, the Committee shall:

- discuss with the external auditor whether all material correcting adjustments identified by the external auditor in accordance with Canadian generally accepted accounting principles and the rules of the applicable securities regulators are reflected in the Corporation's financial statements;
- review with the external auditor all material communications between the external auditor and management, such as any management letter or schedule of unadjusted differences;
- review with management and the external auditor any material financial or other arrangements of the Corporation which do not appear on the Corporation's financial statements and any transactions or courses of dealing with third parties that are significant in size or involve terms or other aspects that differ from those that would likely be negotiated with independent parties, and which arrangements or transactions are relevant to an understanding of the Corporation's financial statements; and
- resolve any disagreements between management and the external auditor regarding financial reporting.

*Charter.* The Committee shall review and reassess at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.

#### **RESOURCES AND AUTHORITY**

The Committee is granted all authority required by NI 52-110, including without limitation the authority to: (i) investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Corporation; (ii) engage independent legal, accounting or other advisors to obtain such advice and assistance as the Committee determines necessary to carry out its duties and set and pay the compensation for any advisors so engaged; (iii) communicate directly with the external auditors (and internal auditors, if any).

The Committee may request any officer or employee of the Corporation or the Corporation's counsel to attend a meeting of the Committee or to meet with any member of, or consultants to, the Committee.

The Corporation shall provide the Committee all appropriate funding, as determined by the Committee, for payment of compensation to any such advisors and any external auditor, as well as for any ordinary administrative expenses of the Committee that it determines are necessary or appropriate in carrying out its responsibilities.

#### **COMPLAINT PROCEDURES**

Any issue of significant financial misconduct shall be brought to the attention of the Committee for its consideration. In this regard, the Committee shall establish and maintain procedures for (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

**APPENDIX "B"**  
**THE SUBSCRIPTION AGREEMENT**

**SUBSCRIPTION AGREEMENT  
UNITS**

To: **Digital Shelf Space Corp.**  
**214 – 1847 W. Broadway**  
**Vancouver, BC V6J 1Y6**

**(the “Issuer”)**

Re: Purchase and Sale of Units of the Issuer

Dated For Reference: May 14, 2013

---

Spara Acquisition One Corp. (the “**Subscriber**” or “**Purchaser**”) hereby subscribes for and agrees to purchase from the Issuer, and the Issuer agrees to issue to the Purchaser, subject to the terms and conditions set forth in Schedule “A” to this subscription (which, together with all appendices (the “**Appendices**”) attached hereto, shall be deemed to form a part of this subscription), that number of units (the “**Units**”) of the Issuer set out below at a price of Cdn\$0.05 per Unit. Each Unit shall consist of one common share (the “**Shares**”) and one common share purchase warrant (the “**Warrants**”). Each whole Warrant entitles the holder to purchase one share of the Issuer at the price of Cdn\$0.10 per share on or before the date occurring 36 months following the Closing Date.

The Purchaser and the Issuer hereby agree that the Units, and the subsequent offering thereof, shall have and be conducted on the terms and conditions specified in Schedule “A” hereto. Each of the Purchaser and the Issuer hereby makes the acknowledgments, representations, covenants and warranties set out in Schedule “A” hereto, and each agrees that the other can rely on such acknowledgments, representations and warranties.

**SUBSCRIPTION AMOUNTS**

No. of Units to be purchased at \$0.05 per Unit: 9,200,000

Total Subscription Funds for Units: \$460,000

**REGISTRATION AND DELIVERY:**

**BOX A: SUBSCRIBER INFORMATION**

Spara Acquisition One Corp.

(name of Subscriber)

C/O LaBarge Weinstein LLP, 800 – 515 Legget Drive, Ottawa, ON K2K 3G4

(address – include city, province and postal code)

Shane McLean (613) 599-9600 ext 262

(contact name and telephone number)

smclean@lwlaw.com

(contact email address)

**By executing this Subscription, you are consenting (on your behalf and, if applicable, on behalf of the beneficial purchaser for whom you are contracting), to the collection, use and disclosure of personal information in the manner described in Sections 11.1 and 12.1 of this Subscription, as well as the indirect collection by the Ontario Securities Commission of the Information as described in Subsection 5.2(k).**

**IN WITNESS WHEREOF**, the Parties have executed and delivered this Agreement as of the date and year first written above.

**DIGITAL SHELF SPACE CORP.**

Per: (Signed) \_\_\_\_\_  
Name: Jeff Sharpe  
Title: President and CEO

**SPARA ACQUISITION ONE CORP.**

Per: (Signed) \_\_\_\_\_  
Name: Jason Sparaga  
Title: President and CEO

**INFORMATION REGARDING THE PURCHASER**

Please check the appropriate box (and complete the required information, if applicable) in each section:

1. **Security Holdings.** The Purchaser and all persons acting jointly and in concert with the Purchaser, prior to the completion of the Private Placement, own, directly or indirectly, or exercises control or direction over (provide additional detail as applicable):
  - \_\_\_\_\_ common shares of the Issuer and/or the following other kinds of shares and convertible securities (including but not limited to convertible debt, warrants and options) entitling the Purchaser to acquire additional common shares or other kinds of shares of the Issuer:  
\_\_\_\_\_  
\_\_\_\_\_
  - No shares of the Issuer or securities convertible into shares of the Issuer.
  
2. **Insider Status.** The Purchaser either:
  - Is an “Insider” of the Issuer as defined in the Policies of the Exchange, by virtue of being:
    - (a) a director or senior officer of the Issuer;
    - (b) a director or senior officer of a company that is an Insider or subsidiary of the Issuer;
    - (c) a person that beneficially owns or controls, directly or indirectly, voting shares of the Issuer carrying more than 10% of the voting rights attached to all the Issuer’s outstanding voting shares; or
    - (d) the Issuer itself if it holds any of its own securities.
  - Is not an Insider of the Issuer.
  
3. **Pro Group Status.** The Purchaser either:
  - Is a member of the “Pro Group”, which is defined in the policies of the Exchange as either individually or as a group:
    - (a) a member of the Exchange (“Member”) under the Exchange requirements;
    - (b) employees of the Member;
    - (c) partners, officers and directors of the Member;
    - (d) affiliates of the Member; and
    - (e) associates of any parties referred to in (a) through (d) above;
  - Is not a member of the Pro Group.
  
4. **Corporate Placee Form.** The Purchaser is not an individual (for example: corporations, trusts, or portfolio managers purchasing as agent for accounts that are fully managed by it) and is subscribing for, or will hold more than 5% of the issued and outstanding common shares of the Issuer upon completion of this Private Placement, and either:
  - has a current Corporate Placee Registration Form on file with the Exchange; or
  - has completed and returned with this Subscription a duly executed Corporate Placee Registration Form (Appendix I to this Agreement).



5. **Promoter Status.** The Purchaser either:

- Is a “Promoter” of the Issuer as defined in the *Securities Act* (British Columbia).
- Is not a Promoter of the Issuer.

6. **Registrant Status.** The Purchaser either:

- Is a “Registrant” as defined in the *Securities Act* (British Columbia).
- Is not a Registrant.

## SCHEDULE "A"

### 1. DEFINITIONS

1.1 Unless otherwise stated, all dollar figures herein expressed are in Canadian Dollars (Cdn\$).

1.2 In this Agreement, the following words have the following meanings unless otherwise indicated:

- (a) "**1933 Act**" means the United States *Securities Act of 1933*, as amended;
- (b) "**Acts**" means, collectively, all the securities acts, as amended, the regulations and rules made thereunder and all administrative policy statements, rules, instruments, blanket orders, notices, directions, and orders issued by securities commissions or authorities in each applicable province of Canada;
- (c) "**Agreement**" "**subscription**" or "**Subscription Agreement**" means this subscription agreement, including Schedule "A" and all Appendices;
- (d) "**BC Act**" means the *Securities Act (British Columbia)*, as amended, the regulations and rules made thereunder and all administrative policy statements, rules, instruments, blanket orders, notices, directions, and orders issued by the BC Securities Commission;
- (e) "**Business Day**" means any day except Saturday, Sunday, or a statutory holiday in Vancouver, British Columbia or Toronto, Ontario;
- (f) "**Closing**" means the closing on the Closing Date of the transaction of purchase and sale in respect of the Units as contemplated by this Subscription Agreement;
- (g) "**Closing Date**" means the day on which the Issuer issues the Shares and Warrants comprising the Units to the Purchaser, as determined by agreement between the Issuer and the Purchaser;
- (h) "**Commissions**" means all the securities commissions and similar government bodies in each of the provinces of Canada;
- (i) "**Exchange**" means the TSX Venture Exchange Inc.;
- (j) "**NI 45-102**" means the National Instrument 45-102 - *Resale of Securities*;
- (k) "**NI 45-106**" means National Instrument 45-106 - *Prospectus and Registration Exemptions*;
- (l) "**Private Placement**" means the offering of the Units by way of private placement, as contemplated in this Subscription Agreement;
- (m) "**Regulation S**" means Regulation S promulgated under the 1933 Act;
- (n) "**Regulatory Authorities**" means the Commissions and the Exchange;
- (o) "**Securities**" means, collectively, the Units, the Shares, the Warrants, and the Warrant Shares;
- (p) "**Shares**" means the previously unissued common shares of the Issuer, as presently constituted, which will form part of the Units;
- (q) "**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (r) "**U.S. Person**" means a U.S. Person as that term is defined in Rule 902(k) of Regulation S, and includes (i) any natural person resident in the United States and (ii) any partnership or corporation

organized or incorporated under the laws of United States, among other persons specified in such Rule;

- (s) “**U.S. Purchaser**” means a Purchaser that (i) was offered Units in the United States, (ii) executed this Agreement or otherwise placed its purchase order in the United States, or (iii) is, or is acting for the account or benefit of, a U.S. Persons, and has completed the US Accredited Investor Questionnaire attached as Appendix IV;
- (t) “**Units**” means units of the Issuer consisting of one Share and one Warrant to be offered under the Private Placement;
- (u) “**Warrant Indenture**” has the meaning given to such term in Section 3.2;
- (v) “**Warrant Shares**” means the previously unissued common shares of the Issuer, as presently constituted, which will be issued on the exercise of the Warrants; and
- (w) “**Warrants**” means the share purchase warrants of the Issuer, which will form part of the Units and which will have the terms provided in the Warrant Indenture.

## 2. PURCHASE AND SALE OF UNITS

2.1 The offering price of the Units was determined by the Issuer with regard to the pricing policies of the Exchange. The closing of the Private Placement is subject to the acceptance of the Exchange.

2.2 Each Unit will consist of one Share and one Warrant.

2.3 The Purchaser agrees to deliver to the Issuer prior to Closing:

- (a) a completed and duly executed copy of this Agreement;
- (b) a Corporate Placee Registration Form 4C attached as Appendix I; and
- (c) all other documents as may be reasonably required by the Issuer.

2.4 On or prior to Closing, the Purchaser will deliver to the Issuer a wire transfer drawn in Canadian funds and made payable to the Issuer in the amount representing the total purchase price of the Units subscribed for by the Purchaser under this Agreement. The Issuer will hold the Purchaser’s subscription funds in trust pending closing of the Private Placement. If all of the conditions of Closing in this Agreement are not fulfilled or waived, the Issuer will return the subscription funds to the Purchaser without interest or deduction.

2.5. Notwithstanding anything in this Agreement to the contrary, it is understood that the intention of the parties is for the Purchaser to invest all of its available funds into the Private Placement after deduction of all expenses incurred by the Purchaser to the Closing Date as well as the anticipated expenses to be incurred by the Purchaser after the Closing Date (the “**Available Funds**”). In the event the Available Funds are less than total subscription price indicated on Page 1 of this Agreement, the number of Units to be purchased by the Purchaser pursuant to this Agreement shall be adjusted to a number equal to the Available Funds divided by \$0.05.

## 3. WARRANTS

3.1 Each whole Warrant will entitle the Purchaser to purchase one Warrant Share at a price of Cdn\$0.10 per Warrant Share, exercisable at any time until the close of business on the date occurring 36 months following the Closing Date.

3.2 The Warrants shall be issued pursuant to a warrant indenture entered into between the Issuer and the Issuer’s transfer agent on or prior to the Closing Date (the “**Warrant Indenture**”). The Warrant Indenture shall be on terms mutually acceptable to the Issuer and the Purchaser and will refer to the terms and conditions which govern the Warrants and will include, among other things, provisions for the appropriate adjustment in the class, number, and price of the Warrant Shares issued on exercise of the Warrants if certain events occur, including any

subdivision, consolidation, or reclassification of the Issuer's common shares, the payment of stock dividends, and the amalgamation, merger or sale of the Issuer. If the Purchaser exercises any Warrants, the Issuer will, in accordance with the certificates representing the Warrants, and upon receipt of the applicable exercise price of such Warrants:

- (a) issue to the Purchaser the number of Warrant Shares equal to the number of whole Warrants exercised; and
- (b) deliver to the Purchaser a share certificate representing the Warrant Shares.

3.3 Subject to the policies of the Exchange, the issue of the Warrants will not restrict or prevent the Issuer from obtaining any other financing or from issuing additional securities or rights during the period within which the Warrants may be exercised.

#### **4. CONDITIONS OF CLOSING**

4.1 The obligation of the Issuer to close the Private Placement is subject to the following conditions which must be satisfied on or before the Closing Date:

- (a) the Purchaser shall have duly completed, signed, and delivered to the Issuer a copy of this Agreement, together with all documents required by applicable securities legislation and the Exchange for delivery on the Purchaser's behalf, including without limitation the documents described in section 2.3 hereof;
- (b) the Issuer shall have received all necessary regulatory approvals to the Private Placement including the approval of the Exchange;
- (c) the sale of the Units shall be exempt from prospectus and registration requirements under the Acts and any other applicable securities legislation relating to the sale of the Units, or all applicable securities regulators have issued all orders, consents, or approvals required to permit the purchase and sale of the Units without the Issuer having to register or file a prospectus or deliver an offering memorandum to the Purchaser;
- (d) the Purchaser's representations and warranties contained herein shall remain true and correct as at the Closing Date, as evidenced by a bring down certificate delivered to the Issuer by the Purchaser;
- (e) the Issuer and the Issuer's transfer agent shall have entered into the Warrant Indenture; and
- (f) the Issuer shall have received from the Purchaser such other documents as it may reasonably request in respect of the transactions contemplated by this Agreement.

4.2 The obligation of the Purchaser to close the Private Placement is subject to the following conditions which must be satisfied on or before the Closing Date:

- (a) The Issuer shall have received all necessary regulatory approvals to the Private Placement including the approval of the Exchange;
- (b) The common shares of the Issuer shall be listed on the Exchange and, without limiting the foregoing, the Exchange shall have conditionally approved the listing of the common shares being issued to the Purchaser pursuant to the Private Placement and the common shares to be issued on exercise of the Warrants being issued to the Purchaser pursuant to the Private Placement on conditions that are satisfactory to the Purchaser acting reasonably;
- (c) The Purchaser shall have obtained the approval to complete the Private Placement from (i) its shareholders at the Meeting as required pursuant to the policies of the Exchange; and (ii) the Exchange;

- (d) the sale of the Units shall be exempt from prospectus and registration requirements under the Acts and any other applicable securities legislation relating to the sale of the Units, or all applicable securities regulators have issued all orders, consents, or approvals required to permit the purchase and sale of the Units without the Issuer having to register or file a prospectus or deliver an offering memorandum to the Purchaser;
- (e) the Issuer's representations and warranties contained herein shall remain true and correct as at the Closing Date, as evidenced by a bring down certificate delivered to the Purchaser by the Issuer;
- (f) Jason Sparaga shall have been appointed to the board of directors of the Issuer, effective as of Closing and the Issuer shall have delivered an undertaking of the Issuer to the Purchaser and Jason Sparaga in which the Issuer undertakes that it will continue to nominate Mr. Sparaga for election to the board of directors of the Issuer for at least three years following the Closing Date, subject to the approval of the Exchange and any other applicable regulatory authority;
- (g) no material adverse change in the business, affairs, financial condition or operations of the Issuer shall have occurred between the date of its last audited financial statements that were publicly disclosed prior to the date of this Agreement and the Closing Date, and the business of the Issuer shall have been carried on in the ordinary course of business since the date of such financial statements, all as confirmed by a certificate delivered by the Issuer to the Purchaser as of the Closing Date;
- (h) the Issuer and the Issuer's transfer agent shall have entered into the Warrant Indenture on terms reasonably acceptable to the Purchaser; and
- (i) no action or proceeding shall be pending or threatened by any person, company, firm, governmental authority, securities commission, regulatory body or agency to enjoin or prohibit the Private Placement or suspend or stop trading of the common shares of the Issuer.

## **5. PURCHASER'S REPRESENTATIONS AND WARRANTIES**

5.1 The Purchaser is a *bona fide* resident of Ontario for the purposes of applicable securities laws.

5.2 The Purchaser acknowledges and confirms that:

- (a) the Issuer has not filed a prospectus or registration statement with any of the Commissions, the United States Securities and Exchange Commission or any other securities commission or similar authority in connection with the offering of the Units and that:
  - (i) the Purchaser is restricted from using most of the civil remedies available under the Acts and applicable United States federal and state securities laws;
  - (ii) the Purchaser may not receive information that would otherwise be required to be provided to it under the Acts and applicable United States federal and state securities laws;
  - (iii) the Issuer is relieved from certain obligations that it would otherwise be required to give if it provided a prospectus or filed a registration statement under the Acts or applicable United States federal and state securities laws; and
  - (iv) the issuance and sale of the Units to the Purchaser is subject to the sale being exempt from the prospectus requirements of the Acts and applicable United States federal and state securities laws.
- (b) The purchase of the Units has not been made through or as a result of, and the distribution of the Units has not been accompanied by, an advertisement in printed media of general and regular paid subscription, radio, or television.

- (c) No person has made to the Purchaser any written or oral representations:
  - (i) that any person will resell or repurchase the Securities;
  - (ii) that any person will refund the purchase price of the Units or the Warrant Shares, except as specifically provided in this Agreement;
  - (iii) as to the future price or value of any of the Securities; or
  - (iv) that the Securities will be listed and posted for trading on a stock exchange or that an application has been made to list and post the Securities for trading on a stock exchange, other than the Shares and Warrant Shares on the Exchange.
- (d) the Purchaser is not a U.S. Person and is not purchasing the Units on behalf of or for the account or benefit of a U.S. Person, or a person in the United States;
- (e) the Issuer did not offer the Units to the Purchaser when the Purchaser was in the United States;
- (f) the Purchaser did not sign or deliver this Agreement, or otherwise place its purchase order, in the United States;
- (g) the current structure of this transaction and all transactions and activities contemplated hereunder are not a scheme to avoid the registration requirements of the 1933 Act; and
- (h) the Purchaser has no intention to distribute either directly or indirectly any of the Securities in the United States, except in compliance with the 1933 Act and applicable state securities laws;
- (i) the Warrants may be exercised only pursuant to an available exemption or exclusion from the registration requirements of the 1933 Act and applicable state securities laws, that certificates representing the Warrants may bear a legend to such effect, and that prior to any such exercise the Issuer may require the delivery of a legal opinion of recognized counsel, or other evidence in form and substance reasonably satisfactory to the Issuer, to the effect that such exercise is not required to be registered under the 1933 Act or applicable state securities laws; and
- (j) the Issuer may complete additional financings in the future in order to develop the proposed business of the Issuer and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current shareholders including the Purchaser. If such future financings are not available, the Issuer may be unable to fund its ongoing development and the lack of capital resources may result in the failure of its business venture;
- (k) This Subscription Agreement and the schedules hereto require the Purchaser to provide certain personal information to the Issuer. Such information is being collected by the Issuer and its counsel for the purposes of completing the Private Placement described herein, which includes without limitation, determining the Purchaser's eligibility to purchase the Units under applicable securities legislation, preparing and registering certificates representing the Securities to be issued to the Purchaser and completing filings required by any stock exchange, securities commission, securities regulatory authority or taxation authorities. The Purchaser's personal information may be disclosed by the Issuer to: (a) stock exchanges, securities commissions or securities regulatory authorities; (b) the Issuer's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement, the Purchaser is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Purchaser's personal information and the Information as set forth above. The Purchaser also consents to the filing of copies or originals of any of the documents described in this Subscription Agreement, as well as personal information included therein, as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transaction contemplated hereby.

In addition, the Purchaser acknowledges being notified that:

- (i) the Issuer will deliver to the Ontario Securities Commission certain personal information pertaining to the Purchaser, including such Purchaser's full name, residential address and telephone number, the number of Units purchased by such Purchaser, the total purchase price paid for such Units, the prospectus exemption relied on by the Issuer and the date of distribution of the Units,
- (ii) such information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
- (iii) such information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
- (iv) the Purchaser may contact the following public official in Ontario with respect to questions about the Ontario Securities Commission's indirect collection of such information at the following address and telephone number:

Administrative Assistant to the Director of Corporate Finance  
Ontario Securities Commission  
Suite 1903, Box 55, 20 Queen Street West  
Toronto, Ontario M5H 3S8

Telephone: (416) 593-8086

and the Purchaser authorizes the indirect collection of information by the Ontario Securities Commission; and

- (l) The Purchaser acknowledges that an investment in the Units is a risky investment, and that the Purchaser is investing in the Units entirely at the Purchaser's own risk.

5.3 The Purchaser, represents, warrants and covenants, to and with the Issuer that, as at the date of this Agreement and at the Closing Date:

- (a) The Purchaser is purchasing the Units as principal (or is deemed by applicable securities laws to be purchasing as principal) for its own account and the aggregate acquisition cost of the Units to the Purchaser is not less than \$150,000, and the Purchaser is not a corporation created or used solely to purchase or hold securities in reliance on the exemption provided in section 2.10 of NI 45-106;
- (b) The Purchaser is not a "control person" of the Issuer as defined in the BC Act and does not intend to act in concert with any other person to form a control group of the Issuer;
- (c) The Purchaser is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and its directors have given all necessary approvals to authorize the signing of this Agreement on the Purchaser's behalf;
- (d) The entering into of this Agreement and the transactions contemplated hereby will not result in the violation of any of the terms and provisions of any law applicable to, or the constituent documents of, the Purchaser or of any agreement, written or oral, to which the Purchaser may be a part or by which it is or may be bound;
- (e) The Purchaser has duly signed and delivered this Agreement and this Agreement constitutes a legal, valid, and binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (f) The Purchaser has obtained independent advice as to the applicable hold period imposed on the Securities by NI 45-102, and confirms that the Issuer has made no representations regarding the

applicable hold periods for the Securities, and the Purchaser is aware of the risks and other characteristics of the Securities and of the fact that the Purchaser may not be able to resell the Securities except in accordance with NI 45-102, the 1933 Act, other applicable securities legislation and the Exchange's policies;

- (g) If required by applicable securities legislation, policy, or order or by any securities commission, stock exchange or other regulatory authority, the Purchaser will sign, deliver, file, and otherwise assist the Issuer in filing all reports, undertakings, and other documents required with respect to the issue of the Securities;
- (h) The Purchaser (or, if applicable, others for whom it is contracting hereunder) has been advised to consult its own legal and tax advisors with respect to applicable resale restrictions and tax considerations, and it (or, if applicable, others for whom it is contracting hereunder) is solely responsible for compliance with applicable resale restrictions and applicable tax legislation;
- (i) The Purchaser has not received or been provided with, nor has it requested, nor does it have any need to receive any other document (other than annual financial statements or any other document (excluding offering memoranda, prospectuses or other offering documents) the content of which is prescribed by statute or regulation) describing the business and affairs of the Issuer, which has been prepared for delivery to and review by prospective purchasers in order to assist them in making an investment decision in respect of the purchase of the Units pursuant to this Private Placement. Purchaser has been solely responsible for his, her or its own due diligence investigation of the Issuer and its business, and analysis of the merits and risks of the investment in the Securities, and is not relying on anyone else's analysis or investigation of the Issuer, its business or the merits and risks of the Securities. Purchaser has not relied on any oral representation, warranty or other information in connection with the Private Placement by the Issuer or any agent, employee, or affiliate of the Issuer;
- (j) The funds representing the aggregate subscription price which will be advanced by the Purchaser to the Issuer hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) Act* (Canada) (the "PCMLA") and the Purchaser acknowledges that the Issuer may in the future be required by law to disclose the Purchaser's name and other information relating to this Subscription Agreement and the Purchaser's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of the knowledge of the Purchaser: (a) none of the subscription funds to be provided by the Purchaser: (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (ii) are being tendered on behalf of a person or entity who has not been identified to the Purchaser; and (b) it shall promptly notify the Issuer if the Purchaser discovers that any of such representations ceases to be true, and will provide the Issuer with appropriate information in connection therewith;
- (k) The Purchaser covenants and agrees to comply with the applicable securities legislation in Canada and the United States, and any other relevant securities legislation, the rules of the Exchange, and all orders or policies concerning the purchase, holding of, and resale of the Securities; and
- (l) The Purchaser agrees that the above representations, warranties, covenants, and acknowledgements will be true and correct both as of the signing date of this Agreement and as of the Closing Date and that they will survive the Purchaser's purchase of the Units and will continue in full force and effect even if the Purchaser subsequently disposes of any of the Securities. The Purchaser undertakes to notify the Issuer immediately of any change in any representation, warranty, or other information relating to the Purchaser set forth herein which takes place before the Closing Date.

## 6. ISSUER'S REPRESENTATIONS AND WARRANTIES

6.1 The Issuer represents, warrants and covenants to and with the Purchaser as follows:



- (a) The Issuer is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and its directors have given all necessary approvals to authorize the signing of this Agreement on the Issuer's behalf;
- (b) The entering into of this Agreement and the transactions contemplated hereby will not result in the violation of any of the terms and provisions of any law applicable to, or the constituent documents of, the Issuer or of any agreement, written or oral, to which the Issuer may be a party or by which it is or may be bound;
- (c) The Issuer has duly signed and delivered this Agreement and this Agreement constitutes a legal, valid, and binding agreement of the Issuer enforceable against the Issuer in accordance with its terms;
- (d) The Issuer will promptly comply with all filing and other requirements under all applicable securities laws in connection with the Private Placement;
- (e) On the Closing Date, the Issuer will have taken all necessary steps to duly and validly create the Securities and to issue the Shares and Warrants as fully paid and non-assessable securities in the capital of the Issuer, and to reserve a sufficient number of Warrant Shares in the treasury of the Issuer for issuance upon exercise of the Warrants from time to time;
- (f) The Issuer has all requisite corporate capacity, power and authority to carry on its business as now conducted and as presently proposed to be conducted by it and to own, lease and operate its assets;
- (g) The authorized capital of the Issuer consists of an unlimited number of common shares, of which 82,159,732 common shares, options to acquire 11,360,000 common shares, common share purchase warrants to acquire 27,879,262 common shares and convertible debentures in the principal amount of \$768,000 outstanding which would be convertible into a further 7,680,000 common shares as of the date hereof and no other securities are issued and outstanding as of the date hereof;
- (h) Except as disclosed in writing to the Purchaser, the Issuer is not in default or breach of any material agreement to which the Issuer is a party or by which the Issuer is or will be contractually bound as of the Closing Date, including but not limited to any agreements to which the Issuer is a party relating to the Programs (collectively the "**Material Contracts**") and no party to any of the Material Contracts has notified the Purchaser of its intention to terminate any Material Contract or invoked a cure period following which it will have the ability to terminate any Material Contract. All Material Contracts are in good standing and in full force and effect unamended. To the knowledge of the Purchaser, no counterparty to any Material Contract is in breach of such Material Contract;
- (i) The Issuer is not a party or subject to any actions, suits or proceedings, and to the best of the Issuer's knowledge no such actions, suits or proceedings are contemplated or have been threatened;
- (j) There are no judgments against the Issuer which are unsatisfied, nor are there any consent decrees or injunctions to which the Issuer is subject;
- (k) The Issuer is not in default of any requirements of the Acts;
- (l) No order ceasing or suspending trading securities of the Issuer nor prohibiting the sale of such securities has been issued and remains outstanding against the Issuer or its directors, officers or promoters and no investigations or proceedings for such purposes are pending or threatened;
- (m) The Issuer has made or will make application to the Exchange to obtain conditional approval for the Private Placement and the listing of the Shares and the Warrant Shares;

- (n) There has not been a material change in the consolidated assets, liabilities or obligations (absolute, contingent or otherwise) of the Issuer from the position set forth in the financial statements of the Corporation for the period ended December 31, 2012 and there has not been any adverse material change in the business, operations, capital or condition (financial or otherwise) or results of the operations of the Issuer since December 31, 2012; and since that date except as publicly disclosed there have been no material facts, transactions, events or occurrences;
- (o) The Issuer will use commercially reasonable efforts to ensure that the management information circular prepared for use by the Purchaser in connection with the Meeting of shareholders called for the purposes of, among other things, seeking approval for the Private Placement, as and when filed on SEDAR, will contain disclosure of all facts relating to the Issuer as are required to be disclosed therein pursuant to the policies of the Exchange and that all information about the Issuer and its subsidiary in such information circular will be true and correct.

## **7. RESALE RESTRICTIONS**

7.1 The Purchaser acknowledges that the Securities will be subject to restrictions on resale imposed by NI 45-102.

7.2 The Purchaser agrees to consult his own legal advisors regarding the statutory resale restrictions applicable to the Securities before the resale of any of the Securities.

7.3 The certificates representing the Securities will bear a legend denoting the resale restrictions imposed by NI 45-102. The Purchaser agrees to sell, assign, or transfer the Securities only in accordance with these legends and the requirements of NI 45-102, the 1933 Act, other applicable securities legislation and the Exchange.

## **8. COVENANTS OF THE PARTIES**

8.1 Each party shall use its commercially reasonable efforts fulfill the closing conditions set out in Sections 4.1 and 4.2 as are within its power, including using commercially reasonable efforts to make such filings and obtain such approvals of the Exchange and their respective directors and shareholders as may be required to complete the transactions contemplated by this Agreement.

8.2 Without limiting the generality of Section 8.1, the Issuer shall use commercially reasonable efforts to obtain the Exchange's approval to list the Shares to be issued pursuant to this Agreement and the Warrant Shares.

8.3 The Issuer will cooperate with the Purchaser to instruct the Issuer's transfer agent to cooperate with the Purchaser's transfer agent in an orderly transition of the shareholder information of the Purchaser for the purposes of distributing the Shares and Warrants to such shareholders following Closing. Without limiting the generality of the foregoing, the Issuer and the Issuer's transfer agent shall agree to become bound by the Exchange CPC escrow agreement entered into between the Purchaser, Equity Financial Trust Company and certain shareholders of the Purchaser as of September 28, 2011, pursuant to which the Issuer's transfer agent will be appointed as replacement escrow agent and the Issuer shall be deemed to be a successor issuer under such agreement.

## **9. CLOSING DATE**

9.1 The Closing Date will take place as soon as practicable after the special meeting of shareholders of the Purchaser called to seek shareholder approval of this Private Placement (the "**Meeting**"), on such date as may be agreed to between the Purchaser and the Issuer.

9.2 On the Closing Date, subject to Sections 4.1 and 4.2, the Issuer will issue and deliver the Shares and Warrants purchased by the Purchaser registered as instructed on page 2 of this Agreement.

## **10. TERMINATION**

10.1 This Agreement may be terminated by either party under any of the following circumstances:

- (a) if the conditions precedent to such party's obligations under this Agreement as set out in Sections 4.1 or 4.2, as applicable, are not satisfied or waived by such party on or prior to June 30, 2013 such party may terminate this Agreement on written notice to the other;
- (b) if notice is given to the other party of a breach of this Agreement by such other party and such breach remains uncured for a period of 10 days following such notice, the party not in breach may terminate this Agreement immediately on written notice to the other.

## **11. COLLECTION OF PERSONAL INFORMATION**

11.1 The Purchaser acknowledges and consents to the collection by the Issuer of the Purchaser's personal information for the purpose of completing the Purchaser's subscription. The Purchaser acknowledges and consents to the Issuer retaining the personal information for as long as permitted or required by applicable law or business practices. The Purchaser further acknowledges and consents to the Issuer disclosing as required by applicable securities laws, stock exchange rules, and IDA rules to regulatory authorities, or to other authorities pursuant to the PCMLA, any personal information provided by the Purchaser respecting itself.

## **12. CONSENT**

- 12.1 By executing this Subscription Agreement, the Purchaser acknowledges and expressly consents to:
- (a) the disclosure of Personal Information by the Issuer to the Exchange (as outlined in Exchange Appendix 6A – *Acknowledgement – Personal Information*) pursuant to Form 4B – *Notice of Private Placement* of the Exchange; and
  - (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6A – *Acknowledgement – Personal Information* or as otherwise identified by the Exchange, from time to time.

For the purposes of this Section 12, "Personal Information" means any information about the Purchaser, and includes information contained in Part II and Part IV as applicable, of Form 4B – *Notice of Private Placement* of the Exchange.

## **13. NOTICE**

13.1 Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally or transmitted by facsimile or portable document format (PDF) to such party as follows:

- (a) In the case of the Issuer to:  
  
Digital Shelf Space Corp.  
214 – 1847 W. Broadway  
Vancouver, BC V6J 1Y6  
Attention: Jeffrey Sharpe  
Fax: 604 736 7944  
Email: jeff@digitalshelfspace.com
- (b) In the case of the Purchaser to:  
  
Spara Acquisition One Corp.  
C/O LaBarge Weinstein LLP  
800 – 515 Legget Drive  
Ottawa, ON K2K 3G4  
Attention: Shane McLean  
Fax: 613 599 0018  
Email: smclean@lwlaw.com

13.2 Any such notice, direction or other instrument, if delivered personally, shall be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day at the recipient's location then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following such day and if transmitted by facsimile or portable document format (PDF), shall be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours at the recipient's location then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day at the recipient's location next following the day of such transmission.

13.3 Any party hereto may change its address for service from time to time by notice given to the other party hereto in accordance with the foregoing provisions.

#### **14. MISCELLANEOUS**

14.1 A party may not assign this Agreement without the other party's written consent.

14.2 Time is of the essence of this Agreement.

14.3 For the purposes of calculating the issuance of any Securities hereunder, the number of Securities to be issued will be rounded to the nearest whole number (with a fraction of 0.5 and greater being rounded up and a fraction less than 0.5 being rounded down).

14.4 Except as expressly provided in this Agreement and in the agreements, instruments, and other documents contemplated or provided for herein, this Agreement contains the entire agreement between the parties regarding the Securities and there are no other terms, conditions, representations, or warranties, whether expressed, implied, oral, or written, by statute, by common law, by the Issuer, or by anyone else.

14.5 The parties to this Agreement may amend this Agreement only in writing.

14.6 This Agreement enures to the benefit of and is binding on the parties to this Agreement and their successors and permitted assigns.

14.7 This Agreement is to be read with all changes in gender or number required by the context.

14.8 This Agreement will be governed by and construed in accordance with the laws of British Columbia and the parties irrevocably attom and submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to this Agreement.

14.9 The parties may sign this Agreement in any number of counterparts and may deliver this Agreement by facsimile, all of which, when taken together, will be deemed to be one and the same document.

14.10 All costs and expenses incurred by the Purchaser (including any fees and disbursements of any special counsel obtained by the Purchaser) relating to the sale of the Units to the Purchaser shall be borne by the Purchaser.

## FORM 4C

# CORPORATE PLACEE REGISTRATION FORM

This Form will remain on file with the Exchange and must be completed if required under section 4(b) of Part II of Form 4B. The corporation, trust, portfolio manager or other entity (the “Placee”) need only file it on one time basis, and it will be referenced for all subsequent Private Placements in which it participates. If any of the information provided in this Form changes, the Placee must notify the Exchange prior to participating in further placements with Exchange listed Issuers. If as a result of the Private Placement, the Placee becomes an Insider of the Issuer, Insiders of the Placee are reminded that they must file a Personal Information Form (2A) or, if applicable, Declarations, with the Exchange.

1. Placee Information:
  - (a) Name: Spara Acquisition One Corp.
  - (b) Complete Address: C/O LaBarge Weinstein LLP, 800 – 515 Legget Drive, Ottawa, ON K2K 3G4
  - (c) Jurisdiction of Incorporation or Creation: Canada
2.
  - (a) Is the Placee purchasing securities as a portfolio manager: (Yes/No)? No
  - (b) Is the Placee carrying on business as a portfolio manager outside of Canada: (Yes/No)? No
3. If the answer to 2(b) above was “Yes”, the undersigned certifies that:
  - (a) it is purchasing securities of an Issuer on behalf of managed accounts for which it is making the investment decision to purchase the securities and has full discretion to purchase or sell securities for such accounts without requiring the client’s express consent to a transaction;
  - (b) it carries on the business of managing the investment portfolios of clients through discretionary authority granted by those clients (a “portfolio manager” business) in \_\_\_\_\_ [jurisdiction], and it is permitted by law to carry on a portfolio manager business in that jurisdiction;
  - (c) it was not created solely or primarily for the purpose of purchasing securities of the Issuer;
  - (d) the total asset value of the investment portfolios it manages on behalf of clients is not less than \$20,000,000; and
  - (e) it has no reasonable grounds to believe, that any of the directors, senior officers and other insiders of the Issuer, and the persons that carry on investor relations activities for the Issuer has a beneficial interest in any of the managed accounts for which it is purchasing.

4. If the answer to 2(a). above was “No”, please provide the names and addresses of Control Persons of the Placee:

Name *	City	Province or State	Country
N/A			

\* If the Control Person is not an individual, provide the name of the individual that makes the investment decisions on behalf of the Control Person.

5. Acknowledgement - Personal Information and Securities Laws

- (a) “Personal Information” means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (i) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Form; and
  - (ii) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.
- (b) The undersigned acknowledges that it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions.

Dated and certified (if applicable), acknowledged and agreed, at \_\_\_\_\_ on \_\_\_\_\_

Spara Acquisition One Corp.  
(Name of Purchaser - please print)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Official Capacity - please print)

\_\_\_\_\_  
(Please print name of individual whose signature appears above)

**THIS IS NOT A PUBLIC DOCUMENT**

**APPENDIX "C"**  
**PRIVATE PLACEMENT RESOLUTION**

BE IT RESOLVED as an ordinary resolution of the shareholders of Spara Acquisition One Corp. (the "Corporation") that:

1. the subscription agreement dated May 14, 2013 (the "**Subscription Agreement**") among the Corporation and Digital Shelf Space Corp ("**Digital**") be and the same is hereby ratified, confirmed, approved and adopted;
2. the subscription by the Corporation for up to 9,200,000 common shares of Digital and an equal number of common share purchase warrants of Digital pursuant to, and in accordance with, the Subscription Agreement, be and the same is hereby authorized and approved;
3. anyone director or officer of the Corporation, be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
4. notwithstanding that this resolution has been passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to not proceed with the matters contemplated by or in connection with the Subscription Agreement without any further approval of the shareholders of the Corporation.

**APPENDIX "D"**  
**RETURN OF CAPITAL RESOLUTION**

BE IT RESOLVED as a special resolution of the shareholders of Spara Acquisition One Corp. (the "**Corporation**") that:

1. the reduction in the stated capital of the Corporation, by an amount equal to the value of the common shares (the "**Digital Shares**") and warrants (the "**Digital Warrants**") of Digital Shelf Space Corp. ("**Digital**") acquired by the Corporation pursuant to a subscription agreement dated May 14, 2013 between the Corporation and Digital, and the distribution of all such Digital Shares and Digital Warrants ratably to the shareholders of the Corporation be and is hereby authorized and approved;
2. any two directors or any director together with any officer of the Corporation are hereby authorized and directed to execute and deliver, whether under the corporate seal of the Corporation or otherwise, such deeds, documents, instruments and writings and to do and perform all such acts and things as such officer or director may, in his or her discretion, consider to be necessary or desirable for the purpose of giving full effect to this resolution; and
3. in the event the transactions contemplated by the above referenced subscription agreement do not close for any reason, the directors of the Corporation may determine not to proceed with the reduction in the stated capital of the Corporation or the distribution of the Digital Shares and Digital Warrants to the shareholders of the Corporation without the further approval of the shareholders of the Corporation at any time.



**APPENDIX "E"**  
**DISSOLUTION RESOLUTION**

BE IT RESOLVED as a special resolution of the shareholders of Spara Acquisition One Corp. (the "**Corporation**") that:

1. the dissolution of the Corporation pursuant to subsection 210(3) of the *Canada Business Corporations Act* (the "**CBCA**") is hereby authorized and approved;
2. in furtherance of the above, the directors of the Corporation are hereby authorized to cause the Corporation to liquidate its assets, if any, pay and discharge its liabilities, and thereafter distribute the remaining property and assets of the Corporation, if any, ratably among the shareholders of the Corporation according to their rights and interests in the Corporation; and
3. any two directors or any director together with any officer of the Corporation are hereby authorized and directed to execute and deliver, whether under the corporate seal of the Corporation or otherwise, such deeds, documents, instruments and writings and to do and perform all such acts and things (including without limitation, the execution and delivery of articles of dissolution in prescribed form and the delivery thereof to the Director appointed under the CBCA) as such officer or director may, in his or her discretion, consider to be necessary or desirable for the purpose of giving full effect to this resolution, the execution of any such document or the doing of any such act or thing being considered conclusive evidence of such determination, provided that the directors of the Corporation, may, in their sole discretion, delay the filing of such articles of dissolution or revoke this special resolution without further approval of the shareholders of the Corporation at any time prior to such articles of dissolution becoming effective in accordance with the provisions of the CBCA.

**APPENDIX “F”  
TRANSFER TO NEX RESOLUTION**

**BE IT RESOLVED THAT:**

1. The Corporation is authorized to make an application to the TSX Venture Exchange to transfer its listing to the NEX as an alternative to delisting if it is unable to complete its qualifying transaction within the time period required by the Exchange.
2. The Corporation is authorized to prepare such disclosure documents and make such submissions and filings as the Corporation may be required to make with the Exchange to obtain Exchange acceptance of the transfer to NEX.
3. The Corporation, upon its listing being transferred to NEX, is authorized to cancel all seed shares purchased by Non-Arm's Length Parties to the Corporation at \$0.05 or cancel an amount of seed shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining seed shares is at least equal to \$0.10.
4. The directors of the Corporation are authorized and empowered, without further approval of the shareholders of the Corporation, to abandon, revoke or terminate this resolution if the directors of the Corporation decide to not proceed with the transfer of the Corporation's listing to NEX.
5. Any one director or officer of the Corporation be authorized for and on behalf of the Corporation to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Corporation or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing.