COMPREHENSIVE VALUATION REPORT
&
RELATED FAIRNESS OPINION

On

MCVICAR INDUSTRIES INC.

Toronto, Ontario

March 27, 2014

EVANS & EVANS, INC.

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1.0 ASSIGNMENT

Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Report") was engaged by the Special Committee of the Board of Directors (the "Committee") of McVicar Industries Inc. ("McVicar Canada" or the "Public Company") of Toronto, Ontario to prepare an independent Comprehensive Valuation Report and Related Fairness Opinion (the "Report"). McVicar Canada is a reporting issuer whose shares are listed for trading on the TSX Venture Exchange ("Exchange") under the symbol "MCV". Evans & Evans understands that on January 30, 2014 (the "Announcement Date"), the Public Company entered into a conditional merger agreement (the "Merger Agreement") with GC Consulting & Investment Corp. ("GCCI" or the "Offeror") whereby the Public Company has agreed to amalgamate (the "Amalgamation") under s. 174 of the *Business Corporations Act* (Ontario) with 1909734 Ontario Limited, a wholly-owned subsidiary of GCCI ("Subco"), to form a new corporation ("Amalco"). GCCI owns or exercises control over a total of 3,713,593 common shares of McVicar Canada amounting to approximately 12.90% of its issued common shares. The key terms of the Merger Agreement are outlined in section 3.0 below.

The Public Company holds a 100% interest in its Hong Kong subsidiary, McVicar (Hong Kong) Advanced Materials Co. Ltd. ("McVicar HK") and a 100% interest in a Canadian company JITE Technologies Inc. ("Jite Canada"). Through these two wholly-owned subsidiaries (and their respective operating subsidiaries), the Public Company is operating in two different segments: the Technology Division and the Chemical Division.

The Committee has requested the Report in order to have an independent opinion as to the fair market value of McVicar Canada as at January 31, 2014 ("Valuation Date"), one month from the date of the most recent financial information on the Public Company and its subsidiaries (hereafter collectively referred to as the "Companies"). Evans & Evans has also been requested by the Committee to undertake the completion of the Report in order to provide an independent opinion as to whether the Merger Agreement is fair, from a financial point of view, to the shareholders of McVicar Canada other than the Offeror.

The Report is prepared for the Committee, and may be included in public disclosure documents regarding the Amalgamation and may also be submitted to the Exchange. The Report may also be submitted to the appropriate court bodies if necessary as part of the approval process for the Amalgamation.

In connection with the Amalgamation cited above, the Committee conducted its own review of the Amalgamation. The Committee has requested Evans & Evans' opinion to provide an independent verification of the fairness of the Amalgamation.

As Evans & Evans will be relying extensively on information, materials and representations provided to us by the Companies' management and associated representatives, the authors of the Report will require that management of McVicar Canada confirm to Evans & Evans in writing that it has reviewed the Report in detail and that the information and management's representations contained in the Report are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report.

Evans & Evans, its staff and associates, do not assume any responsibility or liability for losses incurred by the Companies, their management and shareholders or any other parties as a result of the circulation, publication, reproduction, or use of the Report, or any excerpts thereto contrary to the provisions of this section of the Report.

Evans & Evans also reserves the right to review all calculations included or referred to in the Report and, if Evans & Evans considers it necessary, to revise the Report in light of any information existing at the Valuation Date which becomes known to Evans & Evans after the date of the Report.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars (C$).

2.0 BACKGROUND OF MCVICAR CANADA

McVicar Canada was incorporated under the *Business Corporations Act* (Ontario) on February 19, 2003. Headquartered in Toronto, Canada, the Public Company is focused on two main business divisions: (i) Technology Division conducted through Jite Canada and its subsidiaries; and, (ii) Chemical Division conducted through McVicar HK and its subsidiaries.

Technology Division

Jite Canada is a private company, which was a publicly listed company on the TSX-V (under the symbol “JTI”) until May 31, 2012. Jite Canada has a wholly-owned subsidiary, Jite (Hong Kong) Limited (“Jite HK”), which owns 100% of Jite Industrial (Shenzhen) Co. Ltd. (“Jite Shenzhen”), 100% of Jite Industrial (Kunshan) Co., Ltd. (“Jite Kunshan”) and 30% of Shenzhen Delicheng Electronic Co., Ltd. (“Delicheng”). Jite HK, Jite Shenzhen, and Jite Kunshan are hereafter collectively referred to as the “Jite Subsidiaires”; Jite Canada and the Jite Subsidiairies are hereafter collectively referred to as “Jite”. The core business of Jite is the development, manufacture and sales primarily in North America and China of terminal blocks used in security, elevator, railway and automation systems.

Originally holding 56.2% of the issued and outstanding shares of Jite Canada, in April 2012, McVicar Canada acquired a further 37.5% of Jite Canada pursuant to a takeover bid and the remaining 6.3% through a second step amalgamation of Jite Canada with a wholly-owned subsidiary of McVicar Canada effective May 31, 2012.

Jite, as a global supplier of terminal blocks, has established a wide range of logistic channels and warehouses worldwide, including in China, North America and Europe. Through Jite Shenzhen, Jite’s R&D, manufacturing and logistics are located in an over 700,000 square feet facility (“Shenzhen Plant”) (of which 300,000 square feet is used for manufacturing) in Shenzhen, China that employs over 500 employees. The Shenzhen Plant is currently leased from a third-party.

Jite Kunshan, established in October 2009, owns land and building associated with a facility ("Kunshan Plant") located in the Kunshan Economic and Technological Development Zone, in Jiangsu Province, China. The Kunshan Plant was originally established for the relocation of the operations of the Shenzhen Plant but ceased operations in 2012 as management's anticipated production efficiencies were not reached. The Kunshan Plant has a 270,000 square foot building and is currently being leased to arm's length parties for rental income, with terms ranging from one to three years (with the latest expiring by the end of December 2016). Management noted that it does not foresee any potential liability or government fines associated with not operating the Kunshan plant as originally intended (i.e., for terminal block manufacturing) as Jite Kunshan has been renting out the Kunshan Plant and paying corporate income taxes to the government in association with the rental income.

Delicheng was formed in 2010 to manufacture screws for Jite. The other 70% of Delicheng is owned by unrelated third parties. Delicheng does not supply exclusively to Jite (i.e., Jite is only one of Delicheng's many customers).

Jite Canada has four employees, Jite Shenzhen has 450 employees, Jite HK has no employees and Jite Kunshan has five employees (for maintenance of the Kunshan Property). Jite Canada's consolidated revenues for the fiscal years ("FY") ended December 31, 2011-2013 were $16.0 million, $15.1 million and $17.3 million, respectively, with net income of $1.5 million, $1.6 million and $2.9 million over the same period.

<u>Chemical Division</u>

McVicar HK is a holding company whose major subsidiaries are a 100% owned Hangzhou Changlong Chemical Co. Ltd. ("Changlong"), a 100% owned McVicar (Hang Zhou) Management Co. Ltd. ("McVicar HZ"), an indirect 80% interest in Luyuan Chemical Co. Ltd. ("Luyuan"), and indirect 100% interest in Anhui Linghua Co. Ltd. ("Anhui"). The principal activities of all Changlong, McVicar HZ, Luyuan and Anhui (hereafter collectively referred to as the "Chemical Subsidiaries") are the development, manufacture and sales of specialized refined chemical products used in pharmaceutical and cosmetic industries both in China and international markets.

McVicar HK also previously owned 100% of Zhejiang Hongbo Chemical Co. Ltd. ("Hongbo"). On January 20, 2014, McVicar Canada announced the completion of the sale of Hongbo ("Hongbo Sale") to a group of investors (the "Hongbo Buyers"), who are also the former shareholders of Hongbo. The purchase price for the Hongbo Sale is to be satisfied as follows:

- the sum of $1,349,952 from the surrender of certificates representing 6,839,800 common shares (which were originally received by the Hongbo Buyers upon its original acquisition of Hongbo in 2007) of McVicar Canada. These shares have been received by McVicar Canada and cancelled as at the Valuation Date leaving 28,787,520 common shares of McVIcar Canada outstanding.

- the sum of RMB2,000,000 (~C$366,000 at RMB1 = C$0.183 as at the Valuation Date) to be paid to McVicar HK by certified cheque, bank draft or electronic funds transfer upon satisfaction of the following main conditions:
  - full resumption of normal operations at the Hongbo facilities in accordance with local government requirements; and,
  - the collection of at least 80% of Hongbo's accounts receivable as at the date of the letter of intent relating to the Hongbo Sale (December 12, 2013) ("Hongbo LOI"), which was estimated to be approximately RMB7.0 million (~$1,281,000) excluding intercompany loans.

The decision by management to sell Hongbo was a result of a series of events ("Hongbo Events") as further described below. Hongbo does not form a part of the Amalgamation. Evans & Evans understands, through discussions with management, no potential or contingent liabilities are expected to arise from the Hongbo Sale.

As outlined in the Public Company's press release dated August 2, 2013, Hongbo temporarily suspended its production due to a change in environment and safety regulations enforced by local government on chemical manufacturers in non-chemical industrial parks. The revised regulations are intended to reduce environmental pollution and improve workplace safety. As a result, chemical companies in non-chemical industrial parks are required to upgrade their facilities to comply with the new regulations. A subsequent press release dated August 13, 2013 outlined that Hongbo was wrongfully and illegally occupied by the factory manager and staff, which formed a coalition and denied McVicar Canada's local representatives access to the factory after Hongbo's production was temporarily suspended. The Public Company's press release dated October 18, 2013 outlines the Public Company had been granted access to the production facilities of Hongbo through the involvement of various levels of local governments.

Hongbo was previously a significant customer of both Changlong and Luyuan, companies which manufacture and provide intermediate chemicals to Hongbo. Luyuan did not historically generate any sales from third parties – i.e., all of its sales were to Changlong and Hongbo. Changlong had generated sales from both Hongbo (approximately 40% of total sales in FY2012) and third-parties. As a result of the Hongbo Events, the operating results of Changlong and Luyuan in FY2013 were significantly and adversely impacted given the loss of Hongbo as a customer.

Luyuan owns the land and building in which its plant ("Luyuan Plant") is situated, and from which Changlong also operated since the receipt of an order by the Chinese government in May 2010 by Changlong to relocate its operations from the city of Hangzhou. Key customers of Changlong were lost since Changlong's 2010 relocation from Hangzhou to the Luyuan Plant. Prior to the ceasing of the manufacturing operations of Changlong and Luyuan in January of 2014 due to the loss of Hongbo as a major customer, Changlong and Luyuan have been sharing fixed costs of operating the Luyuan Plant. Changlong had four employees and Luyuan had 15 employees.

Changlong's revenues for the FYs ended December 31, 2011-2013 were $3.3 million, $865,000, and $288,000, respectively, with net income of $90,000, $750,000 and net loss of $272,000 over the same period.

Luyuan's revenues for the FYs ended December 31, 2011-2013 were $448,000, $813,000, and $682,000, respectively, with net loss of $636,000, $720,000 (which included non-operating income of $919,000) and $290,000 over the same period.

It is expected that, given the specialized nature of the intermediate chemicals supplied by Changlong and Luyuan to Hongbo, the business relationship between Changlong and Luyuan with Hongbo is expected to continue if Hongbo resumes operations. Management noted that Changlong and Luyuan have been supplying the chemical products to Hongbo at slightly below-market prices.

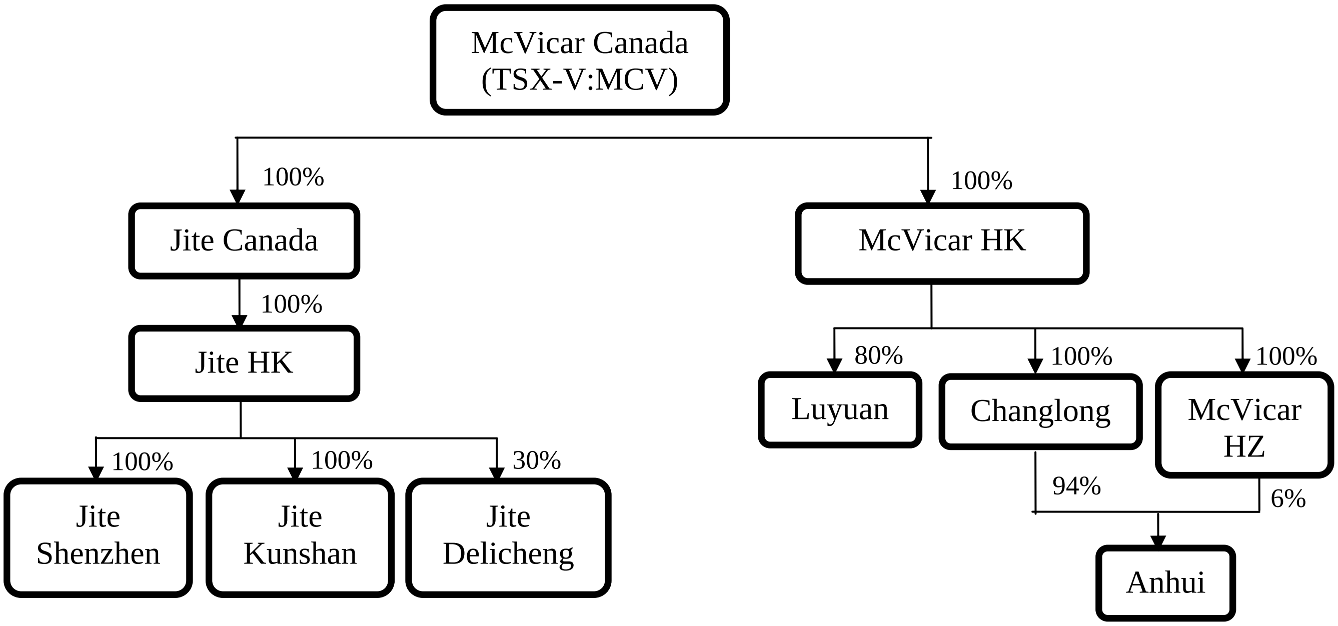
As at the Valuation Date and the date of the Report, while management has noted that the Hongbo Buyers have indicated their intention to resume operations of Hongbo, it is uncertain as to the steps and timing required for the Hongbo Buyers to reach full resumption of operations at the Hongbo in accordance with local government requirements.

The land and building owned by Anhui ("Anhui Plant") was originally acquired by McVicar HK in 2012 with the intention of relocating the operations of Hongbo. As a result of the Hongbo Events, the operations of Hongbo were not relocated. On March 13, 2014, the Company received notice ("Notice") from the Anhui Dongzhi Economic Development Zone Management Committee ("Anhui Committee") notifying that as Anhui has not begun operations at the Anhui Plant as originally planned, the Anhui Committee is requesting that a representative of Anhui further discuss the outstanding issues with the Anhui Committee before March 31, 2014. Failure to do so will result in the Anhui Committee imposing penalties. As at the Valuation Date and the date of the Report, the required actions by Anhui to fulfill the requirements of the Anhui Committee and the potential penalties that may result from any inaction or delay in subsequent actions by Anhui are uncertain ("Anhui Uncertainties").

McVicar HZ was established for the purposes of serving as the head office in China for the Chemical Division, is an inactive company and has no employees.

Corporate Structure

The current corporate structure of McVicar Canada is outlined in the following diagram:



All of the companies referred to in the above diagram are hereafter collectively referred to as the "Companies".

3.0 SUMMARY OF THE MERGER AGREEMENT

As outlined in a press release dated January 30, 2014, McVicar Canada has entered into the Merger Agreement with GCCI, a corporation controlled by Dr. Gang Chai, McVicar Canada's Chief Executive Officer, pursuant to which the Public Company has agreed, subject to regulatory and shareholder approval, to the Amalgamation with Subco to form Amalco to be named McVicar Industries Inc. which will be a wholly owned subsidiary of GCCI.

On the Amalgamation, each outstanding McVicar Canada common share, other than those held by shareholders who exercise their dissent and appraisal rights under s. 185 of the *Business Corporations Act* (Ontario) and by GCCI which will be cancelled, will be exchanged for one redeemable preferred share of Amalco, which will be redeemed by Amalco for cash consideration of $0.50 per preferred share as soon as possible following the Amalgamation. All of the issued shares of Subco (currently held by GCCI) will be exchanged for shares of Amalco. Consequently, completion of the Amalgamation will result in GCCI having effectively acquired 100% of the issued shares of McVicar Canada.

A summary of the key terms of the Merger Agreement is provided above. The reader is advised to refer to the full Merger Agreement for more details.

4.0 SCOPE OF THE REPORT

In arriving at opinion as to the fair market value per share of the Company as at the Valuation Date, Evans & Evans have relied on the following documents and information:

- Interviewed the Public Company's management team on numerous occasions from January of 2014 to March of 2014 to gain a better understanding of the operation of the Companies and the business plans going forward.

- Conducted a site visit and tour of the Shenzhen Plant in Shenzhen, China in January of 2014. Overall, the Shenzhen Plant is well laid out and organized.

- Reviewed the Public Company's website www.mcvicar.ca and Jite's website www.jite.com.

- Reviewed the management's responses to Evans & Evans' valuation questionnaire.

- Reviewed the Comprehensive Valuation Report on 100% of Jite Canada (the "Prior Jite Report"), dated January 30, 2012, completed by Evans & Evans, relating to the proposed acquisition by McVicar Canada of all the issued and shares of Jite Canada that McVicar Canada did not already own ("Prior Transaction") and an opinion ("Prior Jite Fairness Opinion") as to the fairness of the Prior Transaction, from a financial standpoint, to the minority shareholders of Jite Canada. According to the Prior Jite Report, in January 2012, Evans & Evans determined the fair market value of Jite Canada to be in the range of $15.3 million to $17.0 million as at November 30, 2011.

- Reviewed the Merger Agreement, dated January 30, 2014.

- Reviewed the following financial statements:

    - McVicar Canada's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2012 and the twelve months ended December 31, 2013 (the reader should note that McVicar Canada is in the process of changing its financial year end from December 31 to March 31);

    - Jite Canada's management-prepared consolidated financial statements for the FYs ended December 31, 2008-2013 (includes Jite HK, Jite Shenzhen, Jite Kunshan and Delicheng);

    - Anhui's management-prepared unconsolidated financial statements for the FYs ended December 31, 2012-2013;

    - Changlong's management-prepared unconsolidated financial statements for the FYs ended December 31, 2008-2013;

  - Luyuan's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013;

  - McVicar HZ's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013;

  - McVicar HK's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2013; and,

  - McVicar Canada's consolidated financial statements for the FYs 2011-2012, as audited by Collins Barrow Toronto LLP, Licensed Public Accountants and Chartered Accountants of Toronto, Ontario, and the consolidated unaudited financial statements for the twelve months ended December 31, 2013.

- Reviewed the schedule of aged accounts receivables for each of Jite Shenzhen, Jite HK and Jite Canada as at September 30, 2013. For Jite Shenzhen, of the $2.31 million outstanding, 79.5% of gross receivables are less than 90 days, 3.6% are between 91 and 180 days, 0.7% are between 181 days and a year, and 16.2% are over a year. For Jite HK, of the $1.63 million outstanding, 81.6% of gross receivables are less than 90 days, 18.3% are between 91 and 180 days, and 0.07% are over 180 days. For Jite Canada, of the $1.54 million outstanding, 95.8% of gross receivables are less than 90 days, 2.5% are between 91 and 120 days, and 1.7% are over 120 days.

- Reviewed the schedule of aged inventory for Jite Shenzhen and Jite Canada as at September 30, 2013.

- Reviewed the schedule of aged accounts payable for Jite Shenzhen as at September 30, 2013. As at September 30, 2013, 67.3% of accounts payable are less than 90 days, 14.4% are between 91 to 120 days, 9.43% are between 121 and 150 days and 8.9% are over 150 days.

- Reviewed the schedule of aged accounts receivable for Changlong as at September 30, 2013. Approximately half of the outstanding accounts receivable is from Hongbo and the other half has been outstanding for over 2 years.

- Conducted interviews with several customers of Jite.

- Reviewed the real estate appraisals ("Real Estate Appraisals") prepared by an independent real estate appraisal agency, Shanghai Jilian Assets Appraisal Co., Ltd. of Shanghai, China ("Real Estate Appraisers"), to determine the market values of the Luyuan Plant, Anhui Plant and the Kunshan Plant as at the Valuation Date in accordance with the Valuation Standards promulgated by the China Appraisal Society of Certified Public Valuers ("CASCPV").

  - o As outlined in the appraisal on the Kunshan Plant ("Kunshan Appraisal"), the appraised value was determined to be RMB22,904,948.70 ($4,191,606 at RMB1=$0.183 as at the

Valuation Date) for the buildings and RMB12,345,642.00 ($2,259,252) for the land-use rights.

- As outlined in the appraisal on the Anhui Plant ("Anhui Appraisal"), the appraised value was determined to be RMB35,008,419.00 ($6,406,541) for the buildings and RMB12,724,200.00 ($2,328,529) for the land-use rights.

- As outlined in the appraisal on the Luyuan Plant ("Luyuan Appraisal"), the appraised value was determined to be RMB2,131,052.00 ($389,982) for the buildings and RMB1,821,000.00 ($333,243) for the land-use rights.

- Reviewed the following documents:

  - Articles of Incorporation of McVicar Resources Inc., which, through Articles of Amendments, changed its name to McVicar Industries Inc.

  - Hongbo LOI, dated December 12, 2013, between McVicar HK, McVicar Canada, Hongjie Kang, Juan Du, Zhaogen Chen, Jinfu Xu, and Zhanting Li (who are former shareholders of Hongbo).

  - Share Purchase and Sale Agreement ("Hongbo Agreement"), dated December 30, 2013, between McVicar HK, McVicar Canada, Jianting Chen, Juan Du, Hongjie Kang, Zhanting Li, and Ying Pan (i.e., the Hongbo Buyers).

  - A valuation report on the Anhui Plant (including land, building and equipment), prepared by Huarui Property Appraisal Co., Ltd., dated July 8, 2012. The valuation was completed when McVicar HK acquired Anhui in 2012. As at the appraisal date of May 30, 2012, values were determined as follows:

	Value (RMB)	**Value (C$)***
Land	6,000,000	$969,000
Land Development	2,765,824	$446,681
Building	14,244,176	$2,300,434
Equipment	14,200,000	$2,293,300
TOTAL	**37,210,000**	**$6,009,415**

** Conversion at RMB1 = $0.16150 as at May 30, 2012*

  - A list of suppliers of Jite Shenzhen.

  - A list of the top three customers of Jite and their sales amount in FY2013:

  - Tax returns for Jite Canada for the period from January 1, 2012 to May 31, 2012 and for the period from June 20, 2012 to December 31, 2012.

  - Tax return for McVicar Canada for FY2012.

- Employment agreements between: (a) McVicar Canada and Gang Chai, dated June 30, 2011, for the position of President and Chief Executive Officer; (b) McVicar Canada and eXavier Peterson, dated January 17, 2011, for the position of Senior Manager, Corporate Affairs; and, (c) McVicar Canada and Ming Zhang, dated May 1, 2013, for the position of Chief Financial Officer. According to the employment agreements: (a) if the employment of Dr. Chai is terminated as a result of a change of control of McVicar Canada, the Public Company will pay 12 months to Dr. Chai and one more month's compensation for each year of Dr. Chai's services as CEO; (b) if the employment of Ms. Peterson is terminated within one year of change of control, the Public Company will pay one years' remuneration to Ms. Peterson.

- A Lease Agreement, dated November 9, 2011, between Jite Shenzhen and Shenzhen Jiexia Joint-Stock Company, for the Shenzhen Plant from January 1, 2012 to June 30, 2016. The rental fee for RMB13.5 per square meter to a total of RMB273,352.73 per month.

- Lease Agreements, between Jite Kunshan and its leases, outlined in the table below:

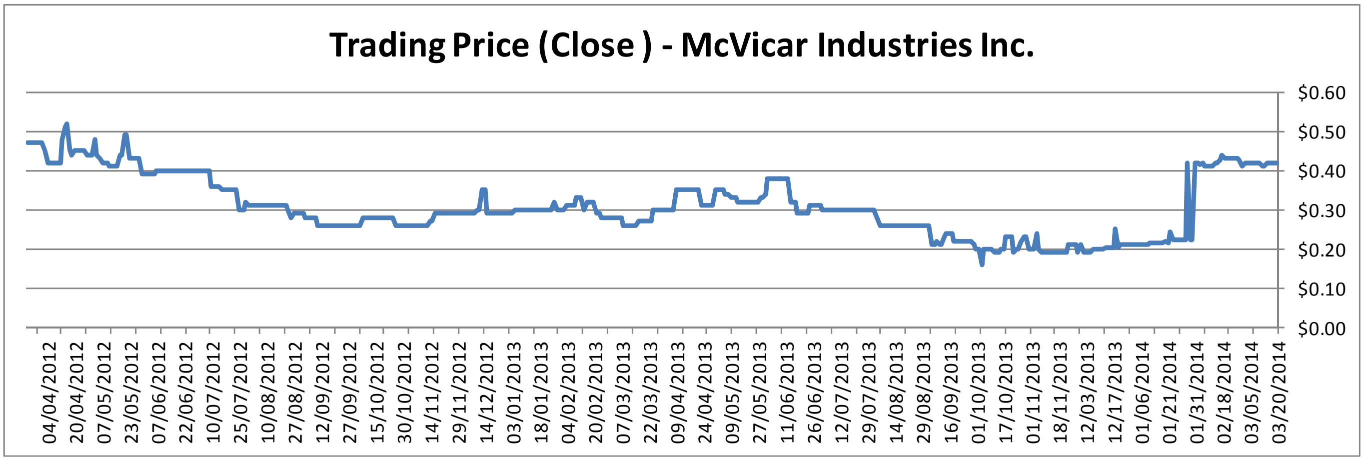
Agreement No.	Term	Rent (Per Month) in RMB	Size (Square Meters)	Penalty for Early Termination
1	April 1, 2011 to April 1, 2014	90,000	7,294	3 Months Rent
2	March 1, 2013 to February 28, 2016	26,112	2,176	3 Months Rent
3	January 1, 2014 to December 31, 2016	21,000	2,176	3 Months Rent
4	November 1, 2011 to October 31, 2014	48,000	2,176	3 Months Rent
5	September 15, 2013 to September 14, 2016	12,000	1,000	1 Month Rent

- A copy of the Land Use Rights owned by Anhui, a copy of the Land Use Rights and Building Certificate owned by Jite Kunshan and a copy of the Land Use Rights and Building Certificate owned by Luyuan.

- A copy of the Notice received from the Anhui Dongzhi Economic Development Zone Management Committee, dated March 13, 2014.

* Reviewed the Public Company's Management Discussion and Analysis reports for the twelve months ended December 31, 2013 and the years ended December 30, 2011 and 2012.

* Reviewed the trading price and trading volume of the Public Company's common shares on the Exchange for the period February 1, 2012 to March 20, 2014.



- Reviewed the Public Company's press releases for the 24 months preceding the Valuation Date.

- Reviewed the Public Company's press releases for the two years preceding the Valuation Date.

- Reviewed information on the Company's market from such sources as: the Wall Street Journal, Bishop's and Associates, Inc., Reportlinker, Yahoo Finance, Google Finance and Reuters.

- Reviewed stock market trading and financial information on the following companies: ZBB Energy Corporation, IEC Electronics Corp., SigmaTron International, Multi-Fineline Electronix, Inc., TTM Technologies, Inc., Sparton Corporation, CTS Corporation, Nortech Systems Incorporated, Viasystems Group, Inc., The LGL Group, Inc., Pulse Electronics Corp., and KEMET Corporation

Scope Restrictions

- Evans & Evans did not visit the operations of Luyuan and Changlong (including the Luyuan Plant), the Anhui Plant or the Kunshan Plant at the request of management. Evans & Evans did view photos of the fixed assets of the Luyuan Plant and the Kunshan Plant. As part of the Prior Jite Report, Evans & Evans visited the operations of Kunshan Plant. As part of the Real Estate Appraisals, representatives from C&A did visit the Luyuan Plant, Anhui Plant and the Kunshan Plant.

- Evans & Evans requested longer-term (i.e., three to five years) financial projections for Jite. However, management advised that such longer-term financial projections have not been prepared. Valuation approaches, assessments and conclusions may have differed, and differed materially had such information been received.

- As outlined in the Anhui Appraisal and the Luyuan Appraisal, the Appraisers have noted that Building Certificates of Ownership for certain buildings have not yet been obtained by respective companies. For the purposes of the Real Estate Appraisals, for such buildings, the Appraisers verified the construction planning permit and the design drawings provided by management as a basis for their estimation. The lack of Building Certificates of Ownership did not impact the market value of the Anhui Plant and the Luyuan Plant as determined in the respective appraisals.

5.0 CONDITIONS OF THE REPORT

- The Report may be included in public disclosure documents regarding the Amalgamation and may be submitted to the Exchange. The Report may be submitted to the appropriate court bodies if necessary as part of the approval process for the Amalgamation.

- The Report may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor other foreign stock exchanges, or other regulatory authorities, nor the Canada Revenue Agency nor any foreign tax authorities. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Amalgamation).

- Any use beyond that defined above is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

- Evans & Evans did rely only on the information, materials and representations provided to it by the Companies. Evans & Evans did apply generally accepted valuation principles to the financial information it did receive from the Companies.

- Evans & Evans has assumed that the information which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Companies are aware of. Evans & Evans did not attempt to verify the accuracy or completeness of the data and information available.

- The Report, and more specifically the assessments and views contained therein, is meant as independent review of McVicar Canada as at January 31, 2014. The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding the Companies or events after the date of the management-prepared financial statements. The information/assessments contained in the Report pertain only to the conditions prevailing at the time the Report was primarily completed in January to March of 2014.

- Should the assumptions used in the Report be found to be incorrect, then the valuation conclusion may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.

- Evans & Evans denies any responsibility, financial or legal or other, for any use and/or improper use of the Report however occasioned.

- Evans & Evans's assessments and conclusion is based on the information that has been made available to it. Evans & Evans reserves the right to review all information and calculations included or referred to in the Report and, if it considers it necessary, to revise part and/or its entire Report in light of any information which becomes known to Evans & Evans during or after the date of this Report.

- This analysis and Report does not constitute in any manner a tax opinion and may not now, or in the future, be used for that purpose.

- Evans & Evans as well as all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

6.0 ASSUMPTIONS OF THE REPORT

The authors of the Report have made the following assumptions in completing the Report:

(1) An audit of: (i) McVicar Canada's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2012 and the twelve months ended December 31, 2013 (given the transition from a financial year end of December 31 to March 31); (ii) Jite Canada's management-prepared consolidated financial statements for the FYs ended December 31, 2008-2013 (includes Jite HK, Jite Shenzhen, Jite Kunshan and Delicheng); (iii) Anhui's management-prepared unconsolidated financial statements for the FYs ended December 31, 2012-2013; (iv) Changlong's management-prepared unconsolidated financial statements for the FYs ended December 31, 2008-2013; (v) Luyuan's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013; (vi) McVicar HZ's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013; (vii) McVicar HK's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2013; and, (viii) McVicar Canada's consolidated unaudited financial statements for the twelve months ended December 31, 2013, would not result in any material changes to the financial statements provided to the authors of the Report.

(2) As at the Valuation Date all assets and liabilities of the Companies have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.

(3) There was no material change in the Companies' financial position between the date of the most recent financial statements (December 31, 2013) and the Valuation Date (January 31, 2014) unless noted in the Report.

(4) The book value of the Companies' assets at the Valuation Date equaled their fair market value unless otherwise noted.

(5) The consolidated financial budget for Jite (i.e., for the Technology Division) as provided by management represents management's best estimate of the future economic performance of the assets held by Jite Canada as at the Valuation Date.

(6) As outlined in section 2.0 of the Report, relating to the Hongbo Sale, the sum of RMB2,000,000 (~C$366,000 at RMB1 = C$0.183 as at the Valuation Date) is to be paid to McVicar HK by certified cheque, bank draft or electronic funds transfer upon satisfaction of the following main conditions: (a) full resumption of normal operations at the Hongbo facilities in accordance with local government requirements; and, (b) the collection of at least 80% of Hongbo's accounts receivable as at the date of the Hongbo LOI. As at the Valuation Date and the date of the Report, management has noted that the Hongbo Buyers have indicated their intention to resume operations of Hongbo and to collect the outstanding accounts receivable. However, it is uncertain as to the steps and timing required to achieve full resumption at the Hongbo in accordance with local government requirements and the ability to collect the outstanding accounts receivable. Accordingly, through discussions with management and the Committee, Evans & Evans has assumed that the probability of receiving RMB2,000,000 to be 50%.

(7) As detailed in Schedules 11.0 and 13.0, certain of Changlong and Luyuan's outstanding accounts receivable are from Hongbo. Given the uncertainties involved with the resumption (and the related timing) of operations of Hongbo, the authors of the Report have assumed that the probability of receiving the outstanding accounts receivable from Hongbo to be 50%.

(8) Evans & Evans has assumed that cash consideration of $0.50 (the "Consideration") per preferred share will be received by McVicar Canada shareholders' at the time of the closing of the Amalgamation and would not be deferred in any way.

(9) Evans & Evans has assumed that the maximum withholding tax that McVicar Canada would be subject to through its ownership in McVicar HK, which in turn directly or indirectly owns 100% of Anhui, Changlong, McVicar HZ and 80% of Luyuan, is 10%. According to the Canada-Hong Kong Tax Treaty, withholding tax at a rate of 5% is applied to dividends paid to a Canadian company if the Canadian company is the beneficial owner of the dividends and controls, directly or indirectly, at least 10% of the votes of the dividend paying Hong Kong company. According to the Hong Kong / China Tax Treaty, Chinese withholding tax of 5% is applied to dividends if the Hong Kong company owns 25% or more of the dividend-paying Chinese company. As Jite Canada is deemed a going concern, Evans & Evans has assumed that while the transfer of funds from the Kunshan Plant is subject to the 5% Chinese withholding tax, the transfer of funds from the Jite

Subsidiaries' operations to Jite Canada will be done tax effectively and not be subject to the withholding tax from Hong Kong to Canada.

(10) Land appreciation tax is a transaction tax on the transfer of the rights to use state-owned land in China. It is based on the net gain and imposed at progressive rates. The taxable gain is computed by deducting the following from the proceeds of the transfer: the cost of acquiring the property, development expenses, repair and maintenance expenses, relevant tax payments, and other amounts considered by tax authorities to be deductible. Based on the calculations outlined in Schedule 4.0 (for the land-use rights associated with the Kunshan Plant), Schedule 10.0 (for the land-use rights associated with the Anhui Plant) and Schedule 13.0 (for the land-use rights associated with the Luyuan Plant), Evans & Evans has assumed the land appreciation tax rate to be 40%, based on the progressive tax rates outlined in the table below:

LAND APPRECIATION TAX	
TAXABLE BASE (Net Gains)	**TAX RATE**
Up to 50% of all deductions	30%
50% - 100% of all deductions	40%
100% - 200% of all deductions	50%
Over 200% of all deductions	60%

(11) Due to the lack of Building Certificates of Ownership for certain buildings as part of the Anhui Appraisal and the Luyuan Appraisal, Evans & Evans has assumed that the respective companies do have rightful ownership of such buildings. Potential penalties can be imposed by the Chinese government due to the lack of such certificates, which has been calculated by Evans & Evans as outlined in Schedule 10.0 for the Anhui Plant and Schedule 13.0 for the Luyuan Plant.

(12) According to laws and regulations in relation to land and building ownership and transferability rights in China, the general rule to be applied to Chinese real estate transactions is that the land and the building on top of the land are purchased and sold together. As a result, Evans & Evans has assumed that the lack of Building Certificates of Ownership for certain buildings as part of the Anhui Plant and Luyuan Plant would not affect the market value of the respective plants.

(13) As a result of the Anhui Uncertainties, Evans & Evans has first included the value of the Anhui Plant in the determination of fair market value of McVicar Canada in section 14.0 of the Report. The authors of the Report thereafter accounted for the potential penalties that can be imposed on Anhui (with the highest level of penalties assumed to be the expropriation of the Anhui Plant by the government) so that the reader can understand the impact of such penalties on the fair market value of McVicar Canada.

(14) Evans & Evans has assumed that no future transfer pricing liabilities will arise from the intercompany sales between subsidiaries in the Technology Division and in the Chemical Division.

(15) The authors of the Report have assumed that all intercompany loans are expected to be cancelled upon consolidation, and are also not anticipated to be paid upon a sale of the Companies. In other words, upon a notional sale of any of the Companies, McVicar Canada would not anticipate receipt of intercompany loans. Through discussions with management, Evans & Evans has assumed that all discrepancies between intercompany amounts on the Companies' respective balance sheets are due to foreign currency translation.

(16) Evans & Evans has assumed that the ownership of 80% interest in Luyuan has been transferred to McVicar HK from Hongbo.

(17) Based on discussions with management, Evans & Evans assumed the book value of its investment in Delicheng (30% interest) is equal to its fair market value.

(18) Evans & Evans has assumed that upon the sale of the Public Company to a notional purchaser (i.e., a change of control), key management personnel, in particular, Gang Chai (President and Chief Executive Officer) and eXavier Peterson (Senior Manager, Corporate Affairs), will remain with McVicar Canada for at least the next year. Hence, no compensation arising from termination of employment resulting from a change in control is applicable.

(19) Evans & Evans has assumed the tax rate applicable to a notional purchaser of Jite Canada going forward would be 12%, an estimated blended corporate income tax rate applicable given its operations in Canada, the U.S. and China.

(20) We have assumed that the information which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Companies are aware of. Evans & Evans did not attempt to verify the accuracy or completeness of the data and information available.

(21) The Companies and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comment.

(22) At the Valuation Date, no specific special purchaser(s) was/were identified that would pay a premium to purchase 100% of the shares of McVicar Canada, Jite Canada and each of the Jite Subsidiaries, McVicar HK and each of the Chemical Subsidiaries (independently or as a group).

7.0 DEFINITION OF FAIR MARKET VALUE

For the purposes of our Report, Evans & Evans has been requested by the Committee to refer to Ontario Securities Commission Policy 61-101 ("MI 61-101" or the "Rule"). Fair market value as defined in MI 61-101 is "*the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act*".

The MI 61-101 definition of fair market value is in line with the Canadian Institute of Chartered Business Valuators definition of fair market value – "*the highest price available in an open and unrestricted market between informed and prudent parties, acting at arms' length and under no compulsion to act, expressed in terms of cash*."

With respect to the market for the shares of a company viewed "en bloc" there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser. Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement Evans & Evans was not able to expose McVicar Canada, Jite Canada and each of the Jite Subsidiaries, McVicar HK and each of the Chemical Subsidiaries (independently or as a group) for sale in the open market and was therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal or greater than the fair market value (assuming the existence of special interest purchasers) outlined in the Report. As noted above, special interest purchasers might be prepared to pay a price higher than fair market value for the synergies noted above. The shares of McVicar Canada, Jite Canada and each of the Jite Subsidiaries, McVicar HK and each of the Chemical Subsidiaries (except Luyuan) have been valued *en bloc*. The shares of Luyuan have initially been valued *en bloc*.

8.0 REVIEW OF FINANCIAL RESULTS

8.1 Historical Financial Results

The authors of the Report reviewed:

(1) McVicar Canada's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2013;

(2) Jite Canada's management-prepared consolidated financial statements for the FYs ended December 31, 2008-2013 (includes Jite HK, Jite Shenzhen, Jite Kunshan and Delicheng);

(3) Anhui's management-prepared unconsolidated financial statements for the FYs ended December 31, 2012-2013;

(4) Changlong's management-prepared unconsolidated financial statements for the FYs ended December 31, 2008-2013;

(5) Luyuan's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013;

(6) McVicar HZ's management-prepared unconsolidated financial statements for the FYs ended December 31, 2009-2013;

(7) McVicar HK's management-prepared unconsolidated financial statements for the FYs ended December 31, 2011-2013; and,

(8) McVicar Canada's consolidated audited financial statements for the FYs 2011-2012 and the consolidated unaudited financial statements for the twelve months ended December 31, 2013.

Evans & Evans has common-sized the results to indicate trends in Schedules 1.0, 2.0 and 9.0.

8.2 Financial Plan

Evans & Evans reviewed the management-prepared consolidated budget for FY2014 for Jite. The reader is advised to refer to Schedule 3.0 – Jite Financial Budget – Technology Division for the summary financial budget. Evans & Evans has common-sized the budget.

8.3 Tangible Asset Backing

In determining the underlying book value of a company or business, it is useful to view the tangible asset backing ("TAB") as at the Valuation Date.

The value of a firm's tangible assets affects a purchaser's analysis of the risk inherent in investing in that firm. Tangible asset backing is defined as the aggregate fair market value of all tangible and identifiable intangible assets of a business, where the latter have values that can be separately determined under a going-concern assumption, minus all liabilities. Valuation theory holds that tangible asset backing is relevant, given the higher TAB, generally the higher the value of a firm.

Evans & Evans reviewed Jite Canada's management-prepared consolidated balance sheet as at December 31, 2013 and made a series of adjustments to arrive at the TAB of Jite Canada as at the Valuation Date. Evans & Evans calculated the TAB of Jite Canada as at the Valuation Date as $8.6 million as calculated in Schedule 3.0.

The authors of the Report utilized a Net Asset Method to determine the fair market value of McVicar Canada, McVicar HK, Anhui, Changlong, Luyuan and McVicar HZ. The Net Asset Method is representative of the TAB of these companies. The reader is advised to refer to Schedules 10.0 – 15.0 for details.

8.4 Redundant Assets

Redundant assets are defined as those assets that are not required in the day-to-day operation of a business, and accordingly can be liquidated or put to some alternative use without risk to the business.

The fair market value of a corporation's redundant assets increases the fair market value of its shares otherwise determined under an income-based and/or asset based approach. Alternatively, at the Valuation Date, a firm's capital structure may be over-levered when compared to industry norms. The degree of over-leverage is considered a negative redundancy and must be adjusted for in determining the firm's fair market value.

In reviewing Jite Canada's consolidated financial position, Evans & Evans is of the view that Jite Canada is under leveraged by $7.1 million (i.e., Jite Canada can take more debt) based on industry averages. However, given the risks associated with obtaining debt in China and that as an entity with substantial operations and assets in China, Jite Canada may not have access to the same leverage ability as a North American firm, the authors of the Report adjusted the leverage and determined that Jite Canada is under leveraged by $1.9 million.

After reviewing Jite Canada's financial statements and through discussions with management, the authors of the Report identified approximately $7.4 million of assets ($3.5 million in cash, $3.9 million in investment property) as at the Valuation Date to be redundant assets, i.e., they are not required for day-to-day operations.

In reviewing McVicar Canada, McVicar HK, Anhui, Changlong, Luyuan and McVicar HZ, Evans & Evans is of the view that these companies have no positive or negative redundancies.

9.0 VALUATION METHODOLOGIES

9.1 Going Concern versus Liquidation Value

The first stage in determining which approach to utilize in valuing a company or an asset is to determine whether the company / asset is a going concern or whether it should be valued based on a liquidation assumption. A business is deemed to be a going concern if it is both conducting operations at a given date and has every reasonable expectation of doing so for the foreseeable future after that date. If a company/asset is deemed to not be a going concern, it is valued based on a liquidation assumption.

9.2 Overview

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company / asset. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a "going concern".

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the "Guideline Company Method", (b) the "Merger and Acquisition Method"; and (c) analyses of prior transactions of ownership interests in the subject entity.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value. The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

The Asset-Based Approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings/cash flows to be capitalized. If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario ("Adjusted Net Asset Method") or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

10.0 SELECTED VALUATION APPROACHES

10.1 Valuation of McVicar Canada

With respect to McVicar Canada, Evans & Evans believed the most appropriate method to determine the fair market value of the Public Company as at the Valuation Date involved a going concern approach. The going concern approach is warranted because: (1) McVicar Canada is generating revenues and income through Jite (i.e., its Technology Division); (2) McVicar Canada is generating a fair return on its assets through Jite; and, (3) the going concern approach yields a higher value than under a liquidation value approach.

McVicar Canada does not actively engage in business operations, as all of the business activities are carried on by its wholly-owned subsidiaries Jite Canada and McVicar HK.

Valuation practice outlines that holding companies - such as McVicar Canada - cannot access the full value of their assets until such time that the assets are sold.

Given the approaches of valuation outlined above, it is the view of the authors of the Report that that the most appropriate method in determining the range of the fair market value of McVicar Canada at the Valuation Date was a weighted approach giving consideration to a Net Asset Method and a Market Approach (specifically, a Trading Price Method).

Under the Net Asset Method, Evans & Evans deemed it appropriate to value separately the two main divisions of the Public Company: (1) the Technology Division (i.e., through Jite Canada); and, (2) the Chemical Division (i.e., through McVicar HK). Determining the fair market value of McVicar Canada under the Net Asset Method is a three step process. First Evans & Evans determined the fair market value of Jite Canada on a going concern basis. Second Evans & Evans determined the fair market value of McVicar HK on a liquidation basis. Thereafter, the balance sheet of McVicar Canada was adjusted to reflect the fair market value of its 100% interest in Jite Canada and McVicar HK.

Under the Market Approach, the Trading Price Method was deemed appropriate given McVicar Canada is a reporting issuer whose shares trade on the Exchange.

10.2 McVicar Canada – Methods Considered but Not Utilized

The reader should note that Evans & Evans also attempted to use a variety of other valuation approaches to determine the fair market value of McVicar Canada. In this regard, Evans & Evans considered the following approaches, but were unable to use any of them:

(1) Cost Approach. The Cost Approach is generally appropriate under certain circumstances where an asset is still under development, there is no history of generating cash flows, and future cash flows are so uncertain as to be speculative. A weakness of the Cost Approach is that the cost of the opportunity may bear little relationship to the economic benefits that a purchaser might anticipate to derive from such opportunity upon commercial exploitation of the asset. In the case of McVicar Canada, given it is a holding company which holds operating assets, a Cost Approach was deemed inappropriate.

(2) Market Approach - Historical Transactions Method. Such an approach would be based on determining the fair market value of McVicar Canada based on the value implied by recent financings. No equity financings had been undertaken by the Public Company in the 12 months preceding the Valuation Date and accordingly, this approach could not be utilized.

(3) Income Approach – Evans & Evans deemed an income approach not appropriate as all income are generated through McVicar Canada's subsidiaries which were valued independently. A consolidated income approach was not deemed appropriate as the various subsidiaries have differing risk profiles.

10.3 Valuation of Jite Canada

With respect to the fair market value of 100% of Jite Canada, Evans & Evans believed it was appropriate to value Jite Canada on a going concern basis. The reason for this is:

(1) Jite Canada does have positive earnings;

(2) Jite Canada has sufficient cash to maintain operations; and,

(3) the going concern approach yields a higher value than a liquidation approach.

Given the above, the issue is which going concern approach(es) is most appropriate for determining the fair market value of Jite Canada as at the Valuation Date. Evans & Evans determined that a Capitalized Cash Flow Method and a Capitalized EBITDA Method were the most appropriate method to determine the fair market value of Jite Canada.

(1) A Capitalized Cash Flow Method was utilized as Jite Canada: (a) has a history of positive cash flow; (b) has significant depreciation and amortization; and, (c) cash flow differs materially from net income. A Capitalized Cash Flow Method involves estimating the maintainable cash flow after normalizing adjustments and deducting taxes, multiplied by a capitalization rate and adding any redundant assets. In arriving at the appropriate multiple of cash flows, Evans & Evans utilized a Market Approach, namely a Guideline Public Company Method.

(2) A Capitalized Earnings before Income, Tax, Depreciation and Amortization ("EBITDA") Method was utilized to remove the subjectivity that occurs when assessing the financing structure of a business as a component of going concern value. Further, the Capitalized EBITDA Method is commonly employed by corporate purchasers. In arriving at the appropriate multiple of EBITDA, Evans & Evans utilized a Guideline Public Company Method.

10.4 Jite Canada – Methods Considered but Not Utilized

The reader should note that Evans & Evans also attempted to use a variety of other valuation approaches to determine the fair market value of Jite Canada. In this regard, Evans & Evans considered the following approaches, but were unable to use any of them:

(1) Cost Approach. The Cost Approach is generally appropriate under certain circumstances where an asset is still under development, there is no history of generating cash flows, and future cash flows are so uncertain as to be speculative. A weakness of the Cost Approach is that the cost of the opportunity may bear little relationship to the economic benefits that a purchaser might anticipate to derive from such opportunity upon commercial exploitation of the asset. In the case of Jite Canada, given that Jite Canada is generating revenues and positive net income, the Cost Approach was deemed inappropriate.

(2) Income Approach - Discounted Cash Flow Method. Evans & Evans requested from Jite Canada detailed financial projections for the three to five-year period following the Valuation Date for Jite Canada. Management noted to Evans & Evans that such longer-term financial planning has not been undertaken. As a result of limited data, Evans & Evans was unable to perform a discounted cash flow analysis.

(3) Historical Transaction – Evans & Evans carefully considered the use of the historical transactions as a means of determining the fair market value of Jite Canada as at the Valuation Date. Originally holding 56.2% of the issued and outstanding shares of Jite Canada, in April 2012, McVicar Canada acquired a further 37.5% of Jite Canada pursuant to a takeover bid and the remaining 6.3% through a second step amalgamation of Jite Canada with a wholly-owned subsidiary of McVicar Canada effective May 31, 2012. As part of the amalgamation, each outstanding Jite Canada common share was exchanged for one redeemable preferred share of the amalgamated corporation, which was then redeemed at a redemption price of $0.60 per preferred share ("Historical Transaction Price"). On the basis of the issued and outstanding common shares of Jite Canada (20,073,612 shares) and the

Historical Transaction Price, the implied value of Jite Canada was $12.0 million ("Implied Historical Transaction Value"). Considering the time that has passed since the historical transaction took place and that McVicar Canada was the majority shareholder of Jite Canada, the Implied Historical Transaction Value was deemed not representative of the fair market value of Jite Canada as at the Valuation Date.

10.5 Valuation of McVicar HK

With respect to McVicar HK and each of the Chemical Subsidiaries, Evans & Evans believed it was appropriate to value each of these companies on a liquidation basis as they do not appear viable as a going concern given that:

(1) Anhui, originally established for the vend-in of the operations of Hongbo, has not begun operations and is being disposed of by management;

(2) Changlong and Luyuan have ceased manufacturing operations as of January of 2014 due to operational losses generated during the FY2013 from the Hongbo Events. Management does not anticipate restarting operations at Changlong and Luyuan due to the uncertainties involving the resumption of operations at Hongbo (as described in section 2.0 of the Report); and,

(3) McVicar HZ is an inactive company, established for the purposes of serving as the head office in China for the Chemical Division.

McVicar HK does not actively engage in business operations, as all of the business activities are carried on by the Chemical Subsidiaries. Valuation practice outlines that a holding company - such as McVicar HK – cannot access the full value of its assets until such time that the assets are sold.

Given the approaches of valuation outlined above, it is the view of the authors of the Report that that the most appropriate method in determining the range of the fair market value of McVicar HK at the Valuation Date was a Net Asset Method. The Net Asset Method involved first determining the fair market value of each of the Chemical Subsidiaries viewed independently and then adjusting the balance sheet of McVicar HK. The valuation approaches utilized for the Chemical Subsidiaries are summarized below.

Subsidiary	Ownership by McVicar HK	Valuation Method
Anhui	100%	Net Asset Method, then adjusted on the balance sheets of Changlong and McVicar HZ
Luyuan	80%	Net Asset Method, then taking a pro-rata 80% interest
Changlong	100%	Net Asset Method
McVicar HZ	100%	Net Asset Method

10.6 McVicar HK – Methods Considered but Not Utilized

The reader should note that Evans & Evans also attempted to use a variety of other valuation approaches to determine the fair market value of McVicar HK. In this regard, Evans & Evans considered the following approaches, but were unable to use any of them:

(1) Cost Approach. The Cost Approach is generally appropriate under certain circumstances where an asset is still under development, there is no history of generating cash flows, and future cash flows are so uncertain as to be speculative. A weakness of the Cost Approach is that the cost of the opportunity may bear little relationship to the economic benefits that a purchaser might anticipate to derive from such opportunity upon commercial exploitation of the asset. In the case of Anhui, Luyuan, Changlong and McVicar HZ, these companies are non-operational but do have fixed assets, land and buildings. The Cost Approach was deemed inappropriate as the cost to acquire these assets may not necessarily be representative of current fair market value.

(2) Capitalized Earnings or Cash Flow Method. Given that the Chemical Subsidiaries are either not operational or management does not anticipate generating positive earnings or cash flow from operations from the Chemical Subsidiaries going forward, this method was deemed inappropriate.

11.0 VALUATION OF JITE CANADA

11.1 Overview

Evans & Evans determined that a Capitalized Cash Flow Method and a Capitalized EBITDA Method were the most appropriate method to determine the fair market value of Jite Canada, as outlined in sections 10.3 and 10.4 below.

11.2 Business and Market Assessments

In arriving at the fair market value of Jite, Evans & Evans considered the following business and market assessments.

- Jite has been in operations for over 10 years and has established recognition within the terminal block marketplace. This is positive.

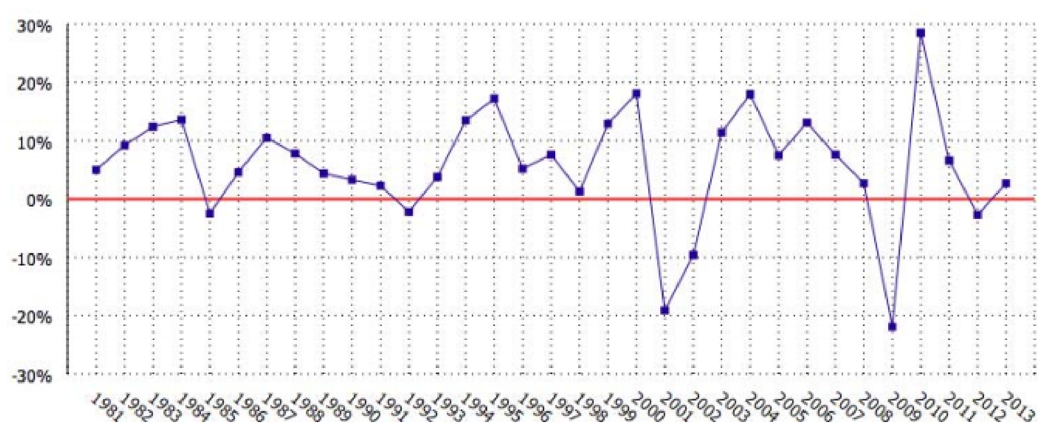
- Jite products are sold in China, Europe, and North America primarily through direct sales network and mass distributors. Over the last several years, Jite has been implementing strategic and operational initiatives to control costs, reduce demands on working capital, enhance the quality of products and enhance the research and development ability. On the other hand, labor costs have been increasing as a result of rising minimum wages in China over the past few years and therefore adversely affecting Jite's margins. According to industry sources, China's wages are anticipated to increase by 10% or more in 2014.

- Jite has also been experiencing increasing downward pricing pressures from its major customers over the past year, including its largest customer Tyco Safety Products Canada Ltd., which currently accounts for approximately 15% of Jite's total revenues. The pricing pressures are a result of the increasing number of competitors in China (i.e., manufacturers) who are competing in the terminal blocks market on the sole basis of pricing.

- Management noted Jite does not have short-term budgets or long-term forecasts with regards to financial results. Jite cites the nature of revenues – i.e., purchase orders from customers as opposed to committed revenues and the resulting uncertainty as to why forecasts are not prepared. Through discussions with management, Evans & Evans found that while 80% of customers are long-term customers, only 17% of customers have long-term sales agreements in place as smaller Chinese-based clients are generally not interested in entering into such agreements. The remaining customers secure their purchases through individual purchase orders.

- According to data from market research firm Bishops and Associates, Inc. historically, the connector industry goes through business cycles that result in consecutive years of growth before experiencing a downturn. Since 1980, there have had five growth business cycles, including 2010, when a new business cycle started.

Historical Percentage Change in Connector Demand



- Worldwide industry sales in 2013 increased 2.7% for the full year over 2012, totalling US$48.97 billion. A growth of 6.7% is forecast for 2014.

Sales Performance by Quarter: 2011, 2012, 2013

Quarter	2011 Actual	2012 Actual	YOY Change	2013 Results	YOY Change
1Q	$11,795	$11,527	-2.3%	$11,665	1.2%
2Q	$12,482	$12,020	-3.7%	$12,234	1.8%
3Q	$13,017	$12,094	-7.1%	$12,529	3.6%
4Q	$11,629	$11,970	2.9%	$12,449	4.0%
Total	$48,923	$47,610	-2.7%	$48,877	2.7%

$ Millions

- Industry sales by region for 2013 can be seen in the following table:

Sales by Region For the Full Year 2013

Region	Full-Year 2012	Full-Year 2013	YOY Change
North America	$9,531	$10,077	5.7%
Europe	$9,920	$10,643	7.3%
Japan	$6,400	$5,375	-16.0%
China	$11,444	$11,907	4.0%
Asia Pacific	$7,579	$8,022	5.8%
ROW	$2,736	$2,853	4.3%
Total World	$47,610	$48,877	2.7%

$ Millions

- Demand for advanced product features, high-speed, convenience, and connectivity is driving the connector manufacturing industry. The industry is forecast to reach over US$60 billion in 2017 with a CAGR of 5.7% from 2012 to 2017.

Connector Growth by Market Sector (2012-2017)

Market Sector	2012	2017	5-Year CAGR
Computer	$9,433	$11,674	4.4%
Business/Office Equip	$781	$907	3.0%
Instrumentation	$1,153	$1,369	3.5%
Medical	$1,663	$1,989	3.6%
Industrial	$5,579	$8,799	9.5%
Automotive	$10,179	$15,024	8.1%
Transportation	$2,809	$3,697	5.7%
Military/Aerospace	$3,258	$3,683	2.5%
Telecom/Datacom	$7,788	$10,215	5.6%
Consumer	$2,559	$2,958	2.9%
All Other	$2,408	$2,647	1.9%
Total World	**$47,610**	**$62,961**	**5.7%**

$ Millions

11.3 Capitalized Cash Flow Method

In undertaking Capitalized Cash Flow Method, it is first necessary to determine the indicated after-tax cash flow Jite is capable of generating, i.e., the sustainable level of after-tax cash flow which a notional purchaser of Jite would realize in the future. Evans & Evans utilized the actual FY2008-2013 results and the budgeted FY2014 results. A weighted average of $1,760,000 to $1,960,000 per annum results from multiplying the adjusted actual operating cash flow for FY2008-2013 and the budgeted results for FY2014 by 0, 0, 0, 6, 1, 1 and 8 respectively for the low end and 0, 0, 0, 3, 4, 3 and 6 respectively for the high end. In the view of the authors of the Report, this range of cash flow is representative of the maintainable cash flow which could be generated by Jite - given a reasonable balance between the historical results of Jite and the logical business plan going forward.

The FY2014 budget results were given more weighting in both the high and low ends given the downward pricing pressures received from customers during the past year and the continual rising employment costs in China, both of which are anticipated to lead to lower margins. The FY2012 and FY2013 results (the years with higher cash flows) were given more weighting in the high end to account for the potential for Jite to achieve cost efficiencies in its operations to offset the expected drop in margins. This work is undertaken in Schedule 6.0 – Capitalized Cash Flow Method – Jite.

Once the level of maintainable cash flow has been determined, the next step is to select an appropriate capitalization rate that can be used to convert the cash flow into value. A capitalization rate (equal to the discount rate minus the cash flow growth rate) is used to convert a single period's cash flow into value. Comparatively a discount rate is used to convert a future stream of cash flow into value. In selecting an appropriate capitalization rate to apply to Jite's indicated future cash flows Evans & Evans considered the influence of both internal and external factors on business risk as will be outlined in the Report as well as discussions with industry participants, and a review of public companies similar to the subject company with stocks that trade freely in the public markets on a daily basis.

Evans & Evans used a multiple of enterprise value to cash flows as a means of deriving the appropriate capitalization rate using the Guideline Public Company Method. Market values for the guideline public companies were selected as at the Valuation Date. Evans & Evans identified 12 companies with similar business models and end user target markets as public company guideline companies. Evans & Evans collected information on the trailing twelve months cash flows and calculated the enterprise value to cash flow multiple for five of the 12 identified guideline public companies, as outlined in Schedule 8.0. The authors of the Report discounted the cash flow multiple to account for additional risks, as outlined in Schedule 6.0.

Under the Capitalized Cash Flow Method, the going concern value of Jite is in the range of $8.9 million to $9.9 million. Thereafter, Evans & Evans added the tax shield on existing assets, accounted for a leverage adjustment, and added back redundant assets to arrive at a fair market value for Jite in the range of $20.0 million.

11.4 Capitalized EBITDA Method

The Capitalized EBITDA Method is carried out to eliminate the subjectivity that necessarily occurs when assessing the financial structure of a business concern as a component of a going concern or when parties indicate that it is a method used by many industry parties – i.e., is a rules-of-thumb. Using a multiple of EBITDA also eliminates reliance on accounting depreciation as an indicator of future sustaining capital expenditure requirements. Corporate acquirers frequently adopt debt-free analysis when assessing potential acquisitions.

When considering using a Capitalized EBITDA Method selecting the appropriate capitalization rate, which must be applied to the EBITDA of Jite to reflect the relative risk of its business venture, is critical. Based on a review of the industry as shown in the Guideline Public Company Analysis in Schedule 8.0, Evans & Evans has chosen a capitalization rate of 6.49x as a starting point.

The first step is to determine a range of indicated future maintainable EBITDA. Evans & Evans weighted the actual operating EBITDA for FY2008-2013 results and the budgeted FY2014 results by 0, 0, 0, 6, 1, 1 and 8 respectively for the low end and 0, 0, 0, 3, 4, 3 and 6 respectively for the high end. Evans & Evans arrived at a maintainable EBITDA in the range $1,760,000 to $1,960,000.

As with the Capitalized Cash Flow Method, more weighting was given to the FY2014 budget results in both the high and low ends to account for the downward pricing pressures received from customers during the past year and the continual rising employment costs in China, both of which are anticipated to lead to lower margins. In addition, more weighting was given to the FY2012 and FY2013 results (the years with higher cash flows) in the high end to account for the potential for Jite to achieve cost efficiencies in its operations to offset the expected drop in margins.

The authors of the Report's assessment of the risk associated with the Company has resulted in the application of an adjusted multiple of 5.12x to 5.32x to the range of indicated EBITDA. Thereafter all interest bearing debt was deducted (Jite has no third-party, interest-bearing debt outstanding) and redundant assets added. This resulted in a fair market value of Jite to be in the range of $18.4 million. The reader is advised to refer to Schedule 7.0 – Capitalized EBITDA Method – Jite.

11.5 Valuation of Jite Canada

In undertaking the above valuation approaches, it was apparent that based on and subject to all of the foregoing, it is reasonable for Evans & Evans to outline that the fair market value of Jite Canada, at the Valuation Date, is in the range of $18.4 million to $20.0 million.

12.0 VALUATION OF MCVICAR HK

12.1 Overview

Evans & Evans determined that a Net Asset Method was the most appropriate method to determine the fair market value of McVicar HK. The Net Asset Method involved first determining the fair market value of each of the Chemical Subsidiaries (i.e., Anhui, Changlong, Luyuan and McVicar HZ) as outlined in sections 12.2 to 12.5 viewed independently and then adjusting the balance sheet of McVicar HK.

12.2 Valuation of Anhui

Under the Net Asset Method, Anhui's net assets represent the aggregate value of all tangible and identifiable assets, where the latter have values that can be separately determined, minus all liabilities.

Evans & Evans undertook a Net Asset Method, as outlined in Schedule 10.0, considering an immediate sale scenario, which assumes the assets and liabilities of Anhui will be disposed of in a short-term period, in arriving at the range of fair market value of Anhui. For the purposes of the Report, Evans & Evans has assumed the underlying assets would be disposed of within six months under the immediate sale scenario. During the immediate sale scenario period of six months, operating costs, tax effects, dispositions costs, and other costs are incurred to dispose of Anhui's assets and liabilities.

Evans & Evans has made a number of adjustments to the book value of Anhui to determine the fair market value of 100% of Anhui under the Net Asset Method. The reader is advised to refer to the notes in Schedule 10.0 for more details.

Under the Net Asset Method the fair market value of Anhui was determined to be in the range of $7.42 million to $7.91 million.

As Anhui is owned 94% by Changlong and 6% by McVicar HZ, the fair market value of Anhui is adjusted accordingly on the balance sheets of Changlong and McVicar HZ as outlined in Schedules 11.0 and 13.0.

12.3 Valuation of Changlong

Under the Net Asset Method, Changlong’s net assets represent the aggregate value of all tangible and identifiable assets, where the latter have values that can be separately determined, minus all liabilities.

Evans & Evans undertook a Net Asset Method, as outlined in Schedule 11.0, considering an immediate sale scenario, which assumes the assets and liabilities of Changlong will be disposed of in a short-term period, in arriving at the range of fair market value of Changlong. For the purposes of the Report, Evans & Evans has assumed the underlying assets would be disposed of within six months under the immediate sale scenario. During the immediate sale scenario period of six months, operating costs, tax effects, dispositions costs, and other costs are incurred to dispose of Changlong’s assets and liabilities.

Evans & Evans has made a number of adjustments to the book value of Changlong to determine the fair market value of 100% of Changlong under the Net Asset Method. The reader is advised to refer to the notes in Schedule 11.0 for more details.

Under the Net Asset Method the fair market value of Changlong was determined to be in the range of $7.54 million to $8.07 million.

12.4 Valuation of McVicar HZ

Under the Net Asset Method, McVicar HZ’s net assets represent the aggregate value of all tangible and identifiable assets, where the latter have values that can be separately determined, minus all liabilities.

Evans & Evans undertook a Net Asset Method, as outlined in Schedule 12.0, considering an immediate sale scenario, which assumes the assets and liabilities of McVicar HZ will be disposed of in a short-term period, in arriving at the range of fair market value of McVicar HZ. For the purposes of the Report, Evans & Evans has assumed the underlying assets would be disposed of within six months under the immediate sale scenario. During the immediate sale scenario period of six months, operating costs, tax effects, dispositions costs, and other costs are incurred to dispose of McVicar HZ’s assets and liabilities.

Evans & Evans have made a number of adjustments to the book value of McVicar HZ to determine the fair market value of 100% of McVicar HZ under the Net Asset Method. The reader is advised to refer to the notes in Schedule 12.0 for more details.

Under the Net Asset Method the fair market value of McVicar HZ was determined to be in the range of $0.43 million to $0.45 million.

12.5 Valuation of Luyuan

Under the Net Asset Method, Luyuan's net assets represent the aggregate value of all tangible and identifiable assets, where the latter have values that can be separately determined, minus all liabilities.

Evans & Evans undertook a Net Asset Method, as outlined in Schedule 13.0, considering an immediate sale scenario, which assumes the assets and liabilities of Luyuan will be disposed of in a short-term period, in arriving at the range of fair market value of Luyuan. For the purposes of the Report, Evans & Evans has assumed the underlying assets would be disposed of within six months under the immediate sale scenario. During the immediate sale scenario period of six months, operating costs, tax effects, dispositions costs, and other costs are incurred to dispose of Luyuan's assets and liabilities.

Evans & Evans have made a number of adjustments to the book value of Luyuan to determine the fair market value of 100% of Luyuan under the Net Asset Method. The reader is advised to refer to the notes in Schedule 12.0 for more details.

Under the Net Asset Method the fair market value of Luyuan was determined to be in the range of $1.10 million to $1.21 million.

12.6 Valuation of McVicar HK

Upon arriving at the fair market value of Anhui, Luyuan, Changlong and McVicar HZ, it was then necessary to adjust the balance sheet of McVicar HK to arrive at the fair market value of 100% of McVicar HK.

Evans & Evans have made a number of adjustments to the book value of McVicar HK to determine the fair market value of 100% of McVicar HK under the Net Asset Method. The reader is advised to refer to the notes in Schedule 14.0 for more details.

Under the Net Asset Method the fair market value of McVicar HK was determined to be in the range of $8.44 million to $9.07 million.

13.0 VALUATION OF MCVICAR CANADA

13.1 Net Asset Method

Upon arriving at the fair market value of Jite Canada and McVicar HK, it was then necessary to adjust the balance sheet of McVicar Canada to arrive at the fair market value of 100% of McVicar Canada under the Net Asset Method.

Evans & Evans have made a number of adjustments to the book value of McVicar Canada to determine the fair market value of 100% of McVicar Canada under the Net Asset Method. The reader is advised to refer to the notes in Schedule 15.0 for more details.

Under the Net Asset Method the fair market value of McVicar Canada was determined to be in the range of $22.56 million to $24.79 million or $0.78 to $0.86 per share.

13.2 Trading Price Method

Evans & Evans used the Trading Price Method, as outlined in Schedule 16.0, as one of its valuation methods for McVicar Canada given the Company's shares are listed for trading on the Exchange as at the Valuation Date. ***In doing this, Evans & Evans calculated the fair market value of the Public Company to be in the range of $5.96 million to $6.46 million.***

In arriving at the fair market value of McVicar Canada under the Trading Price Method, Evans & Evans considered the volume weighted closing price of McVicar Canada over the 10 and 90 days preceding the Valuation Date. Given that a number of significant events occurred beyond the 90 days preceding the Valuation Date, the trading price of McVicar Canada beyond the 90 days preceding the Valuation Date was deemed not representative of fair market value as at the Valuation Date.

Fair Market Value	Share Price	Market Capitalization
Low	**$0.207**	**$5,960,000**
High	**$0.225**	**$6,460,000**

Refer to Schedule 16.0 – Trading Price Method for details with respect to the historical trading price of McVicar Canada.

13.3 Valuation Conclusions – McVicar Canada

Based on the approaches outlined in (with care to the qualitative analysis conducted) used to determine the fair market value of McVicar Canada, the authors of the Report deemed it appropriate to apply a weighting to the two valuation methods.

The low end of the range of fair market value of McVicar Canada was determined to be $20.3 million or $0.70 per common share. In arriving at the low end of the range, Evans & Evans deemed it appropriate to rely less heavily on the Net Asset Method (in comparison to the high end of the range)

In arriving at the low end of the range, Evans & Evans deemed it appropriate to rely more heavily on the Net Asset Method as these are reflective of the Companies' actual results. The Trading Price Method was given little weighting as trading price can reflect transient booms and busts in the market and the McVicar Canada shares are not highly liquid (only 5.3% of total outstanding shares were traded over 180 days preceding the Valuation Date).

Fair Market Value - Low		**Weighting**	
Net Asset Method	$23,760,000	80%	$19,010,000
Trading Price Method	$6,210,000	20%	$1,240,000
Fair Market Value, say			**$20,250,000**
Shares Outstanding			28,787,520
Fair Market Value per Share, say			**$0.70**

The high end of the range of fair market value of McVicar Canada was determined to be $22.0 million or $0.76 per share. In arriving at the high end of the range, Evans & Evans placed more reliance on the Net Asset Method as compared to the low end of the range.

Fair Market Value - High		**Weighting**	
Net Asset Method	$23,760,000	90%	$21,380,000
Trading Price Method	$6,210,000	10%	$620,000
Fair Market Value, say			**$22,000,000**
Shares Outstanding			28,787,520
Fair Market Value per Share, say			**$0.76**

14.0 VALUATION CONCLUSIONS

In undertaking the above valuation approaches, it was apparent that based on and subject to all of the foregoing, it is reasonable for Evans & Evans to outline that the fair market value of McVicar Canada, at the Valuation Date, is in the range of $20.3 million to $22.0 million, or $0.70 to $0.76 on a per share basis.

Given the Anhui Uncertainties, Evans & Evans has assumed that the potential highest level of penalties to be imposed by the Anhui Committee is the expropriation of the Anhui Plant. The appraised value of the Anhui Plant was determined to be in the range of $8.74 million as at the Valuation Date according to the Anhui Appraisal. There remain significant uncertainties as to the ability of the Company to realize the fair market value of Anhui Plant given consideration to these potential penalties. The reader should note that as a result of: (a) commission / disposition costs, capital gain taxes and withholding taxes in association with liquidating the Anhui Plant that are netted against the fair market value of the Anhui Plant; (b) the existing assets and liabilities of Anhui aside from the Anhui Plant as outlined in Schedule 10.0 – Net Asset Method; and, (c) the weighting of valuation approaches as outlined in the analysis above, the decrease in the fair market value of McVicar Canada without accounting for the fair market value of the Anhui Plant is in the range of $4.8 million to $5.4 million, or $0.17 to $0.19 on a per share basis. As a result, the fair market value of McVicar Canada, assuming the expropriation of the Anhui Plant as the penalty imposed by the government, is determined to be in the range of $15.4 million to $16.5 million, or $0.53 to $0.57 on a per share basis.

15.0 FAIRNESS CONCLUSIONS

15.1 Introduction

The fairness of the Amalgamation is tested by: i) calculating, at the time of the completion of the Amalgamation, the fair market value of McVicar Canada; ii) calculating whether the fair market value of the Consideration is in at least a comparable range as the fair market value of McVicar Canada; and iii) considering qualitative factors that may result from the Amalgamation.

There are many events that are assumed will occur between the Valuation Date and the closing of the Amalgamation. These events are either conditions of the Amalgamation or are necessary (e.g. due diligence, legal costs) aspects of the closing process.

15.2 Valuation of McVicar Canada

In undertaking the above valuation approaches for McVicar Canada, it was apparent that based on and subject to all of the foregoing, it is reasonable for Evans & Evans to opine that the fair market value of McVicar Canada as at the Valuation Date, is in the range of $20.3 million to $22.0 million, or $0.70 to $0.76 on a per share basis.

Valuation of the Consideration

The fair market value of the Consideration to be received by the shareholders of McVicar Canada in exchange for their McVicar Canada shares is $0.50 in cash at closing.

15.3 Fairness of the Amalgamation

Based upon Evans & Evans' valuation work and subject to all of the foregoing, Evans & Evans is of the opinion, as at the Valuation Date, that the terms of the Amalgamation are not fair, from a financial point of view, to the shareholders of McVicar Canada other than the Offeror.

In considering fairness, from a financial point of view, Evans & Evans considered the Amalgamation from the perspective of the McVicar Canada shareholders as a group and did not consider the specific circumstances of any particular securityholder, including with regard to income tax considerations.

15.4 Qualitative Factors

There are a number of qualitative factors associated with the completion of the Amalgamation that the Public Company shareholders might consider in determining the overall fairness of the Amalgamation. In assessing the fairness of the Amalgamation to the common shareholders of McVicar Canada, Evans & Evans has considered, inter alia, the following:

a) Evans & Evans did analyze the premium the Consideration implied to the volume weighted closing price ("VWCP") of McVicar Canada. As at the March 20, 2014 (the "Fairness

Date"), the Consideration implied a premium of 21.3% over the 10-day VWCP of McVicar Canada and a 46.2% premium over the 90-day VWCP.

Fairness Date **As At March 20, 2014**	**McVicar Canada**	**Consideration**	**Premium to Volume Weighted Price**
10 - Day Volume Weighted Price	$0.412	$0.500	**21.3%**
30 - Day Volume Weighted Price	$0.421	$0.500	**18.7%**
90 - Day Volume Weighted Price	$0.342	$0.500	**46.2%**

It is important to note however, that the Public Company's share price appreciated significantly post-Announcement Date. As at the Announcement Date, the Consideration of $0.50 per share represented a premium in excess of 124.4%.

Announcement Date **As At January 30, 2013**	**McVicar Canada**	**Consideration**	**Premium to Volume Weighted Price**
10 - Day Volume Weighted Price	$0.223	$0.500	**124.4%**
30 - Day Volume Weighted Price	$0.227	$0.500	**120.1%**
90 - Day Volume Weighted Price	$0.196	$0.500	**154.5%**

b) A comparison of the Consideration of $0.50 per share to the average trading price and the VWCP of the Company's common shares over the 10, 30 and 90 days preceding January 30, 2014 (i.e., the Announcement Date). Given the limited trading volume of McVicar Canada, there is risk associated with the ability of shareholders to realize the value per share on the open market. Accordingly, in the view of Evans & Evans the weighted approach outlined above is more reflective of the value per common share of McVicar Canada. As can be seen from the table below, the Consideration represents over a 124.4% premium to trading prices surrounding the Announcement Date. Evans & Evans deemed it appropriate to consider the trading data prior to the Announcement Date in determining fairness, as the share price of the Company increased materially post announcement of the Merger Agreement.

	Weighted Average Closing Price		
	10 Days	**30 Days**	**90 Days**
Market Capitalization - Announcement Date			
McVicar Canada	$6,413,229	$6,538,822	$5,655,110
McVicar Canada - Per Share	$0.223	$0.227	$0.196
Consideration	$0.500	$0.500	$0.500
Premium	**124.4%**	**120.1%**	**154.5%**
Total Shares Traded over Period Preceding the Announcement Date			
McVicar Canada	35,555	173,715	1,177,910
As a % of Outstanding	*0.12%*	*0.60%*	*4.09%*

c) A review of the number of days the Public Company's share price closed above $0.50 and the volume of shares traded during those days. As can be seen from the table below, the Public Company's share price has not closed above $0.50 per share in the 180 trading days preceding the Fairness Date.

As At Fairness Date	# of Days Closing Price Exceeded Offered Consideration	Shares Traded at Offered Consideration or Higher	% of Shares Outstanding
10-Days Preceding	0	0	0.0%
30-Days Preceding	0	0	0.0%
90-Days Preceding	0	0	0.0%
180-Days Preceding	0	0	0.0%

d) The Consideration of $0.50 is lower than the low end of the fair market value as determined by Evans & Evans.

e) Given the Anhui Uncertainties, Evans & Evans has assumed that the potential highest level of penalty to be imposed by the Anhui Committee is the expropriation of the Anhui Plant. As discussed in more detail in section 14.0 of the Report, the fair market value of McVicar Canada, assuming the expropriation of the Anhui Plant as penalty imposed by the government, is determined to be in the range of $15.4 million to $16.5 million, or $0.53 to $0.57 on a per share basis. The Consideration of $0.50 is lower than the low end of the fair market value of McVicar Canada without accounting for the fair market value of the Anhui Plant, as determined by Evans & Evans.

f) Giving consideration that the Company has not previously received any offers for the purchase of Jite, and taking into account the size and nature of Jite's business, it is likely that an industry purchaser would need to be identified. As a result, risks remain in the time and costs associated with the identification of such industry purchaser for the operations of Jite.

g) Evans & Evans understands existing management would stay on with the Public Company post-completion of the Amalgamation. While no management contracts from Amalco were available for review, Evans & Evans has assumed, based on discussions with the Committee, that the employment contracts entered into with any key management will be consistent with the existing contracts.

h) In assessing the fairness of the Amalgamation from a financial point of view to the shareholders of McVicar Canada other than the Offeror, Evans & Evans also considered other potential benefits that may be realized subsequent to the completion of the Amalgamation. As these shareholders have no position in McVicar Canada post-Amalgamation, there are no synergies.

16.0 CERTIFICATION AND QUALIFICATIONS

16.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Michael A. Evans, Jennifer Lucas and certain qualified employees of Evans & Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 28 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period he has been involved in the preparation of over 1,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes. Formerly, he spent three years in the computer industry in Western Canada with Wang Canada Limited (1983-1986) where he worked in the areas of marketing and sales.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Managing Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 500 valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

16.2 Certification

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and the disclosure provided in the Rule.

The fee established for the Report has not been contingent upon the value or other opinions presented.

The authors of the Report have no present or prospective interest in the Companies, or any entity that is the subject of this Report, and we have no personal interest with respect to the parties involved. We confirm we are independent to the Companies within the meaning of the Rule.

Yours very truly,

EVANS & EVANS, INC.

17.0 SCHEDULES

Schedule 1.0 – Historical Financial Statements – McVicar Canada

Schedule 2.0 – Historical Financial Statements – Jite Canada

Schedule 3.0 – Jite Financial Budget

Schedule 4.0 – Tangible Asset Backing – Jite

Schedule 5.0 – Leverage Analysis – Jite

Schedule 6.0 – Capitalized Cash Flow Method – Jite

Schedule 7.0 – Capitalized EBITDA Method – Jite

Schedule 8.0 – Guideline Public Company Analysis – Jite

Schedule 9.0 – Historical Financial Statements – McVicar HK and the Chemical Subsidiaries

Schedule 10.0 – Net Asset Method – Anhui

Schedule 11.0 – Net Asset Method – Changlong

Schedule 12.0 – Net Asset Method – McVicar HZ

Schedule 13.0 – Net Asset Method – Luyuan

Schedule 14.0 – Net Asset Method – McVicar HK

Schedule 15.0 – Net Asset Method – McVicar Canada

Schedule 16.0 – Trading Price Method – McVicar Canada

SCHEDULE 1.0 – HISTORICAL FINANCIAL STATEMENTS – MCVICAR CANADA

McVicar Industries Inc.

Consolidated Balance Sheet

As at,

C$	Unaudited 12 Months December 31, 2013	Audited 12 Months December 31, 2012	Audited 12 Months December 31, 2011
ASSETS			
Current Assets			
Cash and Cash Equivalents	$7,902,391	$7,555,248	$8,856,129
Assets of Disposal Group Classified as Held-For-Sale	$2,312,835		
Short-Term Investments	$110,081	$0	$2,737,583
Accounts Receivables	$5,074,488	$7,636,449	$8,404,043
Inventories	$4,232,886	$6,925,665	$8,462,698
Due from Related Parties	$10,000	$0	$56,367
Other Current Assets	$299,772	$372,757	$949,132
Restricted Cash	$0	$1,038,050	$2,100,800
	$19,942,453	**$23,528,169**	**$31,566,752**
Investments in Associates	$129,856	$106,979	$82,390
Property, Plant and Equipment	$10,596,070	$13,056,242	$10,156,028
Investment Property	$3,896,482	$3,635,744	$1,236,194
Goodwill	$0	$3,952,298	$3,999,321
Deferred Income Tax Assets	$1,211,678	$1,226,486	$971,140
	$15,834,086	**$21,977,749**	**$16,445,073**
TOTAL ASSETS	**$35,776,539**	**$45,505,918**	**$48,011,825**
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Liabilities	$4,166,001	$4,799,195	$4,204,844
Liabilities of Disposal Group Classified as Held-For-Sale	$466,089		
Short-term Borrowings	$0	$1,597,000	$0
Bank Accepted Notes Payable	$0	$2,076,100	$4,201,600
Income Taxes Payable	$94,656	$741,804	$196,274
Deferred Revenue	$108,552	$109,300	$41,662
Due to Related Parties	$846,378	$437,514	$190,330
	$5,681,676	**$9,760,913**	**$8,834,710**
Deferred Income Tax Liabilities	$759,861	$615,269	$689,292
TOTAL LIABILITIES	**$6,441,537**	**$10,376,182**	**$9,524,002**
SHAREHOLDERS' EQUITY			
Share Capital	$26,084,508	$26,084,508	$26,089,267
Contributed Surplus	$441,932	$450,951	$915,714
Accumulated Other Comprehensive Income	$3,996,942	$911,848	$594,482
Retained Earnings	-$931,242	$7,920,090	$1,199,996
Equity Attributable to Shareholders	$29,592,140	$35,367,397	$28,799,459
Non-Controlling Interests	-$257,138	-$237,661	$9,688,364
TOTAL SHAREHOLDERS' EQUITY	**$29,335,002**	**$35,129,736**	**$38,487,823**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$35,776,539**	**$45,505,918**	**$48,011,825**

McVicar Industries Inc.

Consolidated Balance Sheet
As at,

Common-Sized	Unaudited 12 Months December 31, 2013	Audited 12 Months December 31, 2012	Audited 12 Months December 31, 2011
ASSETS			
Current Assets			
Cash and Cash Equivalents	22.1%	21.1%	24.8%
Assets of Disposal Group Classified as Held-For-Sale	6.5%	0.0%	0.0%
Short-Term Investments	0.3%	0.0%	7.7%
Accounts Receivables	14.2%	21.3%	23.5%
Inventories	11.8%	19.4%	23.7%
Due from Related Parties	0.0%	0.0%	0.2%
Other Current Assets	0.8%	1.0%	2.7%
Restricted Cash	0.0%	2.9%	5.9%
	55.7%	**65.8%**	**88.2%**
Investments in Associates	0.4%	0.3%	0.2%
Property, Plant and Equipment	29.6%	36.5%	28.4%
Investment Property	10.9%	10.2%	3.5%
Goodwill	0.0%	11.0%	11.2%
Deferred Income Tax Assets	3.4%	3.4%	2.7%
	44.3%	**61.4%**	**46.0%**
TOTAL ASSETS	**100.0%**	**127.2%**	**134.2%**
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Liabilities	11.6%	13.4%	11.8%
Liabilities of Disposal Group Classified as Held-For-Sale	1.3%	0.0%	0.0%
Short-term Borrowings	0.0%	4.5%	0.0%
Bank Accepted Notes Payable	0.0%	5.8%	11.7%
Income Taxes Payable	0.3%	2.1%	0.5%
Deferred Revenue	0.3%	0.3%	0.1%
Due to Related Parties	2.4%	1.2%	0.5%
	15.9%	**27.3%**	**24.7%**
Deferred Income Tax Liabilities	2.1%	1.7%	1.9%
TOTAL LIABILITIES	**18.0%**	**29.0%**	**26.6%**
SHAREHOLDERS' EQUITY			
Share Capital	72.9%	72.9%	72.9%
Contributed Surplus	1.2%	1.3%	2.6%
Accumulated Other Comprehensive Income	11.2%	2.5%	1.7%
Retained Earnings	-2.6%	22.1%	3.4%
Equity Attributable to Shareholders	82.7%	98.9%	80.5%
Non-Controlling Interests	-0.7%	-0.7%	27.1%
TOTAL SHAREHOLDERS' EQUITY	**82.0%**	**98.2%**	**107.6%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**127.2%**	**134.2%**

McVicar Industries Inc.

Consolidated Income Statement

For the periods ended,

C$	Unaudited 12 Months December 31, 2013	Audited 12 Months December 31, 2012	Audited 12 Months December 31, 2011
Sales	**$17,906,898**	**$28,923,058**	**$30,110,407**
Cost of Goods Sold	-$11,976,002	-$19,796,357	-$22,349,041
Gross Profit	**$5,930,896**	**$9,126,701**	**$7,761,366**
General and Adminstrative Expenses	-$4,095,456	-$5,791,532	-$6,049,782
Loss on Disposal of Equipment	$0	-$5,688	$0
Impairment of Goodwill	-$4,239,378	$0	-$2,701,413
Impairment of Discontinued Operations Assets	-$6,869,523		
Other Income	$283,782	$62,595	$30,660
Gain on Disposal of a Subsidiary	$77,445	$0	$0
Income (Loss) on Short Term Investments	$4,788	$90,294	-$177,992
Income (Loss) from Investment in Associates	$11,591	$25,350	-$60,763
Operating Income from Discontinued Operations Before Tax	$51,690		
Income Tax Expense from Discontinued Operations	-$4,358		
Income (Loss) Before Income Taxes	**-$8,848,523**	**$3,507,720**	**-$1,197,924**
Income Taxes	-$79,212	-$727,870	-$128,191
Net Income (Loss)	**-$8,927,735**	**$2,779,850**	**-$1,326,115**
Net Income (Loss) Attributable to:			
Non-Controlling Interests	-$19,447	-$140,897	$469,981
Owners of the Company from Continuing Operations	$2,153,311	$2,920,747	-$1,796,096
Owners of the Company from Discontinued Operations	-$11,061,569	$0	$0
	-$8,927,705	$2,779,850	-$1,326,115

McVicar Industries Inc.

Consolidated Income Statement

For the periods ended,

Common-Sized	Unaudited 12 Months December 31, 2013	Audited 12 Months December 31, 2012	Audited 12 Months December 31, 2011
Sales	**100.0%**	**100.0%**	**100.0%**
Cost of Goods Sold	-66.9%	-68.4%	-74.2%
Gross Profit	**33.1%**	**31.6%**	**25.8%**
General and Adminstrative Expenses	-22.9%	-20.0%	-20.1%
Loss on Disposal of Equipment	0.0%	0.0%	0.0%
Impairment of Goodwill	-23.7%	0.0%	-9.0%
Impairment of Discontinued Operations Assets	-38.4%	0.0%	0.0%
Other Income	1.6%	0.2%	0.1%
Gain on Disposal of a Subsidiary	0.4%	0.0%	0.0%
Income (Loss) on Short Term Investments	0.0%	0.3%	-0.6%
Income (Loss) from Investment in Associates	0.1%	0.1%	-0.2%
Operating Income from Discontinued Operations Before Tax	0.3%	0.0%	0.0%
Income Tax Expense from Discontinued Operations	0.0%	0.0%	0.0%
Income (Loss) Before Income Taxes	**-49.4%**	**12.1%**	**-4.0%**
Income Taxes	-0.4%	-2.5%	-0.4%
Net Income (Loss)	**-49.9%**	**9.6%**	**-4.4%**
Net Income (Loss) Attributable to:			
Non-Controlling Interests	-0.1%	-0.5%	1.6%
Owners of the Company from Continuing Operations	12.0%	10.1%	-6.0%
Owners of the Company from Discontinued Operations	-61.8%	0.0%	0.0%
	-49.9%	9.6%	-4.4%

McVicar Industries Inc.
Unconsolidated Balance Sheet
As at,

C$	Unaudited 12 Months December 31, 2013	Unaudited 12 Months December 31, 2012	Unaudited 12 Months December 31, 2011
ASSETS			
Current Assets			
Cash and Cash Equivalents	$1,087,030	$51,671	$44,350
Short Term Investment	$105,293		
Loans Receivable from Related Parties	$10,000	$77,720	$77,720
Accounts Receivables*	$2,862,084	$2,518,998	$2,538,974
Prepaid Expenses	$10,630	$10,414	$10,468
	$4,075,037	**$2,658,803**	**$2,671,513**
Computer Equipment	$530	$285	$1,776
Office Equipment	$0	$1,986	$1,986
Anhui Purchase	$0	$313,382	
Long-Term Investment (Jite Canada)	$14,811,147	$14,811,147	$9,415,129
Long-Term Investment (McVicar HK)	$12,832,566	$12,832,566	$12,832,566
	$27,644,243	**$27,959,366**	**$22,251,457**
TOTAL ASSETS	**$31,719,280**	**$30,618,169**	**$24,922,970**
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Liabilities ^	$9,575,724	$7,938,143	$1,476,128
Credit Cards	$2,374	$692	$421
Taxes Payable	-$7,122	-$12,616	-$7,243
	$9,570,976	**$7,926,220**	**$1,469,306**
TOTAL LIABILITIES	**$9,570,976**	**$7,926,220**	**$1,469,306**
SHAREHOLDERS' EQUITY			
Share Capital	$26,084,508	$26,084,508	$26,089,267
Contributed Surplus	$2,356,618	$2,356,618	$2,403,871
Retained Earnings	-$5,937,997	-$4,989,933	-$4,269,130
Net Income	-$354,825	-$759,244	-$770,345
TOTAL SHAREHOLDERS' EQUITY	**$22,148,304**	**$22,691,949**	**$23,453,663**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$31,719,280**	**$30,618,169**	**$24,922,970**

Working Capital	-$5,495,939	-$5,267,416	$1,202,206
Current Ratio	0.43 (x)	0.34 (x)	1.82 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)
Total Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)

McVicar Industries Inc.
Unconsolidated Balance Sheet
As at,

Common-Sized	Unaudited 12 Months December 31, 2013	Unaudited 12 Months December 31, 2012	Unaudited 12 Months December 31, 2011
ASSETS			
Current Assets			
Cash and Cash Equivalents	3.4%	0.2%	0.2%
Short Term Investment	0.3%	0.0%	0.0%
Loans Receivable from Related Parties	0.0%	0.3%	0.3%
Accounts Receivables*	9.0%	8.2%	10.2%
Prepaid Expenses	0.0%	0.0%	0.0%
	12.8%	**8.7%**	**10.7%**
Computer Equipment	0.0%	0.0%	0.0%
Office Equipment	0.0%	0.0%	0.0%
Anhui Purchase	0.0%	1.0%	0.0%
Long-Term Investment (Jite Canada)	46.7%	48.4%	37.8%
Long-Term Investment (McVicar HK)	40.5%	41.9%	51.5%
	87.2%	**91.3%**	**89.3%**
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Liabilities ^	30.2%	25.9%	5.9%
Credit Cards	0.0%	0.0%	0.0%
Taxes Payable	0.0%	0.0%	0.0%
	30.2%	**25.9%**	**5.9%**
TOTAL LIABILITIES	**30.2%**	**25.9%**	**5.9%**
SHAREHOLDERS' EQUITY			
Share Capital	82.2%	85.2%	104.7%
Contributed Surplus	7.4%	7.7%	9.6%
Retained Earnings	-18.7%	-16.3%	-17.1%
Net Income	-1.1%	-2.5%	-3.1%
TOTAL SHAREHOLDERS' EQUITY	**69.8%**	**74.1%**	**94.1%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**	**100.0%**

McVicar Industries Inc.

Consolidated Income Statement

For the periods ended,

C$	Unaudited 12 Months December 31, 2013	Unaudited 12 Months December 31, 2012	Unaudited 12 Months December 31, 2011
Sales	**$0**	**$0**	**$0**
Cost of Goods Sold	$0	$0	$0
Gross Profit	**$0**	**$0**	**$0**
Consulting Fees	$87,911	$44,021	$878
Depreciation Expense	$2,498	$1,490	-$495
Director's Fees	$28,033	$12,333	$6,700
Foreign Exchange Gain/Loss	-$9,042	$10,393	$3,228
Interest Expense	$60,002	$71,047	$60,205
Management Fees	$178,200	$178,200	$170,100
Office and General*	-$192,135	-$34,750	$89,012
Payroll Expenses			$4,238
Professional Fees	$192,121	$314,868	$127,457
Rent	$64,589	$42,533	$39,750
Short Term Invest Commission	$450	$33	$9,378
Stock-based compensation			$120,825
Stock Exchange/Filing Fees	$13,595	$30,010	$14,155
Transfer Agent	$6,116	$19,567	$54,868
Travel & Meals	$36,333	$72,082	$33,292
	$468,671	$761,828	$733,592
Loss Before Income Taxes	**-$468,671**	**-$761,828**	**-$733,592**
Other Income/Expense			
Interest Income	$2,778	2,584.25	$4,412
Investment Income (Loss)			-$19,520
Other Expenses			-$21,645
Net Income (Loss)	**-$465,893**	**-$759,244**	**-$770,345**

**A negative "Office and General" expense results as this item includes management fees received from Jite.*

McVicar Industries Inc.

Consolidated Income Statement

For the periods ended,

Common-Sized (% of Expenses)	**Unaudited 12 Months December 31, 2013**	**Unaudited 12 Months December 31, 2012**	**Unaudited 12 Months December 31, 2011**
Sales	**0.0%**	**0.0%**	**0.0%**
Cost of Goods Sold	0.0%	0.0%	0.0%
Gross Profit	**0.0%**	**0.0%**	**0.0%**
Consulting Fees	18.8%	5.8%	0.1%
Depreciation Expense	0.5%	0.2%	-0.1%
Director's Fees	6.0%	1.6%	0.9%
Foreign Exchange Gain/Loss	-1.9%	1.4%	0.4%
Interest Expense	12.8%	9.3%	8.2%
Management Fees	38.0%	23.4%	23.2%
Office and General	-41.0%	-4.6%	12.1%
Payroll Expenses	0.0%	0.0%	0.6%
Professional Fees	41.0%	41.3%	17.4%
Rent	13.8%	5.6%	5.4%
Short Term Invest Commission	0.1%	0.0%	1.3%
Stock-based compensation	0.0%	0.0%	16.5%
Stock Exchange/Filing Fees	2.9%	3.9%	1.9%
Transfer Agent	1.3%	2.6%	7.5%
Travel & Meals	7.8%	9.5%	4.5%
	100.0%	100.0%	100.0%
Loss Before Income Taxes	**-100.0%**	**-100.0%**	**-100.0%**
Other Income/Expense			
Interest Income	0.6%	0.3%	0.6%
Investment Income (Loss)	0.0%	0.0%	-2.7%
Other Expenses	0.0%	0.0%	-3.0%
Net Income (Loss)	**-99.4%**	**-99.7%**	**-105.0%**

SCHEDULE 2.0 – HISTORICAL FINANCIAL STATEMENTS – JITE CANADA

Jite Technologies Inc.

Consolidated Balance Sheet - Technology Division

As at,

C$	Unaudited December 31, 2013	Unaudited December 31, 2012	Unaudited December 31, 2011	Audited December 31, 2010	Audited December 31, 2009	Audited December 31, 2008
ASSETS						
Current						
Cash and Cash Equivalents	$6,086,141	$5,013,425	$6,273,474	$3,146,960	$4,331,300	$5,638,098
Short-Term Investment		$0	$749,056	$724,320	$797,134	$861,600
Accounts Receivable	$5,104,519	$4,323,867	$4,599,815	$6,293,239	$3,674,731	$4,884,199
Inventory	$3,629,865	$2,882,173	$3,753,164	$2,987,815	$3,194,932	$2,890,005
Other Assets	$292,347	$196,346	$245,873	$411,008	$493,197	$0
Prepaid Expenses and Other				$0	$0	$1,019,987
Due from Shareholder		$0	$0	$0	$0	$1,011,251
Due From Related Parties		$54	$56,367	$1,483,429	$1,083,812	$0
	$15,112,872	**$12,415,865**	**$15,677,749**	**$15,046,771**	**$13,575,106**	**$16,305,140**
Due From McVicar and Changlong	$8,538,311	$6,318,111	$1,191,251	$1,079,081	$0	$0
Long-Term Prepaid		$0	$0	$0	$0	$0
Investments in Associates	$129,856	$106,979	$82,390	$494,847	$0	$0
Property, Plant and Equipment	$2,180,896	$2,085,670	$4,851,796	$4,794,691	$6,358,101	$4,143,383
Investment Property	$3,896,482	$3,635,744	$1,236,194			
Future Tax Assets	$220,289	$233,549	$382,200	$87,200	$56,700	$0
	$14,965,834	$12,380,053	$7,743,831	$6,455,819	$6,414,801	$4,143,383
TOTAL ASSETS	**$30,078,706**	**$24,795,918**	**$23,421,580**	**$21,502,590**	**$19,989,907**	**$20,448,523**
LIABILITIES						
Current						
Accounts Payable and Accrued Liabilities	$3,065,752	$2,482,271	$2,438,779	$2,365,541	$2,783,676	$2,815,724
Short-Term Borrowings				$0	$17,489	$206,651
Current Portion of Long-Term Loans		$0	$0			
Income Tax Payable	$74,258	$74,258	$74,258	$0	$115,150	$895
Future Tax Liabilities				$0	$626,139	$635,066
Deferred Revenue	$91,035	$106,648	$41,662			
Due To Related Parties	$143,578	$95,686	$190,330	$714,792	$0	$0
	$3,374,623	$2,758,863	$2,745,029	$3,080,333	$3,542,454	$3,658,336
Long-Term Loans		$0	$0	$0	$0	$189,279
Future Income Taxes	$517,185	$372,593	$327,200	$365,000	$0	$0
TOTAL LIABILITIES	**$3,891,808**	**$3,131,456**	**$3,072,229**	**$3,445,333**	**$3,542,454**	**$3,847,615**
SHAREHOLDERS' EQUITY						
Share Capital	$6,594,316	$6,594,316	$6,594,316	$6,779,472	$6,922,316	$6,922,316
Treasury Shares		$0	$0	-$171,330	$0	$0
Contributed Surplus		$0	$724,783	$4,320,510	$4,103,483	$1,457,068
Warrants				$0	$0	$2,516,776
Accumulated Other Comprehensive (Loss) Income	$1,824,571	$203,644	$469,715	-$381,537	-$581,288	$1,408,665
Retained Earnings	$17,768,011	$14,866,502	$12,560,537	$7,510,142	$6,002,942	$4,296,083
TOTAL SHAREHOLDERS' EQUITY	**$26,186,898**	**$21,664,462**	**$20,349,351**	**$18,057,257**	**$16,447,453**	**$16,600,908**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$30,078,706**	**$24,795,918**	**$23,421,580**	**$21,502,590**	**$19,989,907**	**$20,448,523**

Working Capital	$11,738,249	$9,657,002	$12,932,720	$11,966,438	$10,032,652	$12,646,804
Current Ratio	4.48 (x)	4.5 (x)	5.71 (x)	4.88 (x)	3.83 (x)	4.46 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.011 (x)
Total Debt to Equity	0.005 (x)	0.004 (x)	0.009 (x)	0.040 (x)	0.001 (x)	0.012 (x)

Jite Technologies Inc.

Consolidated Balance Sheet - Technology Division

As at,

Common-Sized	Unaudited December 31, 2013	Unaudited December 31, 2012	Unaudited December 31, 2011	Audited December 31, 2010	Audited December 31, 2009	Audited December 31, 2008
ASSETS						
Current						
Cash and Cash Equivalents	20.2%	20.2%	26.8%	14.6%	21.7%	27.6%
Short-Term Investment	0.0%	0.0%	3.2%	3.4%	4.0%	4.2%
Accounts Receivable	17.0%	17.4%	19.6%	29.3%	18.4%	23.9%
Inventory	12.1%	11.6%	16.0%	13.9%	16.0%	14.1%
Other Asset	1.0%	0.8%	1.0%	1.9%	2.5%	0.0%
Prepaid Expenses and Other	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%
Due from Shareholder	0.0%	0.0%	0.0%	0.0%	0.0%	4.9%
Due From Related Parties	0.0%	0.0%	0.2%	6.9%	5.4%	0.0%
	50.2%	**50.1%**	**66.9%**	**70.0%**	**67.9%**	**79.7%**
Due From McVicar and Changlong	28.4%	25.5%	5.1%	5.0%	0.0%	0.0%
Long-Term Prepaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investments in Associates	0.4%	0.4%	0.4%	2.3%	0.0%	0.0%
Property, Plant and Equipment	7.3%	8.4%	20.7%	22.3%	31.8%	20.3%
Investment Property	13.0%	14.7%	5.3%	0.0%	0.0%	0.0%
Future Tax Assets	0.7%	0.9%	1.6%	0.4%	0.3%	0.0%
	49.8%	49.9%	33.1%	30.0%	32.1%	20.3%
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
LIABILITIES						
Current						
Accounts Payable and Accrued Liabilities	10.2%	10.0%	10.4%	11.0%	13.9%	13.8%
Short-Term Borrowings	0.0%	0.0%	0.0%	0.0%	0.1%	1.0%
Current Portion of Long-Term Loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Income Tax Payable	0.2%	0.3%	0.3%	0.0%	0.6%	0.0%
Future Tax Liabilities	0.0%	0.0%	0.0%	0.0%	3.1%	3.1%
Deferred Revenue	0.3%	0.4%	0.2%	0.0%	0.0%	0.0%
Due To Related Parties	0.5%	0.4%	0.8%	3.3%	0.0%	0.0%
	11.2%	11.1%	11.7%	14.3%	17.7%	17.9%
Long-Term Loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%
Future Income Taxes	1.7%	1.5%	1.4%	1.7%	0.0%	0.0%
TOTAL LIABILITIES	**12.9%**	**12.6%**	**13.1%**	**16.0%**	**17.7%**	**18.8%**
SHAREHOLDERS' EQUITY						
Share Capital	21.9%	26.6%	28.2%	31.5%	34.6%	33.9%
Treasury Shares	0.0%	0.0%	0.0%	-0.8%	0.0%	0.0%
Contributed Surplus	0.0%	0.0%	3.1%	20.1%	20.5%	7.1%
Warrants	0.0%	0.0%	0.0%	0.0%	0.0%	12.3%
Accumulated Other Comprehensive (Loss) Income	6.1%	0.8%	2.0%	-1.8%	-2.9%	6.9%
Retained Earnings	59.1%	60.0%	53.6%	34.9%	30.0%	21.0%
TOTAL SHAREHOLDERS' EQUITY	**87.1%**	**87.4%**	**86.9%**	**84.0%**	**82.3%**	**81.2%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Jite Technologies Inc.

Consolidated Income Statement - Technology Division

For the periods ended,

C$	Unaudited 12 Months December 31, 2013	Unaudited 12 Months December 31, 2012	Unaudited 12 Months December 31, 2011	Audited 12 Months December 31, 2010	Audited 12 Months December 31, 2009	Audited 12 Months December 31, 2008
Sales	**$17,314,857**	**$15,116,159**	**$16,032,317**	**$20,168,721**	**$15,573,381**	**$17,913,439**
Cost of Sales	$11,696,082	$10,908,555	$11,805,094	$14,940,023	$10,685,664	$13,969,899
Gross Profit	**$5,618,775**	**$4,207,604**	**$4,227,223**	**$5,228,698**	**$4,887,717**	**$3,943,540**
Operating Expenses						
General and Adminstrative	$2,820,638	$2,547,914	$2,969,497	$2,879,409	$2,545,756	$2,953,786
Amortization*		$0	$0	$479,349	$517,535	$452,782
Foreign Exchange Losses (Gains)	$151,987	-$3,800	-$121,758	$31,033	$57,184	-$158,361
	$2,972,625	$2,544,114	$2,847,739	$3,389,791	$3,120,475	$3,248,207
Operating Income	**$2,646,150**	**$1,663,490**	**$1,379,484**	**$1,838,907**	**$1,767,242**	**$695,333**
Interest on Long Term Loan		$0	$0	$0	$0	$0
Interest Income^	$62,746	$71,890	$59,912	$67,180	$61,410	$129,562
Interest Expense				$0	-$9,699	-$32,939
Other Income**	$283,782					
Unrealized Gain/Loss on Long-Term Investment	$11,591	$25,350	-$26,640	$124,616	$0	$0
Unrealized Gain on Held-For-Trading Investment		$19,735	-$60,763	-$60,814	$67,390	$0
Income Before Income Taxes	**$3,004,269**	**$1,780,465**	**$1,351,993**	**$1,969,889**	**$1,886,343**	**$791,956**
Income Tax - Current	$10,512	$1,937				
Provision For (Recovery Of) Income Taxes - Future	$92,248	$197,346	-$186,848	-$266,415	$179,484	$111,880
Net Income	**$2,901,509**	**$1,581,182**	**$1,538,841**	**$2,236,304**	**$1,706,859**	**$680,076**

**Amortization is grouped into "General and Adminstrative" expenses for FY2011-2013. Actual amortization for FY2011 and FY2012 are as follows (FY2013 is estimated):*

	FY2013	*FY2012*	*FY2011*
Amortization	*$243,432*	*$293,016*	*$392,747*

^Interest income is mainly from a $1 million loan to McVicar Canada that is interest-bearing.
*** Other income includes rental income from Jite Kunshan.*

Jite Technologies Inc.

Consolidated Income Statement

For the periods ended,

Common-Sized	Unaudited 12 Months December 31, 2013	Unaudited 12 Months December 31, 2012	Unaudited 12 Months December 31, 2011	Audited 12 Months December 31, 2010	Audited 12 Months December 31, 2009	Audited 12 Months December 31, 2008
Sales	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cost of Sales	67.5%	72.2%	73.6%	74.1%	68.6%	78.0%
Gross Profit	**32.5%**	**27.8%**	**26.4%**	**25.9%**	**31.4%**	**22.0%**
Operating Expenses						
General and Adminstrative	16.3%	16.9%	18.5%	14.3%	16.3%	16.5%
Amortization	0.0%	0.0%	0.0%	2.4%	3.3%	2.5%
Foreign Exchange Losses (Gains)	0.9%	0.0%	-0.8%	0.2%	0.4%	-0.9%
	17.2%	16.8%	17.8%	16.8%	20.0%	18.1%
Operating Income	**15.3%**	**11.0%**	**8.6%**	**9.1%**	**11.3%**	**3.9%**
Interest on Long Term Loan	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Income	0.4%	0.5%	0.4%	0.3%	0.4%	0.7%
Interest Expense	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.2%
Other Income	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Unrealized Gain/Loss on Long-Term Investment	0.1%	0.2%	-0.2%	0.6%	0.0%	0.0%
Unrealized Gain on Held-For-Trading Investment	0.0%	0.1%	-0.4%	-0.3%	0.4%	0.0%
Income Before Income Taxes	**17.4%**	**11.8%**	**8.4%**	**9.8%**	**12.1%**	**4.4%**
Income Tax - Current	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Provision For (Recovery Of) Income Taxes - Future	0.5%	1.3%	-1.2%	-1.3%	1.2%	0.6%
Net Income	**16.8%**	**10.5%**	**9.6%**	**11.1%**	**11.0%**	**3.8%**

SCHEDULE 3.0 – JITE FINANCIAL BUDGET

Jite Technologies Inc.
Financial Budget - Technology Division

RMB1=C$ 0.183

C$	FY2014 Q1	FY2014 Q2	FY2014 Q3	FY2014 Q4	FY2014 Total
Revenues					
China	$1,502,989	$1,884,380	$2,115,809	$2,067,006	$7,570,184
International	$2,138,242	$2,680,832	$3,010,076	$2,940,646	$10,769,796
	$3,641,231	**$4,565,212**	**$5,125,885**	**$5,007,652**	**$18,339,980**
Cost of Goods Sold					
Cost of Sales	$2,645,778	$3,317,157	$3,724,551	$3,638,642	$13,326,128
Business Surcharge and Taxes	$32,940	$32,940	$32,940	$32,940	$131,760
Scrapped Inventory	$27,450	$27,450	$27,450	$27,450	$109,800
	$2,706,168	$3,377,547	$3,784,941	$3,699,032	$13,567,688
Gross Profit	**$935,063**	**$1,187,665**	**$1,340,943**	**$1,308,621**	**$4,772,292**
Management Expenses	$349,580	$374,287	$400,101	$392,016	$1,515,985
Sales Expenses	$244,623	$252,518	$261,773	$362,133	$1,121,047
R&D Expenses	$166,278	$144,778	$138,027	$183,077	$632,160
Financial Expenses	$36,600	$36,600	$36,600	$36,600	$146,400
	$797,082	$808,183	$836,501	$973,826	$3,415,592
Operating Income	**$137,981**	**$379,482**	**$504,443**	**$334,794**	**$1,356,700**
Investment Income	$5,490	$5,490	$5,490	$5,490	$21,960
Other Operating Income	$17,079	$17,079	$17,079	$17,079	$68,316
Non-Operating Income	$0	$0	$0	$0	$0
Non-Operating Expenses	$0	$0	$0	$0	$0
Net Income Before Taxes	**$160,550**	**$402,051**	**$527,012**	**$357,363**	**$1,446,976**
Income Tax	$0	$0	$0	$54,900	$54,900
Income Tax Payable	$0	$0	$0	$91,500	$91,500
Net Income	**$160,550**	**$402,051**	**$527,012**	**$210,963**	**$1,300,576**

Common-Sized	FY2014 Q1	FY2014 Q2	FY2014 Q3	FY2014 Q4	FY2014 Total
Revenues					
China	41.3%	41.3%	41.3%	41.3%	41.3%
International	58.7%	58.7%	58.7%	58.7%	58.7%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cost of Goods Sold					
Cost of Sales	72.7%	72.7%	72.7%	72.7%	72.7%
Business Surcharge and Taxes	0.9%	0.7%	0.6%	0.7%	0.7%
Scrapped Inventory	0.8%	0.6%	0.5%	0.5%	0.6%
	74.3%	74.0%	73.8%	73.9%	74.0%
Gross Profit	**25.7%**	**26.0%**	**26.2%**	**26.1%**	**26.0%**
Management Expenses	9.6%	8.2%	7.8%	7.8%	8.3%
Sales Expenses	6.7%	5.5%	5.1%	7.2%	6.1%
R&D Expenses	4.6%	3.2%	2.7%	3.7%	3.4%
Financial Expenses	1.0%	0.8%	0.7%	0.7%	0.8%
	21.9%	17.7%	16.3%	19.4%	18.6%
Operating Income	**3.8%**	**8.3%**	**9.8%**	**6.7%**	**7.4%**
Investment Income	0.2%	0.1%	0.1%	0.1%	0.1%
Other Operating Income	0.5%	0.4%	0.3%	0.3%	0.4%
Non-Operating Income	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Operating Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
Net Income Before Taxes	**4.4%**	**8.8%**	**10.3%**	**7.1%**	**7.9%**
Income Tax	0.0%	0.0%	0.0%	1.1%	0.3%
Income Tax Payable	0.0%	0.0%	0.0%	1.8%	0.5%
Net Income	**4.4%**	**8.8%**	**10.3%**	**4.2%**	**7.1%**

SCHEDULE 4.0 – TANGIBLE ASSET BACKING – JITE

JITE TECHNOLOGIES INC.

Tangible Asset Backing

As At January 31, 2014 Based on December 31, 2013 Financial Statements

	Unaudited December 31, 2013	Adjustment	Adjusted Tangible Asset Backing	Notes
Assets				
Current Assets				
Cash and Cash Equivalents	$6,086,141		$6,086,141	**1**
Short-Term Investment	$0		$0	
Accounts Receivable	$5,104,519		$5,104,519	**2**
Inventory	$3,629,865	-$420,001	$3,209,864	**3**
Other Assets	$292,347		$292,347	**4**
Prepaid Expenses and Other	$0		$0	
Due from Shareholder	$0		$0	
Due From Related Parties	$0		$0	
	$15,112,872		$14,692,871	
Due From McVicar and Changlong	$8,538,311	-$8,538,311	$0	**5**
Long-Term Prepaid	$0		$0	
Investments in Associates	$129,856		$129,856	**6**
Property, Plant and Equipment	$2,180,896		$2,180,896	
Investment Property	$3,896,482	$1,246,716	$5,143,198	**7**
Future Tax Assets	$220,289	-$220,289	$0	**8**
	$14,965,834		$7,453,950	
Total Assets	**$30,078,706**		**$22,146,822**	
Liabilities and Shareholders' Equity				
Current Liabilities				
Accounts Payable and Accrued Liabilities	$3,065,752		$3,065,752	
Short-Term Borrowings	$0		$0	
Current Portion of Long-Term Loans	$0		$0	
Income Tax Payable	$74,258		$74,258	
Future Tax Liabilities	$0		$0	
Deferred Revenue	$91,035	-$15,123	$75,912	**9**
Due To Related Parties	$143,578		$143,578	**10**
	$3,374,623		$3,359,500	
Long-Term Loans	$0		$0	
Future Income Taxes	$517,185	-$517,185	$0	**8**
Assets Less Liabilities	**$26,186,898**		**$18,787,322**	
Leverage Adjustment			-$1,777,500	**11**
Redundant Asset - Cash			-$3,500,000	**1**
Redundant Asset - Investment Property			-$5,143,198	**7**
Stub Period Net Income			$241,792	**12**
Tangible Asset Backing, say			**$8,600,000**	

Refer to Notes on Following Page

JITE TECHNOLOGIES INC.

Tangible Asset Backing

As At January 31, 2014 Based on December 31, 2013 Financial Statements

Notes

1 As at the Valuation Date, Jite had excess cash on hand which was not required for working capital purposes.
Given Jite is currently cash flow positive, Evans & Evans has estimated Jite has approximately $3.5 million in redundant cash.

Adjustment Required	$3,500,000

2 Management reviews the outstanding accounts receivables on an annual basis and provides allowances for any doubtful accounts.
For outstanding accounts receivables over two years, a 100% provision is generally made.
Therefore, through confirming with management and a review of the aged schedule of receivables for each of the Jite Subsidiaries, Evans & Evans assumed that the outstanding net accounts receivable to be collectible.

3 Through discussions with management and a review of the aged inventory schedule of Jite Shenzhen and Jite Canada, Evans & Evans made certain adjustments to account for returned products, sample products, defective parts, non-compliant parts, slow-moving raw materials, and the age of inventory (i.e., 50% write-off for finished goods > 1 years, 100% for finished goods > 2 years, and 50% for parts > 2 years).

Adjustment Required - Jite Shenzhen	-$288,795
Adjustment Required - Jite Canada	-$131,206

4 Other assets include prepayments for property, plant and equipment.

5 This amount is due from McVicar Canada and Changlong, with no fixed term of repayment.
Intercompany loans are expected to be removed upon consolidation, and are also not anticipated to be received upon a sale of the Companies.

Adjustment Required	-$8,538,311

6 Jite owns 30% of Shenzhen Delicheng Technologies Co., Ltd. which was formed in 2010 to manufacture screws for Jite. Evans & Evans has assumed the book value of this investment is equal to its fair market value. The remaining 70% of Delicheng is owned by unrelated third parties.

7 The investment property (i.e., the land and building from which Jite Kunshan previously operated) has been leased to a unrelated parties for terms of up to December 2016. Evans & Evans has treated the investment property as a redundant asset as it is not required for day to day operations.

Based on the Kunshan Appraisal, the book value of the Kunshan Plant has been adjusted to fair market value:

Appraised Value	$6,450,858

Fair Market Value of the Kunshan Plant is calculated as follows:

Appraised Value	$6,450,858	
Less: Commission / Disposition Cost	-$79,509	*(Note i)*
Less: Income Tax, Business Tax and Land Appreciation Tax	-$957,457	*(Note ii)*
Less: Withholding Tax	-$270,695	*(Note iii)*
Fair Market Value	$5,143,198	

(i) Commission / Disposition Cost

First $100,000	7.0%	$7,000
$100,001 to $1,000,000	2.0%	$18,000
$1,000,001+	1.0%	$54,509
		$79,509

(ii) Income Tax, Business Tax and Land Appreciation Tax

Income Tax: Net gains from transfer of property are taxed at a flat rate of 20%. The taxable income is the gross selling price less acquisition costs and related reasonable expenses.

Business Tax: Sales of immovable properties are subject to business tax, which is imposed at 5% of the net gains.

	Appraised Value (RMB)	Appraised Value (C$)*	Acquisition Cost
Building	22,904,949	$4,191,606	$2,519,082
Land Use Right	12,345,642	$2,259,252	$1,398,940
	35,250,591	$6,450,858	$3,918,023
** Conversion at RMB1 = C$*	*0.183*	*(as at January 31, 2014)*	

		Income Tax (20%)	Business Tax (5%)
Gross Selling Price	$6,450,858		
Less: Acquisition Costs	$3,918,023		
Less: Related Reasonable Expenses (Commission/Disposition Cost)	$79,509		
	$2,453,327	$490,665	$122,666

JITE TECHNOLOGIES INC.

Tangible Asset Backing

As At January 31, 2014 Based on December 31, 2013 Financial Statements

Land Appreciation Tax: A transaction tax on the transfer of the rights to use state-owned land, based on the net gain and imposed at progressive rates.

Net Gain from Land Appreciation	$860,312	
Deducations (i.e., Cost of Acquiring the Property)	$1,398,940	
	61%	*Assume 40% tax rate applicable. See section 6.0 of*
Land Appreciation Tax	$344,125	*the Report for more details.*

(iii) Under the Hong Kong-China income tax treaty, a reduced withholding tax rate on dividends of 5% is applicable.
Withholding tax is applicable for:

Kunshan Plant (Net of Disposition Costs and Taxes)	$5,413,893
Withholding tax @ 5%	$270,695

8 Tax assets and liabilities which result from timing differences between financial and tax accounting have been removed from the analysis.

9 Deferred revenue relates to deposits received from customers where the final order has not yet been completed. The book value of the deferred revenue has been adjusted to fair market value.

Book Value of Deferred Revenue	$91,035
Cost of Sales (Average - 2011-2013)	71.1%
Profit Margin (Average - 2011-2013)	12.3%
Cost of Sales	$64,740
Profit Margin	$11,172
Deferred Income Liability	$75,912

10 Due to related parties have no fixed term of payment and are non-interest bearing, but are expected to be repaid.

11 The Company has the ability to take on debt. Refer to Schedule 5.0.

12 Adjustment to account for the timing difference between the date of the most recent financial statements and the Valuation Date.

Net Income for the 12 Months Ended December 31, 2013	$2,901,509
Number of Months	12
Net Income per Month	$241,792

SCHEDULE 5.0 – LEVERAGE ANALYSIS – JITE

JITE TECHNOLOGIES INC.
Leverage Analysis Calculation
As At January 31, 2014 Based on December 31, 2013 Financial Statements

	31-Dec-13	Factor	Margin		Notes
Security - Margin Analysis					
Inventory	$3,209,864	70%	$2,246,905		**1**
Accounts Receivable	$5,104,519	75%	$3,828,389		
Net Fixed Assets	$2,180,896	60%	$1,308,538		
			$7,383,832	**A**	
Times Interest Earned Coverage			**TIE**		
EBIT - Actual FY2013			$2,646,150		
Interest Rate			6.00%		
Industry Times Interest Earned			4.90		**2**
Times Interest Earned Amount			**$9,000,510**	**B**	
Ratio Analysis					
		Jite	**Industry/Competitors**		
Current Ratio		3.44	4.65		**2,3**
Debt:Equity Ratio		0.01	0.33		**2,4**
			$7,109,134	**C**	
Maximum Allowable Debt			**All Debt**		
Least of **A**, **B** or **C**			**$7,109,134**		
Less: Existing Long Term Interest Bearing Debt			$0		**5**
Under Leverage			**$7,110,000**		
Evans & Evans Adjusted Leverage			**$1,777,500**		**6**
Interest Costs on More Debt			$106,650		

Notes

1 As outlined in Schedule 4.0, the net book value of inventory was adjusted to account for returned products, sample products, defective parts, non-compliant parts, slow-moving raw materials and the age of inventory.

2 Times Interest Earned based on industry comparison

Industrials -
Electronic Components/Equipment

Financial Strength			
Current Ratio (MRQ)	4.65		4.65
LT Debt to Equity (MRQ)	0.19		0.19
Total Debt to Equity (MRQ)	0.33		0.33
Interest Coverage (TTM)	4.90		4.90

From: Reuters Inc.

3 Jite's current ratio has been adjusted for redundant cash of: $3,500,000
Jite had excess cash on hand which was not required for working capital purposes.

4 Based on an adjustment for shareholders' equity given the redundant cash is expected to be paid out in the form of a dividend.

5 No interest bearing debt as at the Valuation Date.

6 Based on industry averages, the Company does have the ability to take on additional debt. Evans & Evans adjusted downwards the amount by which the Company was under-levered by a fourth to reflect that the credit markets in China (where the Company's assets are located) are more strict than in North America.

SCHEDULE 6.0 – CAPITALIZED CASH FLOW METHOD – JITE

JITE TECHNOLOGIES INC.

Capitalized Cash Flow Method

C$	Actual	Actual	Actual	Actual	Actual	Actual	Budget		Note
	2008	2009	2010	2011	2012	2013	2014		
Operating Income	791,956	1,886,343	1,969,889	1,351,993	1,780,465	3,004,269	1,446,976		1
Adjustments:									
Deduct/Add Back: Unrealized Gain/Loss on Held-For-Trading Investment	0	-67,390	60,814	60,763	-19,735	0	0		2
Deduct/Add Back: Unrealized Gain/Loss on Long-Term Investment	0	0	-124,616	26,640	-25,350	-11,591	0		2
Normalize: Other Income	0	0	0	0	0	-283,782	-68,316		2
Normalize: Interest Income on Investment in Associates	-129,562	-61,410	-67,180	-59,912	-71,890	-62,746	-21,960		2
Add Back: Depreciation and Amortization	452,782	517,535	479,349	392,747	293,016	243,432	230,000		3
Estimated Discretionary Cash Flow	**1,115,176**	**2,275,078**	**2,318,256**	**1,772,231**	**1,956,506**	**2,889,582**	**1,586,700**		
	2008	2009	2010	2011	2012	2013	2014	Total	
Low (Yearly weighted multipliers)	0	0	0	6	1	1	8	16.00	
Annual Values - Low	0	0	0	10,633,386	1,956,506	2,889,582	12,693,601	**28,173,075**	
High (Yearly weighted multipliers)	0	0	0	3	4	3	6	16.00	
Annual Values - High	0	0	0	5,316,693	7,826,024	8,668,746	9,520,201	**31,331,664**	
		Low		High					
Estimated Maintainable Discretionary Cash Flow		1,760,817		1,958,229					
Estimated Maintainable Discretionary Cash Flow, Say		**1,760,000**		**1,960,000**					
Interest Adjustment		-106,650		-106,650					4
Adjusted Maintainable Discretionary Cash Flow, Say		**1,653,350**		**1,853,350**					
Less: Income Tax		198,402		222,402					5
Adjusted After-Tax Cash Flow		**1,454,948**		**1,630,948**					
Less: Sustaining Capital Reinvestment		300,000		300,000					6
Add Back: Tax Shield on Sustaining Capital Reinvestment		21,295		21,295					
Cash Flow to be Capitalized, Say		**1,176,000**		**1,352,000**					
Multiple		**7.59**		**7.31**					7
Capitalized Discretionary Cash Flow		**8,922,230**		**9,882,254**					
Add Back: Present Value of Future Capital Tax Shields		154,805		154,805					8
Leverage Adjustment		1,777,500		1,777,500					9
Add Back: Redundant Assets		8,643,198		8,643,198					10
Fair Market Value, Say		**$19,500,000**		**$20,500,000**					
			$20,000,000						

Going Concern Value	**8,922,230**	**9,882,254**
Tangible Asset Backing	**8,600,000**	**8,600,000**
Goodwill	**322,230**	**1,282,254**

Refer to Notes on Following Page

JITE TECHNOLOGIES INC.

Capitalized Cash Flow Method

Notes

1 Actual earnings before taxes for FY2008-2013, budgeted for FY2014.

2 Gains / losses from investments in held-for-trading investment and long-term investments (considered redundant assets) were deducted / added back.
Non-operating income and interest income were deducted.

3 Under this approach the amortization and depreciation allocated to Jite is added back.
Depreciation for actual FY2013 and budget FY2014 have been estimated.

4 As outlined in Schedule 5.0 Jite has the ability to take on additional debt, accordingly the interest associated with such debt is deducted.

5 Assumed Jite's average blended corporate income tax rate.
Tax Rate 12%

6 Sustaining capital reinvestment has been arrived at based on a review of historical capital expenditures. This amount is deducted net of the associated tax shield created. Sustaining Capital Re-Investment 300,000

7 Build up approach based on the guideline public company multiples as outlined in Schedule 8.0.

	High	Low
Selected Enterprise Value / Cash Flow Median*	9.25	9.25
Discount^	18.0%	21.0%
Cash Flow Multiple	7.59	7.31

^ Support for Discount to Comparable Company Multiplies

	Low	High
Size	7.0%	8.0%
Liquidity	7.0%	8.0%
Geographical Risk	4.0%	5.0%
	18.0%	21.0%

8 The present value of the tax shield from existing capital assets is added back.

PV of Tax Shield 154,805
Net Fixed Assets 2,180,896

Tax Shield Formula

$$\frac{\text{(Net Fixed Assets * CCA Rate * Tax Rate)}}{\text{CCA Rate * Discount Rate}} \quad x \quad \frac{\text{1+.5*Discount Rate}}{\text{1 + Discount Rate}}$$

9 As outlined in Schedule 5.0 Jite has the ability to take on additional debt and accordingly, this amount is added back.

10 As outlined in Schedule 4.0 Jite has a significant number of redundant assets which are added back to arrive at fair market value.

SCHEDULE 7.0 – CAPITALIZED EBITDA METHOD – JITE

JITE TECHNOLOGIES INC.
Capitalized EBITDA Method

C$	Actual	Actual	Actual	Actual	Actual	Actual	Budget		Note
	2008	2009	2010	2011	2012	2013	2014		
Operating Income (Current/Expected)	791,956	1,886,343	1,969,889	1,351,993	1,780,465	3,004,269	1,446,976		1
Adjustments:									
Deduct/Add Back: Unrealized Gain/Loss on Held-For-Trading	0	-67,390	60,814	60,763	-19,735	0	0		2
Deduct/Add Back: Unrealized Gain/Loss on Long-Term Investr	0	0	-124,616	26,640	-25,350	-11,591	0		2
Normalize: Other Income	0	0	0	0	0	-283,782	-68,316		2
Normalize: Interest Income on Investment in Associates	-129,562	-61,410	-67,180	-59,912	-71,890	-62,746	-21,960		2
Add Back: Depreciation and Amortization	452,782	517,535	479,349	392,747	293,016	243,432	230,000		3
Add Back: Interest Expense	32,939	9,699	0	0	0	0			4
Adjusted EBITDA	**1,148,115**	**2,284,777**	**2,318,256**	**1,772,231**	**1,956,506**	**2,889,582**	**1,586,700**		
	2008	2009	2010	2011	2012	2013	2014	Total	
Low (Yearly weighted multipliers)	0	0	0	6	1	1	8	16.00	
Annual Values - Low	0	0	0	10,633,386	1,956,506	2,889,582	12,693,601	**28,173,075**	
High (Yearly weighted multipliers)	0	0	0	3	4	3	6	16.00	
Annual Values - High	0	0	0	5,316,693	7,826,024	8,668,746	9,520,201	**31,331,664**	
	Low		High						
Annualized Average EBITDA	1,760,817		1,958,229						
Annualized Average EBITDA Range, Say	**1,760,000**		**1,960,000**						
Multiple	**5.32**		**5.12**						5
Maintainable Earnings Calculation	**9,361,030**		**10,043,388**						
Less: Interest Bearing Debt	0		0						6
Add Back: Redundant Assets	8,643,198		8,643,198						7
Fair Market Value, Say	**$18,000,000**		**$18,700,000**						
		$18,400,000							

Notes

1 Actual earnings before taxes for FY2008-2013, budgeted for FY2014.

2 Gains / losses from investments in held-for-trading investment and long-term investments (considered redundant assets) were deducted / added back.
Non-operating income and interest income were deducted.

3 Under this approach the amortization and depreciation is added back.

4 Under this approach interest is added back.

5 Build up approach based on the guideline public company multiples as outlined in Schedule 8.0.

	High	Low
Selected Enterprise Value / EBITDA Median*	6.49	6.49
Discount^	18.0%	21.0%
EBITDA Multiple	5.32	5.12

^ Support for Discount to Comparable Company Multiplies

	Low	High
Size	7.0%	8.0%
Liquidity	7.0%	8.0%
Geographical Risk	4.0%	5.0%
	18.0%	21.0%

6 Interest-bearing debt is deducted.

7 Redundant assets as calculated in Schedule 4.0 are added back.

SCHEDULE 8.0 – GUIDELINE PUBLIC COMPANY ANALYSIS – JITE

JITE TECHNOLOGIES INC.
Guideline Public Company Analysis
January 31, 2014

Table 1 - Identified Comparable Companies

Company Name	Exchange	Ticker	Market Capitalization	Enterprise Value	TTM Revenues	TTM EBITDA	TTM Net Income	TTM Cash Flow	EV/ TTM Revenues	EV/ EBITDA	EV/ Cash Flow
ZBB Energy Corporation*	AMEX	ZBB	13.5	17.1	5.2	-8.9	-10.8	-6.9	3.31	n/a	n/a
IEC Electronics Corp.	AMEX	IEC	40.0	73.3	140.1	6.8	-10.5	1.6	0.52	10.83	45.83
SigmaTron International*	NASDAQ	SGMA	37.0	58.2	210.8	9.1	1.9	6.0	0.28	6.43	9.69
Multi-Fineline Electronix, Inc.*	NASDAQ	MFLX	332.4	220.6	709.7	-20.4	-83.2	53.2	0.31	n/a	4.15
TTM Technologies, Inc.*	NASDAQ	TTMI	662.2	905.4	1,370.0	166.9	21.9	71.4	0.66	5.42	12.68
Sparton Corporation	NYSE	SPA	282.2	307.6	306.7	26.4	13.1	24.3	1.00	11.66	12.64
CTS Corporation*	NYSE	CTS	629.7	661.6	598.9	30.2	30.6	42.2	1.10	21.91	15.69
Nortech Systems Incorporated	NASDAQ	NSYS	14.3	26.8	106.8	3.6	0.8	2.9	0.25	7.37	9.32
Viasystems Group, Inc.*	NASDAQ	VIAS	271.6	792.1	1,170.0	121.0	-28.2	89.9	0.68	6.54	8.81
The LGL Group, Inc.*	AMEX	LGL	15.2	8.4	28.1	-1.5	-6.4	-0.5	0.30	n/a	n/a
Pulse Electronics Corp.*	NYSE	PULS	24.2	112.6	358.3	15.3	-32.2	0.1	0.31	7.36	1125.54
KEMET Corporation*	NYSE	KEM	249.1	595.4	836.4	34.8	-78.3	-7.5	0.71	17.09	n/a
In US$	**Average of all Comparables:**		**214.3**	**314.9**	**486.8**	**31.9**	**-15.1**	**23.1**	**0.8**	**10.5**	**138.3**
TTM = Trailing Twelve Months	**Median of all Comparables:**								**0.59**	**7.37**	**12.64**
*Has operations/sales in China	**Coefficient of Variance:**								**1.07**	**0.53**	**2.68**

Table 2 - Selected Comparable Companies

Company Name	Exchange	Ticker	Market Capitalization	Enterprise Value	TTM Revenues	TTM EBITDA	TTM Net Income	TTM Cash Flow	EV/ TTM Revenues	EV/ EBITDA	EV / Cash Flow
SigmaTron International	NASDAQ	SGMA	37.0	58.2	210.8	9.1	1.9	6.0	0.28	6.43	9.69
Multi-Fineline Electronix, Inc.	NASDAQ	MFLX	332.4	220.6	709.7	-20.4	-83.2	53.2	0.31	n/a	4.15
TTM Technologies, Inc.	NASDAQ	TTMI	662.2	905.4	1,370.0	166.9	21.9	71.4	0.66	5.42	12.68
Viasystems Group, Inc.	NASDAQ	VIAS	271.6	792.1	1,170.0	121.0	-28.2	89.9	0.68	6.54	8.81
KEMET Corporation	NYSE	KEM	249.1	595.4	836.4	34.8	-78.3	-7.5	0.71	17.09	n/a
	Average of all Comparables:		**310.5**		**859.4**	**62.3**		**42.6**	**0.53**	**8.87**	**8.83**
	Median of all Comparables:								**0.66**	**6.49**	**9.25**
	Coefficient of Variance								**0.41**	**0.62**	**0.40**

ZBB Energy Corporation (NYSEMKT:ZBB)

ZBB Energy Corporation (ZBB) is engaged in designing, developing, and manufacturing energy storage and power electronic systems to solve a range of electrical system challenges in global markets for utility, governmental, commercial, industrial and residential customers. The Company operates in two segments: ZBB Energy Storage and Power Electronic Systems and Tier Electronics Power Conversion Systems. The ZBB Energy Storage and Power Electronics Systems business segment designs and manufactures electrical power management platforms. The Company offers a portfolio of intelligent power management platforms for grid independent, grid interactive and grid conversion environments in a variety of applications around the world. In January 21, 2011, the Company acquired Tier Electronics LL.

IEC Electronics Corp. (NYSEMKT:IEC)

IEC Electronics Corp. (IEC) is a provider of electronic contract manufacturing services (EMS) to advanced technology companies. The Company specializes in the custom manufacture of circuit cards and system-level assemblies; an array of cable and wire harness assemblies, and precision sheet metal components. The Company utilizes automated circuit card assembly equipment together with a manufacturing stress testing methods. The Company manufactures a range of assemblies that are incorporated into many different products, such as military and aerospace systems, medical devices, industrial equipment and transportation products. Its products are distributed to and through original equipment manufacturers (OEMs). The Company supports multiple divisions and product lines for many of its customers and frequently manufactures successive generations of products.

SigmaTron International (NASDAQ:SGMA)

SigmaTron International, Inc. (SigmaTron), is a provider of electronic manufacturing services (EMS), which includes printed circuit board assemblies and completely assembled (box-build) electronic products. In connection with the production of assembled products, the Company also provides services to its customers, including automatic and manual assembly and testing of products; material sourcing and procurement; design, manufacturing and test engineering support; warehousing and shipment services, and assistance in obtaining product approval from governmental and other regulatory bodies. The Company provides these manufacturing services through an international network of facilities located in the United States, Mexico, China and Taiwan. On May 31, 2012, SigmaTron acquired certain assets and assumed certain liabilities of Spitfire Controls, Inc. (Spitfire).

Multi-Fineline Electronix, Inc. (NASDAQ:MFLX)

Multi-Fineline Electronix, Inc., (MFLEX) is a provider of advanced, flexible printed circuits and value-added component assembly solutions to the electronics industry. With facilities in Anaheim, California; Suzhou, China; Chengdu, China; Cambridge, England; Korea; Taiwan, and Singapore, it offers a global service and support base for the sale, design and manufacture of flexible interconnect solutions. The Company provides an integrated flexible printed circuit and assembly solution from design and application engineering and prototyping through high-volume fabrication, component assembly and testing. In October 2011, the Company incorporated a wholly owned subsidiary located in Korea, MFLEX Korea Limited (MKR). During the fiscal year ended September 30, 2011 (fiscal 2011), 94% of net sales were to four customers in the aggregate. The Company's wholly owned subsidiaries include MFLEX Suzhou Co., Ltd. and MFLEX Chengdu Co., Ltd.

TTM Technologies, Inc. (NASDAQ:TTMI)

TTM Technologies, Inc. (TTM) is a provider of time-critical and technologically complex printed circuit board (PCB) products and backplane assemblies (PCBs populated with electronic components), which serves as the foundation of sophisticated electronic products. It focuses on providing time-to-market and advanced technology products and offer a one-stop manufacturing solution to its stomers from engineering support to prototype development through final volume production. This one-stop solution allows them to align technology development with the diversified needs of its customers, many of whom are based in high growth markets, and to enable them to reduce the time required to develop new products and bring them to market. It serves the high-end computing, aerospace/defense, and industrial/medical industries. Its customers include both original equipment manufacturers (OEMs) and electronic manufacturing services (EMS) providers.

Sparton Corporation (NYSE:SPA)

Sparton Corporation and subsidiaries (Sparton) is a provider of electromechanical devices with capabilities that include concept development, industrial design, design and manufacturing engineering, production, distribution, and field service. The Company serves the Medical, Military and Aerospace and Industrial and Instrumentation markets through three reportable business segments: Medical Device (Medical), Complex Systems (CS) and Defense & Security Systems (DSS). Its products and services include products for original equipment manufacturers (OEM) and emerging technology (ET) customers that are microprocessor-based systems that include transducers, printed circuit boards and assemblies, sensors, and electromechanical components, as well as development and design engineering services relating to these product sales. In September 2013, Sparton Corporation announced that Sparton Aydin, LLC completed the transaction to acquire certain assets and liabilities of Aydin Displays, Inc.

CTS Corporation (NYSE:CTS)

CTS Corporation (CTS) is a global manufacturer of electronic components and sensors and a supplier of electronics manufacturing services. CTS designs, manufactures, assembles, and sells a line of electronic components and sensors and provides electronics manufacturing services primarily to original equipment manufacturers (OEMs) for the automotive, communications, defense and aerospace, medical, industrial and computer markets. It operates manufacturing facilities located throughout North America, Asia and Europe and serves markets globally. The Company operates in Components and Sensors segment. Sales and marketing are accomplished through its sales engineers, independent manufacturers' representatives and distributors. In January 2012, CTS acquired Valpey-Fisher Corporation. In December 2012, the Company acquired D&R Technology. In October 2013, CTS Corporation announced that Benchmark Electronics, Inc. has acquired the Company's Electronics Manufacturing Solutions (EMS) business.

Nortech Systems Incorporated (NASDAQ:NSYS)

Nortech Systems Incorporated is an electronic manufacturing service (EMS) contract manufacturing company. The Company offers a full service of technical and manufacturing services and support including design, testing, prototyping, and supply chain management. The Company's manufacturing services include complete medical devices, printed circuit board assemblies, wire and cable assemblies, and higher level electromechanical assemblies. The Company maintains manufacturing facilities in Minnesota including Bemidji, Blue Earth, Milaca, Mankato, Baxter, and Merrifield; as well as Augusta, Wisconsin and Monterrey, Mexico. The Company's customers are original equipment manufacturers (OEMs) in the aerospace and defense, medical and industrial markets. On January 1, 2011, it completed the purchase of certain assets and certain liabilities relating to Winland Electronics, Inc. In January 2013, it purchased 58,000 square foot headquarters and manufacturing building.

Viasystems Group, Inc. (NASDAQ:VIAS)

Viasystems Group, Inc. (Viasystems) is a provider of multi-layer printed circuit boards (PCBs) and electromechanical solutions (E-M Solutions). The Company operates in two segments: Printed Circuit Boards, which includes its PCB products, and Assembly, which includes its E-M Solutions products and services. The Company's products include a variety of commercial products, including automotive engine controls, hybrid converters, automotive electronics for navigation, safety, entertainment and anti-lock braking systems, telecommunications switching equipment, data networking equipment, computer storage equipment, electronic defense and aerospace systems, wind and solar energy applications and several other complex industrial, medical and technical instruments. The Company's offerings of E-M Solutions services include component fabrication, component integration and final system assembly and testing. In June 2012, Viasystems acquired DDi Corp

The LGL Group, Inc. (NYSEMKT:LGL)

The LGL Group, Inc. is a producer of industrial and commercial products and services that is focused on the design and manufacture of electronic components and subsystems. The Company operates through its principal subsidiary, M-tron Industries, Inc. (Mtron), which includes the operations of its subsidiary, M-tron Industries, Ltd., as well as the operations of its subsidiary, Piezo Technology, Inc. (PTI) and PTI's subsidiary Piezo Technology India Private Ltd. MtronPTI's frequency control devices consist of packaged quartz crystals, crystal oscillators and electronic filters. MtronPTI markets and sells its products through a variety of channels and NYSE:FN agents. MtronPTI's operations are located in Orlando, Florida, Yankton, South Dakota, and Noida, India. In February 2014, its primary operating subsidiary, MtronPTI, acquired certain filter product line assets from Trilithic, Inc.

Pulse Electronics Corp (NYSE:PULS)

Pulse Electronics Corporation (Pulse Electronics), is a producer of precision-engineered electronic components and modules. The Company operates its business in three segments: its Network product group (Network), its Power product group (Power) and its Wireless product group (Wireless). Its Network products include Discrete filter or choke, Filtered connectors, Inductor/chip inductor, Balun, Transformer, Splitter and diplexer. Its Power products include Power transformer, Signal transformer, Automotive ignition coils, Other automotive coils and Inductor/chip inductor. Its Wireless products include Internal handset antenna and handset antenna modules, Mobile and portable antennas and Mounts and cables.

KEMET Corporation (NYSE:KEM)

KEMET Corporation (KEMET) is a global manufacturer of a variety of capacitors. The Company's product offerings include tantalum, multilayer ceramic, solid and electrolytic aluminum and film and paper capacitors. The Company manufactures a line of capacitors in a number of different sizes and configurations using a variety of raw materials. It operates in three segments: the Tantalum Business Group (Tantalum), the Ceramic Business Group (Ceramic) and the Film and Electrolytic Business Group

(Film and Electrolytic). Its product line consists of over 250,000 part configurations distinguished by various attributes, such as dielectric (or insulating) material, configuration, encapsulation, capacitance level and tolerance, performance characteristics and packaging. During the fiscal year ended March 31, 2012 (fiscal year 2012), the Company shipped 32 billion capacitors. In fiscal 2012, it acquired Cornell Dubilier Foil, LLC and Niotan Incorporated.

SCHEDULE 9.0 – HISTORICAL FINANCIAL STATEMENTS – MCVICAR HK AND THE CHEMICAL SUBSIDIARIES

McVicar (Hong Kong) Advanced Materials Co. Ltd.

Balance Sheet

As at,

RMB1 = C$	*0.17492*	*0.15779*	*0.16021*
C$	**December 31, 2013**	**December 31, 2012**	**December 31, 2011**
ASSETS			
Current			
Cash	$79,803	$41,891	$187,706
Other Receivables	-$2,546	$59,045	$0
Long-Term Investment - Hongbo 2007	$348,234	$314,131	$318,949
Long-Term Investment - Hongbo 2008	$347,644	$313,599	$318,409
Long-Term Investment - Changlong 2007	$749,657	$676,243	$686,614
Long-Term Investment - McVicar (HZ) 2008	$64,021	$57,751	$58,637
Long-Term Investment - McVicar (HZ) 2010	$34,984	$31,558	$32,042
Long-Term Investment - Kunshan	$0	$47,337	$48,063
Long-Term Investment - Changlong 2012 (8%)	$61,726	$55,681	$0
TOTAL ASSETS	**$1,683,523**	**$1,597,237**	**$1,650,420**
LIABILITIES			
Due to Intercompany Amount	$933	$841	$854
Amount Payable to Hongbo	$1,745	$81,890	$0
Due to McVicar Canada	-$314,628	-$283,816	-$104,687
Amount Payable to 8% Changlong Acquisition	$61,726	$55,681	$0
SHAREHOLDERS' EQUITY			
Paid-Up Capital	$1,185,351	$1,069,269	$1,085,669
Retained Earnings (Opening)	$746,474	$658,485	$668,584
Net Income	$1,922	$14,887	$0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$1,683,523**	**$1,597,237**	**$1,650,420**

McVicar (Hong Kong) Advanced Materials Co. Ltd.

Balance Sheet

As at,

Common-Sized	December 31, 2013	December 31, 2012	December 31, 2011
ASSETS			
Current			
Cash	4.7%	2.6%	11.4%
Other Receivables	-0.2%	3.7%	0.0%
Long-Term Investment - Hongbo 2007	20.7%	19.7%	19.3%
Long-Term Investment - Hongbo 2008	20.6%	19.6%	19.3%
Long-Term Investment - Changlong 2007	44.5%	42.3%	41.6%
Long-Term Investment - McVicar (HZ) 2008	3.8%	3.6%	3.6%
Long-Term Investment - McVicar (HZ) 2010	2.1%	2.0%	1.9%
Long-Term Investment - Kunshan	0.0%	3.0%	2.9%
Long-Term Investment - Changlong 2012 (8%)	3.7%	3.5%	0.0%
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**
LIABILITIES			
Due to Intercompany Amount	0.1%	0.1%	0.1%
Amount Payable to Hongbo	0.1%	5.1%	0.0%
Due to McVicar Canada	-18.7%	-17.8%	-6.3%
Amount Payable to 8% Changlong Acquisition	3.7%	3.5%	0.0%
SHAREHOLDERS' EQUITY			
Paid-Up Capital	70.4%	66.9%	65.8%
Retained Earnings (Opening)	44.3%	41.2%	40.5%
Net Income	0.1%	0.9%	0.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**	**100.0%**

McVicar (Hong Kong) Advanced Materials Co. Ltd.

Income Statement

For the periods ended,

RMB	12 Months December 31, 2013	9 Months September 30, 2013	12 Months December 31, 2012	12 Months December 31, 2011
RMB1 = C$	*0.1662*	*0.1645*	*0.1582*	*0.1528*
Revenues (Intercompany - Hongbo)*	**$342,768**	**$339,262**	**$285,246**	**$0**
Cost of Sales (Intercompany - Hongbo)	$324,122	$320,807	$269,436	$0
Gross Profit (Intercompany - Hongbo)	**$18,646**	**$18,455**	**$15,810**	**$0**
Management Expenses	$3,743	$3,705	$0	$0
Finance Expenses	$393	$386	$98	$0
Loss from Disposal of Subsidiary	$12,684	$12,554	**$0**	$0
Foreign Exchange Gain/Loss	$0	$0	$786	$0
Net Income	**$1,826**	**$1,810**	**$14,926**	**$0**

**These sales were completed through McVicar HK for tax reduction purposes for Hongbo.*

McVicar (Hong Kong) Advanced Materials Co. Ltd.

Income Statement

For the periods ended,

Common-Sized	12 Months December 31, 2013	9 Months September 30, 2013	12 Months December 31, 2012	12 Months December 31, 2011
Revenues (Intercompany - Hongbo)	**100.0%**	**100.0%**	**100.0%**	**n/a**
Cost of Sales (Intercompany - Hongbo)	94.6%	94.6%	94.5%	n/a
Gross Profit (Intercompany - Hongbo)	**5.4%**	**5.4%**	**5.5%**	**n/a**
Management Expenses	1.1%	1.1%	0.0%	n/a
Finance Expenses	0.1%	0.1%	0.0%	n/a
Loss from Disposal of Subsidiary	3.7%	3.7%	**0.0%**	**n/a**
Foreign Exchange Gain/Loss	0.0%	0.0%	0.3%	n/a
Net Income	**0.5%**	**0.5%**	**5.2%**	**n/a**

Anhui Linghua Co. Ltd.

Balance Sheet

As at,

RMB1 = C$	*0.17492*	*0.15779*
C$	**December 31, 2013**	**December 31, 2012**
ASSETS		
Current Assets		
Cash	$112,333	$123,478
	$112,333	$123,478
Fixed Assets		
Fixed Assets (Gross)	$1,359,399	$1,226,273
Less: Accumulated Depreciation	$3,861	$3,483
Fixed Asset (Net)	$1,355,539	$1,222,790
Construction in Progress	$6,352,051	$5,729,991
	$7,707,589	$6,952,782
TOTAL ASSETS	**$7,819,922**	**$7,076,260**
LIABILITIES		
Current		
Short-Term Borrowing	$0	$1,577,900
Taxes Payable	-$381,356	-$344,008
Other Payables	$2,081,478	$227,192
	$1,700,122	$1,461,084
TOTAL LIABILITIES	**$1,700,122**	**$1,461,084**
SHAREHOLDERS' EQUITY		
Paid-up Capital	$8,746,000	$7,889,500
Retained Earnings	-$2,626,199	-$2,274,325
TOTAL SHAREHOLDERS' EQUITY	**$6,119,801**	**$5,615,175**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$7,819,922**	**$7,076,260**

Working Capital	-$1,587,789	-$1,337,606
Current Ratio	0.07 (x)	0.08 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)
Total Debt to Equity	0.0 (x)	0.281 (x)

Anhui Linghua Co. Ltd.

Balance Sheet

As at,

Common-Sized	December 31, 2013	December 31, 2012
ASSETS		
Current Assets		
Cash	1.4%	1.7%
	1.4%	1.7%
Fixed Assets		
Gross Fixed Assets	17.4%	17.3%
Accumulated Depreciation	0.0%	0.0%
Net Fixed Assets	17.3%	17.3%
Construction in Progress	81.2%	81.0%
	98.6%	98.3%
TOTAL ASSETS	**100.0%**	**100.0%**
LIABILITIES		
Current		
Short-Term Borrowing	0.0%	22.3%
Taxes Payable	-4.9%	-4.9%
Other Payables	26.6%	3.2%
	21.7%	20.6%
TOTAL LIABILITIES	**21.7%**	**20.6%**
SHAREHOLDERS' EQUITY		
Paid-up Capital	111.8%	111.5%
Retained Earnings	-33.6%	-32.1%
TOTAL SHAREHOLDERS' EQUITY	**78.3%**	**79.4%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**

Anhui Linghua Co. Ltd.

Income Statement

For the periods ended,

RMB1 = C$	*0.1662*
	12 Months
C$	**December 31, 2013**
Revenues	**$0**
Cost of Sales	$0
Business Tax and Surcharges	$0
Gross Profit	**$0**
Operating Expenses	$0
Management Expenses	$81,337
Finance Expenses	$50,158
Operating Income	-$131,495
Non-Operating Income	$32,778
Non-Operating Expenses	$0
Net Income Before Taxes	**-$98,717**
Income Taxes	$0
Net Income Before Taxes	**-$98,717**

Hangzhou Changlong Chemical Co. Ltd.

Balance Sheet

As at,

C$	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	December 31, 2008
RMB1 = C$	*0.17492*	*0.15779*	*0.16021*	*0.15124*	*0.15344*	*0.17829*
ASSETS						
Current						
Cash	$72,784	$122,590	$285,187	$536,453	$707,024	$185,652
Short-Term Investments (Gross)	$0	$0	$738,185	$691,143	$0	$0
Less: Provision for Short-Term Investments	$0	$0	$105,224	$0	$0	$0
Short-Term Investments (Net)	$0	$0	$632,961	$691,143	$0	$0
Notes Receivable	$8,746	$69,704	$305,312	$120,992	$356,549	$3,352
Accounts Receivable	$189,817	$494,132	$886,351	$169,194	$1,794,665	$1,344,806
Less: Bad Debt Provision	$0	-$6,002	$6,094	-$5,753	-$5,836	-$6,781
Accounts Receivable (Net)	$189,817	$488,130	$880,257	$163,441	$1,788,829	$1,338,024
Prepaid Accounts	$2,011	$4,315	$31,817	$383,001	$443,827	$0
Other Receivables	$856,373	$1,667,561	$1,458,503	$1,221,585	$8,636	$9,853
Inventory	$292,532	$370,956	$83,054	$571,992	$984,617	$1,080,672
Prepaid Expenses	$8,564	$7,357	$0	$0	$1,930	$0
	$1,430,826	$2,730,614	$3,677,091	$3,688,607	$4,291,410	$2,617,553
Long-Term Investments	$2,050,937	$497,641	$0	$0	$0	$0
Fixed Assets (Gross)	$980,473	$2,007,908	$1,632,929	$1,477,783	$2,319,260	$2,704,917
Less: Accumulated Depreciation	-$473,878	-$1,075,259	-$1,054,046	-$1,040,248	-$1,533,568	-$1,588,565
Fixed Asset (Net)	$506,595	$932,649	$578,883	$437,535	$785,691	$1,116,352
Construction in Progress	$0	$66,056	$67,069	$63,314	$0	$0
	$506,595	$998,705	$645,952	$500,849	$785,691	$1,116,352
Intangible Assets	$0	$0	$0	$0	$0	$0
Deferred Assets	$8,140	$14,706	$19,042	$0	$0	$0
	$8,140	$14,706	$19,042	$0	$0	$0
TOTAL ASSETS	**$3,996,498**	**$4,241,666**	**$4,342,085**	**$4,189,455**	**$5,077,102**	**$3,733,905**
LIABILITIES						
Current						
Accounts Payable	$110,205	$231,800	$246,991	$540,129	$980,937	$1,077,187
Advance Receipts	$17,440	$2,620	$208	$106	$1,859	$0
Other Payables	$59,683	$2,327	$61,648	$64,424	$119,145	$756,234
Wages Payable	$7,742	$27,180	$24,436	$6,940	$93,759	$62,644
Taxes Payable	$20,307	$293,676	$104,138	$95,388	$262,952	$37,536
Housing Fund	$0	$0	$0	$0	$0	$359
Other Unpaid Expenses	$67	$1,974	$1,127	$5,035	$14,141	$9,736
Accrued Expenses	$0	$0	$0	$0	$49,162	$35,137
	$215,444	$559,577	$438,548	$712,022	$1,521,954	$1,978,832
Special Payables	$0	$0	$804,222	$849,575	$1,024,001	$0
	$0	$0	$804,222	$849,575	$1,024,001	$0
TOTAL LIABILITIES	**$215,444**	**$559,577**	**$1,242,770**	**$1,561,597**	**$2,545,955**	**$1,978,832**
SHAREHOLDERS' EQUITY						
Paid-Up Capital	$577,236	$520,707	$528,693	$499,092	$506,352	$588,357
Contributed Surplus	$101,679	$91,721	$93,128	$87,914	$89,193	$103,638
Retained Earnings	$3,102,139	$3,069,660	$2,477,494	$2,040,852	$1,935,602	$1,063,078
TOTAL SHAREHOLDERS' EQUITY	**$3,781,054**	**$3,682,089**	**$3,099,315**	**$2,627,858**	**$2,531,147**	**$1,755,073**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$3,996,498**	**$4,241,666**	**$4,342,085**	**$4,189,455**	**$5,077,102**	**$3,733,905**

Working Capital	$1,215,382	$2,171,036	$3,238,543	$2,976,585	$2,769,457	$638,721
Current Ratio	6.64 (x)	4.88 (x)	8.38 (x)	5.18 (x)	2.82 (x)	1.32 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)
Total Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)

Hangzhou Changlong Chemical Co. Ltd.

Balance Sheet

As at,

Common-Sized	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	December 31, 2008
ASSETS						
Current						
Cash	1.8%	2.9%	6.6%	12.8%	13.9%	5.0%
Short-Term Investments (Gross)	0.0%	0.0%	17.0%	16.5%	0.0%	0.0%
Less: Provision for Short-Term Investments	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%
Short-Term Investments (Net)	0.0%	0.0%	14.6%	16.5%	0.0%	0.0%
Notes Receivable	0.2%	1.6%	7.0%	2.9%	7.0%	0.1%
Accounts Receivable	4.7%	11.6%	20.4%	4.0%	35.3%	36.0%
Less: Bad Debt Provision	0.0%	-0.1%	0.1%	-0.1%	-0.1%	-0.2%
Accounts Receivable (Net)	4.7%	11.5%	20.3%	3.9%	35.2%	35.8%
Prepaid Accounts	0.1%	0.1%	0.7%	9.1%	8.7%	0.0%
Other Receivables	21.4%	39.3%	33.6%	29.2%	0.2%	0.3%
Inventory	7.3%	8.7%	1.9%	13.7%	19.4%	28.9%
Prepaid Expenses	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%
	35.8%	64.4%	84.7%	88.0%	84.5%	70.1%
Long-Term Investments	51.3%	11.7%	0.0%	0.0%	0.0%	0.0%
Fixed Assets (Gross)	24.5%	47.3%	37.6%	35.3%	45.7%	72.4%
Less: Accumulated Depreciation	-11.9%	-25.3%	-24.3%	-24.8%	-30.2%	-42.5%
Fixed Asset (Net)	12.7%	22.0%	13.3%	10.4%	15.5%	29.9%
Construction in Progress	0.0%	1.6%	1.5%	1.5%	0.0%	0.0%
	12.7%	23.5%	14.9%	12.0%	15.5%	29.9%
Intangible Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred Assets	0.2%	0.3%	0.4%	0.0%	0.0%	0.0%
	0.2%	0.3%	0.4%	0.0%	0.0%	0.0%
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
LIABILITIES						
Current						
Accounts Payable	2.8%	5.5%	5.7%	12.9%	19.3%	28.8%
Advance Receipts	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%
Other Payables	1.5%	0.1%	1.4%	1.5%	2.3%	20.3%
Wages Payable	0.2%	0.6%	0.6%	0.2%	1.8%	1.7%
Taxes Payable	0.5%	6.9%	2.4%	2.3%	5.2%	1.0%
Housing Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Unpaid Expenses	0.0%	0.0%	0.0%	0.1%	0.3%	0.3%
Accrued Expenses	0.0%	0.0%	0.0%	0.0%	1.0%	0.9%
	5.4%	13.2%	10.1%	17.0%	30.0%	53.0%
Special Payables	0.0%	0.0%	18.5%	20.3%	20.2%	0.0%
	0.0%	0.0%	18.5%	20.3%	20.2%	0.0%
TOTAL LIABILITIES	**5.4%**	**13.2%**	**28.6%**	**37.3%**	**50.1%**	**53.0%**
SHAREHOLDERS' EQUITY						
Paid-Up Capital	14.4%	12.3%	12.2%	11.9%	10.0%	15.8%
Contributed Surplus	2.5%	2.2%	2.1%	2.1%	1.8%	2.8%
Retained Earnings	77.6%	72.4%	57.1%	48.7%	38.1%	28.5%
TOTAL SHAREHOLDERS' EQUITY	**94.6%**	**86.8%**	**71.4%**	**62.7%**	**49.9%**	**47.0%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Hangzhou Changlong Chemical Co. Ltd.

Income Statement

For the periods ended,

C$	12 Months December 31, 2013	12 Months December 31, 2012	12 Months December 31, 2011	12 Months December 31, 2010	12 Months December 31, 2009
RMB1 = C$	*0.1662*	*0.1582*	*0.1528*	*0.152*	*0.1668*
Revenues	**$287,883**	**$865,377**	**$3,321,655**	**$3,572,442**	**$9,708,651**
Cost of Sales	$217,260	$546,260	$2,795,415	$2,481,872	$7,434,128
Business Tax and Surcharges	$1,252	$5,844	$13,495	$6,135	$10,169
Gross Profit	**$69,372**	**$313,273**	**$512,745**	**$1,084,435**	**$2,264,354**
Other Operating Income	$477	$0	$10,742	-$4,793	$0
Management Expenses	$271,742	$211,544	$248,024	$754,614	$598,805
Operating Expenses	$26,868	$38,435	$67,710	$142,688	$205,470
Finance Expenses	$260	-$362	-$1,203	-$3,038	-$674
Includes: Interest Expenses	$0	-$835	-$1,661	-$3,459	-$1,147
Processing Fees	$0	$473	$457	$420	$472
Operating Income	**-$229,021**	**$63,655**	**$208,956**	**$185,379**	**$1,460,754**
Investment Income	$0	$17,919	-$94,474	$10,980	$0
Income from Subsidies	$0	$0	$0	$0	$1,652
Non-Operating Income*	$0	$919,017	$17,557	$3,818	$88,746
Non-Operating Expenses	$43,431	$0	$8,815	$28,042	$71,729
Net Income Before Taxes	**-$272,452**	**$1,000,591**	**$123,224**	**$172,134**	**$1,479,423**
Income Taxes	$0	$250,148	$33,600	$43,282	$369,856
Net Income	**-$272,452**	**$750,444**	**$89,624**	**$128,852**	**$1,109,567**

** Changlong recognized $919,017 in Non-Operating Income in connection with the government grant for plant relocation that was originally booked as other payable.*

Hangzhou Changlong Chemical Co. Ltd.

Income Statement

For the periods ended,

Common-Sized	12 Months December 31, 2013	12 Months December 31, 2012	12 Months December 31, 2011	12 Months December 31, 2010	12 Months December 31, 2009
Revenues	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cost of Sales	75.5%	63.1%	84.2%	69.5%	76.6%
Business Tax and Surcharges	0.4%	0.7%	0.4%	0.2%	0.1%
Gross Profit	**24.1%**	**36.2%**	**15.4%**	**30.4%**	**23.3%**
Other Operating Income	0.2%	0.0%	0.3%	-0.1%	0.0%
Management Expenses	94.4%	24.4%	7.5%	21.1%	6.2%
Operating Expenses	9.3%	4.4%	2.0%	4.0%	2.1%
Finance Expenses	0.1%	0.0%	0.0%	-0.1%	0.0%
Includes: Interest Expenses	0.0%	-0.1%	0.0%	-0.1%	0.0%
Processing Fees	0.0%	0.1%	0.0%	0.0%	0.0%
Operating Income	**-79.6%**	**7.4%**	**6.3%**	**5.2%**	**15.0%**
Investment Income	0.0%	2.1%	-2.8%	0.3%	0.0%
Income from Subsidies	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Operating Income	0.0%	106.2%	0.5%	0.1%	0.9%
Non-Operating Expenses	15.1%	0.0%	0.3%	0.8%	0.7%
Net Income Before Taxes	**-94.6%**	**115.6%**	**3.7%**	**4.8%**	**15.2%**
Income Taxes	0.0%	28.9%	1.0%	1.2%	3.8%
Net Income	**-94.6%**	**86.7%**	**2.7%**	**3.6%**	**11.4%**

McVicar (Hang Zhou) Management Co. Ltd.

Balance Sheet

As at,

C$	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009
RMB1 = C$	*0.17492*	*0.15779*	*0.16021*	*0.15124*	*0.15344*
ASSETS					
Current					
Cash	$59,889	$202,894	$85,023	$270,812	$737,618
Short-Term Investments	$0	$0	$1,338,462	$1,427,192	$586,447
Other Receivables	$1,367,442	$1,111,997	$2,266,539	$1,584,780	$47,163
Prepaid Accounts	$0	$20,555	$151,301	$243,800	$0
Prepaid Expenses	$0	$0	$10,165	$15,599	$19,681
	$1,427,331	$1,335,446	$3,851,490	$3,542,182	$1,390,909
Long-term Investments	$131,190	$1,479,281	$0	$0	$0
Fixed Assets (Gross)	$171,089	$154,334	$156,701	$146,846	$4,365
Accumulated Depreciation	$113,675	$74,799	$47,740	$18,522	$651
Fixed Assets (Net)	$57,415	$79,535	$108,961	$128,325	$3,714
Long-Term Prepaid Expenses	$0	$0	$0	$2,761	$6,539
TOTAL ASSETS	**$1,615,935**	**$2,894,262**	**$3,960,451**	**$3,673,268**	**$1,401,162**
LIABILITIES					
Current					
Taxes Payable	$0	$108	$5,940	$96	$929
Other Unpaid Expenses	$0	$0	$274	$0	$0
Other Payables	$1,652,514	$2,851,710	$3,877,395	$3,483,476	$1,153,279
	$1,652,514	$2,851,819	$3,883,609	$3,483,572	$1,154,208
TOTAL LIABILITIES	**$1,652,514**	**$2,851,819**	**$3,883,609**	**$3,483,572**	**$1,154,208**
SHAREHOLDERS' EQUITY					
Paid-Up Capital	$590,890	$533,024	$541,199	$510,898	$316,003
Contributed Surplus	$2,087	$1,883	$1,911	$1,804	$22
Retained Earnings	-$629,555	-$492,463	-$466,268	-$323,005	-$69,071
TOTAL SHAREHOLDERS' EQUITY	**-$36,579**	**$42,444**	**$76,843**	**$189,696**	**$246,954**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$1,615,935**	**$2,894,262**	**$3,960,451**	**$3,673,268**	**$1,401,162**

Working Capital	-$225,183	-$1,516,373	-$32,119	$58,610	$236,700
Current Ratio	0.86 (x)	0.47 (x)	0.99 (x)	1.02 (x)	1.21 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)
Total Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)

McVicar (Hang Zhou) Management Co. Ltd.

Balance Sheet

As at,

Common-Sized	**September 30, 2013**	**December 31, 2012**	**December 31, 2011**	**December 31, 2010**	**December 31, 2009**
ASSETS					
Current					
Cash	3.7%	7.0%	2.1%	7.4%	52.6%
Short-Term Investments	0.0%	0.0%	33.8%	38.9%	41.9%
Other Receivables	84.6%	38.4%	57.2%	43.1%	3.4%
Prepaid Accounts	0.0%	0.7%	3.8%	6.6%	0.0%
Prepaid Expenses	0.0%	0.0%	0.3%	0.4%	1.4%
	88.3%	46.1%	97.2%	96.4%	99.3%
Long-term Investments	8.1%	51.1%	0.0%	0.0%	0.0%
Fixed Assets (Gross)	10.6%	5.3%	4.0%	4.0%	0.3%
Accumulated Depreciation	7.0%	2.6%	1.2%	0.5%	0.0%
Fixed Assets (Net)	3.6%	2.7%	2.8%	3.5%	0.3%
Long-Term Prepaid Expenses	0.0%	0.0%	0.0%	0.1%	0.5%
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
LIABILITIES					
Current					
Taxes Payable	0.0%	0.0%	0.1%	0.0%	0.1%
Other Unpaid Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
Other Payables	102.3%	98.5%	97.9%	94.8%	82.3%
	102.3%	98.5%	98.1%	94.8%	82.4%
TOTAL LIABILITIES	**102.3%**	**98.5%**	**98.1%**	**94.8%**	**82.4%**
SHAREHOLDERS' EQUITY					
Paid-Up Capital	36.6%	18.4%	13.7%	13.9%	22.6%
Contributed Surplus	0.1%	0.1%	0.0%	0.0%	0.0%
Retained Earnings	-39.0%	-17.0%	-11.8%	-8.8%	-4.9%
TOTAL SHAREHOLDERS' EQUITY	**-2.3%**	**1.5%**	**1.9%**	**5.2%**	**17.6%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

McVicar (Hang Zhou) Management Co. Ltd.

Income Statement

As at,

RMB1 = C$	*0.1662*	*0.1645*	*0.1582*	*0.1528*	*0.152*	*0.1668*
C$	**12 Months December 31, 2013**	**9 Months September 30, 2013**	**12 Months December 31, 2012**	**12 Months December 31, 2011**	**12 Months December 31, 2010**	**12 Months December 31, 2009**
Revenues*	**$0**	**$0**	**$0**	**$70,413**	**$0**	**$0**
Cost of Sales	$0	$0	$0	$3,521	$0	$0
Business Tax and Surcharge	$0	$0	$0	$422	$0	$0
Gross Profit	**$0**	**$0**	**$0**	**$66,470**	**$0**	**$0**
Operating Expenses	$0	$0	$0	$0	$0	$113,964
Management Expenses	$78,640	$58,263	$91,600	$120,098	$159,446	-$1,603
Finance Expenses	$664	$322	-$1,250	-$56	$3,770	-$857
Operating Income	**-$79,304**	**-$58,585**	**-$90,350**	**-$53,572**	**-$163,217**	**-$112,361**
Investment Income	$0	$0	$52,551	-$60,303	-$126,880	$55,114
Non-Operating Income	$0	$0	$0	$0	$0	$0
Non-Operating Expenses	$50	$0	$174	$0	$0	$0
Net Income Before Tax	**-$79,354**	**-$58,585**	**-$37,973**	**-$113,875**	**-$290,097**	**-$57,247**
Income Taxes	$0	$0	$0	$4,489	$0	$0
Net Income	**-$79,354**	**-$58,585**	**-$37,973**	**-$118,365**	**-$290,097**	**-$57,247**

** Revenues generated in FY2011 are temporary intercompany sales on behalf of Changlong.*

Luyuan Chemical Co. Ltd.

Balance Sheet

As at,

RMB1 = C$	*0.17492*	*0.15779*	*0.16021*	*0.15124*	*0.15344*	*0.17829*
C$	**December 31, 2013**	**December 31, 2012**	**December 31, 2011**	**December 31, 2010**	**December 31, 2009**	**December 31, 2008**
ASSETS						
Current						
Cash	$26,815	$16,201	$34,531	$72,616	$7,793	$17,122
Notes Receivable	$26,238	$31,558	$0	$0	$0	$35,658
Accounts Receivable	$58,168	$84,030	$292,629	$80,542	$97,094	$139,680
Other Receivable	-$279	-$2,153	-$4,326	$5,988	-$5,835	$1,921
Prepaid Accounts	$63,078	$57,463	$51,165	$172,739	$38,709	$34,083
Inventory	$419,809	$233,133	$615,838	$516,448	$393,965	$463,824
Prepaid Expenses	$0	$0	$19,225	$0	$283	$0
	$593,829	$420,231	$1,009,064	$848,332	$532,009	$692,289
Fixed Assets (Gross)	$1,476,176	$820,696	$1,129,332	$911,439	$921,389	$1,063,094
Less: Accumulated Depreciation	$296,260	$194,547	$258,241	$169,492	$104,752	$44,002
Fixed Asset (Net)	$1,179,915	$626,149	$871,091	$741,948	$816,637	$1,019,092
Construction in Progress	$5,494	$4,956	$212,278	$4,750	$460	$504
	$1,185,409	$631,105	$1,083,369	$746,698	$817,097	$1,019,595
Intangible Assets	$174,920	$157,790	$160,210	$151,240	$153,440	$178,290
TOTAL ASSETS	**$1,954,158**	**$1,209,126**	**$2,252,643**	**$1,746,270**	**$1,502,546**	**$1,890,174**
LIABILITIES						
Current						
Accounts Payable	$173,909	$82,981	$77,418	-$46,368	$66,543	$12,619
Wages Payable	$3,231	$2,915	$6,277	$6,309	$11,962	$15,155
Taxes Payable	-$46,475	-$17,379	-$64,916	-$17,771	-$17,239	-$24,716
Other Unpaid Expenses	$460	-$460	$1,331	$1,220	$1,137	$240
Other Payables	$2,854,628	$1,926,951	$2,416,098	$1,432,178	$691,878	$748,500
Accrued Expenses	$426,246	$241,880	$138,691	$38,333	$38,935	$11,218
	$3,411,999	$2,236,887	$2,574,899	$1,413,900	$793,215	$763,016
Long-Term Payables	$286	$5,631	-$1,811	$5,429	$5,508	$5,429
TOTAL LIABILITIES	**$3,412,285**	**$2,242,518**	**$2,573,088**	**$1,419,329**	**$798,723**	**$768,445**
SHAREHOLDERS' EQUITY						
Paid-Up Capital	$1,311,900	$1,183,425	$1,201,575	$1,134,300	$1,150,800	$1,337,175
Retained Earnings	-$2,770,027	-$2,216,817	-$1,522,019	-$807,359	-$446,977	-$215,446
TOTAL SHAREHOLDERS' EQUITY	**-$1,458,127**	**-$1,033,392**	**-$320,444**	**$326,941**	**$703,823**	**$1,121,729**
TOTAL LIABILITIES AND SHAREHOLDRS' EQUITY	**$1,954,158**	**$1,209,126**	**$2,252,643**	**$1,746,270**	**$1,502,546**	**$1,890,174**
Working Capital	-$2,818,171	-$1,816,656	-$1,565,835	-$565,567	-$261,206	-$70,728
Current Ratio	0.17 (x)	0.19 (x)	0.39 (x)	0.6 (x)	0.67 (x)	0.91 (x)
Long Term Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)
Total Debt to Equity	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)	0.0 (x)

Luyuan Chemical Co. Ltd.

Balance Sheet

As at,

Common-Sized	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	December 31, 2008
ASSETS						
Current						
Cash	1.4%	1.3%	1.5%	4.2%	0.5%	0.9%
Notes Receivable	1.3%	2.6%	0.0%	0.0%	0.0%	1.9%
Accounts Receivable	3.0%	6.9%	13.0%	4.6%	6.5%	7.4%
Other Receivable	0.0%	-0.2%	-0.2%	0.3%	-0.4%	0.1%
Prepaid Accounts	3.2%	4.8%	2.3%	9.9%	2.6%	1.8%
Inventory	21.5%	19.3%	27.3%	29.6%	26.2%	24.5%
Prepaid Expenses	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%
	30.4%	34.8%	44.8%	48.6%	35.4%	36.6%
Fixed Assets (Gross)	75.5%	67.9%	50.1%	52.2%	61.3%	56.2%
Less: Accumulated Depreciation	15.2%	16.1%	11.5%	9.7%	7.0%	2.3%
Fixed Asset (Net)	60.4%	51.8%	38.7%	42.5%	54.4%	53.9%
Construction in Progress	0.3%	0.4%	9.4%	0.3%	0.0%	0.0%
	60.7%	52.2%	48.1%	42.8%	54.4%	53.9%
Intangible Assets	9.0%	13.0%	7.1%	8.7%	10.2%	9.4%
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
LIABILITIES						
Current						
Accounts Payable	8.9%	6.9%	3.4%	-2.7%	4.4%	0.7%
Wages Payable	0.2%	0.2%	0.3%	0.4%	0.8%	0.8%
Taxes payable	-2.4%	-1.4%	-2.9%	-1.0%	-1.1%	-1.3%
Other Unpaid Expenses	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%
Other Payables	146.1%	159.4%	107.3%	82.0%	46.0%	39.6%
Accrued Expenses	21.8%	20.0%	6.2%	2.2%	2.6%	0.6%
	174.6%	185.0%	114.3%	81.0%	52.8%	40.4%
Long-Term Payables	0.0%	0.5%	-0.1%	0.3%	0.4%	0.3%
TOTAL LIABILITIES	**174.6%**	**185.5%**	**114.2%**	**81.3%**	**53.2%**	**40.7%**
SHAREHOLDERS' EQUITY						
Paid-Up Capital	67.1%	97.9%	53.3%	65.0%	76.6%	70.7%
Retained Earnings	-141.8%	-183.3%	-67.6%	-46.2%	-29.7%	-11.4%
TOTAL SHAREHOLDERS' EQUITY	**-74.6%**	**-85.5%**	**-14.2%**	**18.7%**	**46.8%**	**59.3%**
TOTAL LIABILITIES AND SHAREHOLDRS' EQUITY	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Luyuan Chemical Co. Ltd.

Income Statement

As at,

C$	12 Months December 31, 2013	12 Months December 31, 2012	12 Months December 31, 2011	12 Months December 31, 2010	12 Months December 31, 2009
RMB1 = C$	*0.1662*	*0.1582*	*0.1528*	*0.152*	*0.1668*
Revenue	**$682,369**	**$813,241**	**$448,386**	**$0**	**$392,378**
Cost of Sales	$565,481	$1,049,606	$517,968	$0	$471,538
Business Tax and Surcharge	$5,157	$275	$0	$0	$496
Gross Profit	**$111,730**	**-$236,639**	**-$69,582**	**$0**	**-$79,656**
Operating Expenses	$3,293	$5,057	$3,318	$0	$9,001
Management Expenses	$233,900	$280,056	$308,840	$114,074	$154,261
Finance Expenses	$163,388	$91,615	$96,813	$678	$41,249
Operating Income	**-$288,851**	**-$613,367**	**-$478,553**	**-$114,753**	**-$284,167**
Non-Operating Income	$0	$0	$0	$0	$0
Non-Operating Expenses	$1,300	$106,286	$157,384	$253,877	$167
Net Income Before Income Tax	**-$290,151**	**-$719,653**	**-$635,937**	**-$368,629**	**-$284,333**
Income Taxes	$0	$0	$0	$0	$0
Net Income	**-$290,151**	**-$719,653**	**-$635,937**	**-$368,629**	**-$284,333**

Luyuan Chemical Co. Ltd.

Income Statement

As at,

Common-Sized	12 Months December 31, 2013	12 Months December 31, 2012	12 Months December 31, 2011	12 Months December 31, 2010	12 Months December 31, 2009
Revenue	**100.0%**	**100.0%**	**100.0%**	**n/a**	**100.0%**
Cost of Sales	82.9%	129.1%	115.5%	n/a	120.2%
Business Tax and Surcharge	0.8%	0.0%	0.0%	n/a	0.1%
Gross Profit	**16.4%**	**-29.1%**	**-15.5%**	**n/a**	**-20.3%**
Operating Expenses	0.5%	0.6%	0.7%	n/a	2.3%
Management Expenses	34.3%	34.4%	68.9%	n/a	39.3%
Finance Expenses	23.9%	11.3%	21.6%	n/a	10.5%
Operating Income	**-42.3%**	**-75.4%**	**-106.7%**	**n/a**	**-72.4%**
Non-Operating Income	0.0%	0.0%	0.0%	n/a	0.0%
Non-Operating Expenses	0.2%	13.1%	35.1%	n/a	0.0%
Net Income Before Income Tax	**-42.5%**	**-88.5%**	**-141.8%**	**n/a**	**-72.5%**
Income Taxes	0.0%	0.0%	0.0%	n/a	0.0%
Net Income	**-42.5%**	**-88.5%**	**-141.8%**	**n/a**	**-72.5%**

SCHEDULE 10.0 – NET ASSET METHOD – ANHUI

Anhui Linghua Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Immediate Sale Scenario		
	December 31, 2013	Low	High	Low	High	Notes
ASSETS						
Current Assets						
Cash	$112,333			$112,333	$112,333	
	$112,333			$112,333	$112,333	
Fixed Asset (Net)	$1,355,539	-$372,448	-$279,336	$983,090	$1,076,202	1
Construction in Progress	$6,352,051			$6,352,051	$6,352,051	1
Adjustment to Anhui Plant (Based on Appraised Value)	$0	$2,889,721	$2,889,721	$2,889,721	$2,889,721	2
	$7,707,589			$10,224,862	$10,317,974	
Total Assets	**$7,819,922**			**$10,337,195**	**$10,430,307**	
LIABILITIES						
Current Liabilities						
Short-Term Borrowing	$0			$0	$0	
Taxes Payable	-$381,356			-$381,356	-$381,356	
Other Payables	$2,081,478	-$1,380,658	-$1,380,658	$700,820	$700,820	3
	$1,700,122			$319,464	$319,464	
Net Assets	**$6,119,801**			**$10,017,731**	**$10,110,843**	
Stub Period Net Income (Loss)				-$10,958	-$10,958	4
Less: Disposition Costs				-$1,040,963	-$660,113	5
Less: Taxes on Capital Gains				-$1,396,746	-$1,396,746	6
Less: Operating Costs				-$16,267	-$10,167	7
Less: Legal / Accounting Fees				-$30,000	-$20,000	8
Less: Severance				$0	$0	9
Less: Lease Termination				$0	$0	10
Fair Market Value, say				**$7,520,000**	**$8,010,000**	
				$7,770,000		

Notes

1 The aggregate book value of Fixed Assets and Construction in Progress is as follows:

Fixed Asset (Net)	$1,355,539
Construction in Progress	$6,352,051
	$7,707,589

Breakdown of the Fixed Assets and Construction in Progress by type of fixed asset is provided below:

	Book Value
Land-Use Rights and Building*	$5,845,348
Manufacturing Equipment	$1,862,241

**Management noted that a breakdown is not available between Land-Use Rights and Building according to the original booked values.*

Given an immediate sale scenario Evans & Evans assumed the liquidation value of the equipment would be a discount to the book value.

		Book Value	Discount	Adjustment	Fair Market Value
Manufacturing Equipment		$1,862,241			
	Discount - Low		20.0%	$372,448	$1,489,793
	Discount - High		15.0%	$279,336	$1,582,905

2 According to the Anhui Appraisal, the book value of the Anhui Plant (land use rights and buildings) is adjusted to the appraised value:

	Midpoint	
Book Value	$5,845,348	
Appraised Value*	$8,735,069	
Adjustment Required	$2,889,721	
** Appraised Value - Building (RMB)*	*35,008,419*	
** Appraised Value - Land-Use Rights (RMB)*	*12,724,200*	
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*

3 Included in Other Payables are the following amounts that require adjustments:

RMB1=C$ 0.17492

	RMB	C$
McVicar HZ *	222,925	$38,994
Jite Shenzhen *	600,000	$104,952
Hongbo^	7,070,156	$1,236,712
		$1,380,658

**The payables to McVicar HZ and Jite Shenzhen are expected to be removed upon consolidation, and are also not anticipated to be paid upon a sale of the Companies.*

^According to the Hongbo Agreement, the amount payable to Hongbo is not expected to be paid.

4 Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Net Income for the 12 Months Ended December 31, 2013	-$98,717
Normalize: Non-Operating Income*	-$32,778
Adjusted Net Income	-$131,495
Number of Months	12
Loss Per Month	-$10,958

** These are one-time accounting adjustments*

Anhui Linghua Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

5 Evans & Evans has assumed certain disposition costs in the immediate sale scenario as outlined below:

	Fair Market Value	Commission / Disposition Cost (Low)	Commission / Disposition Cost (High)	Total Cost (Low)	Total Cost (High)
Anhui Plant (Land and Building) *	$8,735,069	*See below*		$102,351	$102,351
Manufacturing Equipment - Low^	$1,489,793	20.0%		$297,959	
- High^	$1,582,905		15.0%		$237,436
Lack of Building Ownership Certificates - Low**				$640,654	
Lack of Building Ownership Certificates - High**					$320,327
				$1,040,963	$660,113

** These are aggregately classified as Fixed Assets and Construction in Progress on the balance sheet. A breakdown is provided in note #1.*

Commission/Disposition Cost calculated as follows:

Anhui Plant (Land and Building)	*%*
Commission - First $100,000	*7.0%*
Commission - $100,001 to $1,000,000	*2.0%*
Commission - $1,000,001+	*1.0%*

^ Refer to calculated Fair Market Value in note #1.

***Due to the lack of building ownership certificates for all the buildings owned by Anhui, potential penalties can be imposed by the government.*

6 Income Tax, Business Tax and Land Appreciation Tax associated with the capital gain on the Anhui Plant is calculated below:

As the Appraised Value and the Acquisition Costs are originally in RMB, the abovementioned taxes are calculated in RMB and thereafter converted to C$.

	Appraised Value (RMB)	Acquisition Cost (RMB)*
Building	35,008,419	18,862,795
Land Use Right	12,724,200	6,976,650
	47,732,619	25,839,445

** As a breakdown of the original cost between land-use rights and building is not available, the cost of land-use rights is assumed to be approximately 27% of the original cost (based on the same % the Land-Use Right Value of the total Appraised Value) and buildings to be 73%.*

		Income Tax (20%)	Business Tax (5%)	
Gross Selling Price (RMB)	47,732,619			
Less: Acquisition Costs (RMB)	25,839,445			
Less: Related Reasonable Expenses (RMB)	559,293			*(Commission/Disposition Cost in RMB)*
	21,333,881			
Taxes (RMB)		4,266,776	1,066,694	
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*		
Taxes (C$)		$780,820	$195,205	

Land Appreciation Tax (40%)		
Net Gain from Land Appreciation	5,747,550	
Deducations (i.e., Cost of Acquiring the Property)	6,976,650	
	82%	*Assume 40% tax rate applicable. See section 6.0 of*
Land Appreciation Tax (RMB)	2,299,020	*the Report for more details.*
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*
Land Appreciation Tax (C$)	$420,721	

7 Operating costs for the six months while Anhui is being wound up. Operating costs are based on a reduction to FY2013 expenses as Anhui would be able to gradually wind down operations.

	Low	High
Total Management Expenses* - Actual 2013	$81,337	$81,337
Total Management and Operating Expenses - Six Months	$40,669	$40,669
Less: Reduction	60.0%	75.0%
	$16,267	$10,167

** Anhui does not have its own staff and accordingly its services are charged through management expenses*

8 Legal and accounting fees to wind up the corporation.

9 As Anhui does not have active operations, severance fees are assumed to be nil.

10 Anhui does not have any lease agreements in place.

SCHEDULE 11.0 – NET ASSET METHOD – CHANGLONG

Hangzhou Changlong Chemical Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Fair Market Value		
	September 30, 2013	**Low**	**High**	**Low**	**High**	**Notes**
ASSETS						
Current Assets						
Cash	$72,784			$72,784	$72,784	
Short-Term Investments (Net)	$0			$0	$0	
Notes Receivable	$8,746			$8,746	$8,746	
Accounts Receivable (Net)	$189,817			$189,817	$189,817	1
Prepaid Accounts	$2,011			$2,011	$2,011	
Other Receivables	$856,373	-$856,373	-$856,373	$0	$0	2
Inventory	$292,532	-$9,215	-$9,215	$283,317	$283,317	3
Prepaid Expenses	$8,564			$8,564	$8,564	
	$1,430,826			$565,238	$565,238	
Long-Term Investments	$2,050,937	$5,017,863	$5,478,463	$7,068,800	$7,529,400	4
Fixed Asset (Net)	$506,595	-$101,319	-$75,989	$405,276	$430,606	5
Construction in Progress	$0			$0	$0	
	$2,557,532			$7,474,076	$7,960,006	
Intangible Assets	$0			$0	$0	
Deferred Assets	$8,140			$8,140	$8,140	6
	$8,140			$8,140	$8,140	
Total Assets	**$3,996,498**			**$8,047,454**	**$8,533,384**	
LIABILITIES						
Current Liabilities						
Accounts Payable	$110,205			$110,205	$110,205	
Advance Receipts	$17,440			$17,440	$17,440	7
Other Payables	$59,683			$59,683	$59,683	
Wages Payable	$7,742			$7,742	$7,742	
Taxes Payable	$20,307			$20,307	$20,307	
Housing Fund	$0			$0	$0	
Other Unpaid Expenses	$67			$67	$67	
Accrued Expenses	$0			$0	$0	
	$215,444			$215,444	$215,444	
Net Assets	**$3,781,054**			**$7,832,010**	**$8,317,940**	
Stub Period Net Income (Loss)				-$19,085	-$19,085	8
Less: Disposition Costs				-$81,055	-$64,591	9
Less: Taxes on Capital Gains				$0	$0	10
Less: Operating Costs				-$59,722	-$37,326	11
Less: Legal / Accounting Fees				-$40,000	-$30,000	12
Less: Severance				$0	$0	13
Less: Lease Termination				$0	$0	14
Fair Market Value, say				**$7,630,000**	**$8,170,000**	
Refer to Notes on Following Page				**$7,900,000**		

Hangzhou Changlong Chemical Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

Notes

1 Based on discussions with management, all outstanding accounts receivable are expected to be repaid.

2 Other receivables are from intercompany loans. These amounts are expected to be removed upon consolidation, and are also not anticipated to be paid upon a sale of the Companies.

3 The inventory is net of the provisions that management has taken for write-downs and consists mainly (93.7%) of raw materials and the remaining (6.3%) in finished goods. Management estimates half of the finished goods to not be resaleable and accordingly an adjustment has been made.

4 Long-term investment includes Changlong's 94% investment in Anhui (the remaining 6% is held by McVicar HZ).
Changlong's interest in Anhui is adjusted to fair market value:

	Low	High	Midpoint	
Fair Market Value of Anhui	$7,520,000	$8,010,000	$7,765,000	*Refer to Schedule 10.0.*
Changlong's Pro-Rata 94% Interest*	$7,068,800	$7,529,400		

**Pro-rata interest is deemed appropriate given that McVicar HZ owns the remaining 6% interest and that a purchaser would acquire 100% interest of Anhui.*

5 Net fixed assets include manufacturing equipment.
Given an immediate sale scenario Evans & Evans assumed the liquidation value of the equipment would be a discount to the book value.

	Book Value	Discount	Adjustment	Fair Market Value
Fixed Assets (Manufacturing Equipment)	$506,595			
Discount - Low		20.0%	$101,319	$405,276
Discount - High		15.0%	$75,989	$430,606

6 Deferred assets relate to certain prepaid expense.

7 Given that the operations of Changlong have stopped, the advance receipts from customers (unrelated parties to Changlong) are expected to be returned to customers.

8 Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Net Income for the 12 Months Ended December 31, 2013	-$272,452
Normalize: Non-Recurring, Non-Operating Expenses	$43,431
Adjusted Net Income	-$229,021
Number of Months	12
Loss Per Month	-$19,085

9 Evans & Evans has assumed certain disposition costs in the immediate sale scenario as outlined below:

	Fair Market Value	Commission / Disposition Cost (Low)	Commission / Disposition Cost (High)	Total Cost (Low)	Total Cost (High)
Manufacturing Equipment - Low^	$405,276	20.0%		$81,055	
- High^	$430,606		15.0%		$64,591
				$81,055	$64,591

^ Classfied as Fixed Assets on the balance sheet. Refer to calculated Fair Market Value in note #5.

10 Changlong has no assets the sale of which would trigger a capital gain.

11 Operating costs for the six months while Changlong is being wound up. Operating costs are based on a reduction to FY2013 expenses as Changlong would be able to gradually wind down operations and lay off staff.

	Low	High
Total Management and Operating Expenses - Actual 2013	$298,610	$298,610
Total Management and Operating Expenses - Six Months	$149,305	$149,305
Less: Reduction	60.0%	75.0%
	$59,722	$37,326

12 Legal and accounting fees to wind up the corporation.

13 As Changlong has already ceased its manufacturing operations as at the Valuation Date, the authors of the Report assumed that severance fees have already paid.

14 Changlong does not have any lease agreements in place.

SCHEDULE 12.0 – NET ASSET METHOD – MCVICAR HZ

McVicar (Hang Zhou) Management Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Immediate Sale Scenario		
	December 31, 2013	**Low**	**High**	**Low**	**High**	**Notes**
ASSETS						
Current Assets						
Cash	$59,889			$59,889	$59,889	
Short-Term Investments	$0			$0	$0	
Other Receivables	$1,367,442	-$1,367,442	-$1,367,442	$0	$0	1
Prepaid Accounts	$0			$0	$0	
Prepaid Expenses	$0			$0	$0	
	$1,427,331			$0	$0	
Long-term Investments	$131,190	$334,710	$334,710	$465,900	$465,900	2
Fixed Assets (Net)	$57,415	-$34,449	-$28,707	$22,966	$28,707	3
	$57,415			$22,966	$28,707	
Long-Term Prepaid Expenses	$0			$0	$0	
	$0			$0	$0	
	$1,615,935			**$488,866**	**$494,607**	
LIABILITIES						
Current Liabilities						
Taxes Payable	$0			$0	$0	
Other Unpaid Expenses	$0			$0	$0	
Other Payables	$1,652,514	-$1,652,514	-$1,652,514	$0	$0	4
	$1,652,514			$0	$0	
Net Assets	**-$36,579**			**$488,866**	**$494,607**	
Stub Period Net Income (Loss)				-$133	-$133	5
Less: Disposition Costs				-$4,593	-$4,306	6
Less: Taxes on Capital Gains				$0	$0	7
Less: Operating Costs				-$15,728	-$9,830	8
Less: Legal / Accounting Fees				-$30,000	-$20,000	9
Less: Severance				$0	$0	10
Less: Lease Termination				$0	$0	11
Fair Market Value, say				**$440,000**	**$460,000**	
Refer to Notes on Following Page				**$450,000**		

McVicar (Hang Zhou) Management Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

Notes

1 Included in Other Receivables is a loan to Hongbo of RMB215,995 ($37,775), which, according to the Hongbo Purchase Agreement, is not expected to be repaid.

The remaining other receivables are intercompany.
Intercompany other receivables are expected to be removed upon consolidation, and are also not anticipated to be received upon a sale of the Companies.

2 Long-term investment includes McVicar HZ's 6% investment in Anhui (the remaining 94% is held by Changlong).

	Low	High	Midpoint	
Fair Market Value of Anhui	$7,520,000	$8,010,000	$7,765,000	*Refer to Schedule 10.0.*
McVicar HZ's Pro-Rata 6% Interest	$451,200	$480,600	$465,900	

**Pro-rata interest is deemed appropriate given that Changlong owns the remaining 94% interest and that a purchaser would acquire 100% interest of Anhui.*

3 Net fixed assets include office computer and equipment.
Given an immediate sale scenario Evans & Evans assumed the liquidation value of the equipment would be a discount to the book value.

	Book Value	Discount	Adjustment	Fair Market Value
Fixed Assets (Net)	$57,415			
Discount - Low		60.0%	$34,449	$22,966
Discount - High		50.0%	$28,707	$28,707

4 All other payables are intercompany. These amounts are expected to be removed upon consolidation, and are also not anticipated to be paid upon a sale of the Companies.

5 Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Net Income for the 12 Months Ended December 31, 2013	-$79,354
Normalize: Non-Recurring, Non-Operating Expenses	$50
Adjusted Net Income	-$1,592
Number of Months	12
Loss Per Month	-$133

6 Evans & Evans has assumed certain disposition costs in the immediate sale scenario as outlined below:

	Fair Market Value	Commission / Disposition Cost (Low)	Commission / Disposition Cost (High)	Total Cost (Low)	Total Cost (High)
Fixed Assets (Net) - Low^	$22,966	20.0%		$4,593	
- High^	$28,707		15%		$4,306
^ Classified as Fixed Assets on the balance sheet. Refer to calculated Fair Market Value in note #3.				$4,593	$4,306

7 McVicar HZ has no assets the sale of which would trigger a capital gain.

8 Operating costs for the six months while McVicar HZ is being wound up. Operating costs are based on a reduction to FY2013 expenses as McVicar HZ would be able to gradually wind down operations.

	Low	High
Total Management Expenses* - Actual 2013	$78,640	$78,640
Total Management and Operating Expenses - Six Months	$39,320	$39,320
Less: Reduction	60.0%	75.0%
	$15,728	$9,830

** McVicar HZ does not have its own staff and accordingly its services are charged through management expenses*

9 Legal and accounting fees to wind up the corporation.

10 As McVicar HZ does not have active operations, severance fees are assumed to be nil.

11 McVicar HZ does not have any lease agreements in place.

SCHEDULE 13.0 – NET ASSET METHOD – LUYUAN

Luyuan Chemical Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Immediate Sale Scenario		
	December 31, 2013	**Low**	**High**	**Low**	**High**	**Notes**
ASSETS						
Current Assets						
Cash	$26,815			$26,815	$26,815	
Notes Receivable	$26,238			$26,238	$26,238	
Accounts Receivable	$58,168			$58,168	$58,168	1
Other Receivable	-$279			-$279	-$279	
Prepaid Accounts	$63,078			$63,078	$63,078	
Inventory	$419,809	-$310,280	-$310,280	$109,529	$109,529	2
Prepaid Expenses	$0			$0	$0	
	$593,829			$283,549	$283,549	
Fixed Asset (Net)	$1,179,915	-$168,378	-$126,284	$1,011,537	$1,053,632	3
Construction in Progress	$5,494			$5,494	$5,494	
Adjustment to Luyuan Plant (Based on Appraised Value)		$214,067	$214,067	$214,067	$214,067	4
	$1,185,409			$1,231,098	$1,273,192	
Intangible Assets	$174,920	$158,323	$158,323	$333,243	$333,243	5
	$174,920			$333,243	$333,243	
Total Assets	**$1,954,158**			**$1,847,890**	**$1,889,984**	
LIABILITIES						
Current Liabilities						
Accounts Payable	$173,909			$173,909	$173,909	
Wages Payable	$3,231			$3,231	$3,231	
Taxes Payable	-$46,475			-$46,475	-$46,475	
Other Unpaid Expenses	$460			$460	$460	
Other Payables	$2,854,628	-$2,599,240	-$2,599,240	$255,388	$255,388	6
Accrued Expenses	$426,246	-$426,246	-$426,246	$0	$0	7
	$3,411,999			$386,513	$386,513	
Long-Term Payables	$286			$286	$286	
Net Assets	**-$1,458,127**			**$1,461,091**	**$1,503,185**	
Stub Period Net Income (Loss)				-$24,071	-$24,071	8
Less: Disposition Costs				-$193,165	-$146,305	9
Less: Taxes on Capital Gains				-$60,097	-$60,097	10
Less: Operating Costs				-$47,439	-$29,649	11
Less: Legal / Accounting Fees				-$40,000	-$30,000	12
Less: Severance				$0	$0	13
Less: Lease Termination				$0	$0	14
Fair Market Value, say				**$1,100,000**	**$1,210,000**	
Refer to Notes on Following Page				**$1,155,000**		

Luyuan Chemical Co. Ltd.

Net Asset Method
As At January 31, 2014 Based on December 31, 2013 Financial Statements

Notes

1 All accounts receivable are intercompany and are expected to be repaid.

2 Of the inventory, management has determined that a write-off of approximately RMB1,853,000 ($310,247.79) is appropriate given the age of the inventory.

3 Fixed Assets and Construction in Progress include buildings, office equipment, manufacturing equipment and auxiliary manufacturing equipment, with the breakdown as follows:
The aggregate book value of Fixed Assets and Construction in Progress is as follows:

Fixed Asset (Net)	$1,179,915
Construction in Progress	$5,494
	$1,185,409

Breakdown of the Fixed Assets and Construction in Progress by type of fixed asset is provided below:

	Book Value
Building	$334,239
Office Equipment	$3,786
Manufacturing Equipment	$841,891

Given an immediate sale scenario Evans & Evans assumed the liquidation value of the equipment would be a discount to the book value.

		Book Value	Discount	Adjustment	Fair Market Value
Equipment*		$841,891			
	Discount - Low		20.0%	$168,378	$673,513
	Discount - High		15.0%	$126,284	$715,607

**Includes Office Equipment, Manufacturing Equipment, Auxilliary Manufacturing Equipment.*

4 The book value of fixed assets has been assumed to equal their fair market value, with the exception of the building.
According to the Luyuan Appraisal, the book value of the building owned by Luyuan is adjusted to the appraised value:

Book Value - C$	$334,239	
Appraised Value - C$*	$389,983	
Adjustment Required - C$	$55,744	
** Appraised Value (RMB)*	*2,131,052*	
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*

5 Intangible assets include land-use rights.
According to the Luyuan Appraisal, the book value of the land-use rights owned by Luyuan is adjusted to the appraised value:

Book Value - C$	$174,920	
Appraised Value - C$*	$333,243	
Adjustment Required - C$	$158,323	
** Appraised Value (RMB)*	*1,821,000*	
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*

6 Included in Other Payables are the following amounts that require adjustments:

	RMB1=C$ 0.17492	
	RMB	C$
Hongbo*	2,926,900	$511,973
Changlong ^	4,743,496	$829,732
McVicar HZ ^	7,189,200	$1,257,535
		$2,599,240

**According to the Hongbo Agreement, the amount to Hongbo is not expected to be paid.*
^The payables to McVicar HZ and Changlong are expected to be removed upon consolidation, and are also not anticipated to be paid upon a sale of the Companies.

7 "Accrued expenses" are accrued interest from a loan from Hongbo, which, according to the Hongbo Agreement, are not expected to be paid.

8 Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Net Income for the 12 Months Ended December 31, 2013	-$290,151
Normalize: Non-Recurring, Non-Operating Expenses	$1,300
Adjusted Net Income	-$288,851
Number of Months	12
Loss Per Month	-$24,071

9 Evans & Evans has assumed certain disposition costs in the immediate sale scenario as outlined below:

	Fair Market Value	Commission / Disposition Cost (Low)	Commission / Disposition Cost (High)	Total Cost (Low)	Total Cost (High)
Luyuan Plant (Land and Building) *	$723,226	*See below*		$19,465	$19,465
Equipment - Low^	$673,513	20%		$134,703	
- High^	$715,607		15%		$107,341
Lack of Building Ownership Certificates - Low**				$38,998	
Lack of Building Ownership Certificates - High**					$19,499
				$193,165	$146,305

** These are classified as Fixed Assets (Building) (as detailed in note #3) and Intangible Assets on the balance sheet.*
Commission/Disposition Cost calculated as follows:

Luyuan Plant (Land and Building)	*%*
Commission - First $100,000	*7.0%*
Commission - $100,001 to $1,000,000	*2.0%*
Commission - $1,000,001+	*1.0%*

^Includes Office Equipment, Manufacturing Equipment, Auxilliary Manufacturing Equipment, classified as Fixed Asset and Construction in Progress on the balance sheet. Refer to calculated Fair Market Value in note #3.
***Due to the lack of building ownership certificates for certain buildings owned by Luyuan, potential penalties can be imposed by the government.*

Luyuan Chemical Co. Ltd.
Net Asset Method
As At January 31, 2014 Based on December 31, 2013 Financial Statements

10 Income Tax, Business Tax and Land Appreciation Tax associated with the capital gain on the Luyuan Plant is calculated below:
As the Appraised Value and the Acquisition Costs are originally in RMB, the abovementioned taxes are calculated in RMB and thereafter converted to C$.

	Appraised Value (RMB)	Acquisition Cost (RMB)
Building	2,131,052	2,080,586
Land Use Right	1,821,000	1,000,000
	3,952,052	3,918,023

		Income Tax (20%) (RMB)	Business Tax (5%) (RMB)	
Gross Selling Price (RMB)	3,952,052			
Less: Acquisition Costs (RMB)	3,918,023			
Less: Related Reasonable Expenses (RMB)	106,363			*(Commission/Disposition Cost in RMB)*
	-72,334	0	0	

(No Income Tax or Business Tax applicable as Taxable Income / Net Gains are calculated to be negative)

Land Appreciation Tax (40%)		
Net Gain from Land Appreciation	821,000	
Deducations (i.e., Cost of Acquiring the Property)	1,000,000	
	82%	*Assume 40% tax rate applicable. See section 6.0 of*
Land Appreciation Tax (RMB)	328,400	*the Report for more details.*
Conversion at RMB1 = C$	*0.183*	*(as at January 31, 2014)*
Land Appreciation Tax (C$)	$60,097	

11 Operating costs for the six months while Luyuan is being wound up. Operating costs are based on a reduction to FY2013 expenses as Luyuan would be able to gradually wind down operations and lay off staff.

	Low	High
Total Management and Operating Expenses - Actual 2013	$237,193	$237,193
Total Management and Operating Expenses - Six Months	$118,596	$118,596
Less: Reduction	60.0%	75.0%
	$47,439	$29,649

12 Legal and accounting fees to wind up the corporation.

13 As Luyuan has already ceased its manufacturing operations as at the Valuation Date, the authors of the Report assumed that severance fees have already paid.

14 Luyuan does not have any lease agreements in place.

SCHEDULE 14.0 – NET ASSET METHOD – MCVICAR HK

McVicar (Hong Kong) Advanced Materials Co. Ltd.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Immediate Sale Scenario		
	December 31, 2013	**Low**	**High**	**Low**	**High**	**Notes**
ASSETS						
Current Assets						
Cash	$79,803			$79,803	$79,803	
Other Receivables	-$2,546			-$2,546	-$2,546	
	$77,257			-$2,546	-$2,546	
Long-Term Investment - Hongbo	$695,878	-$695,878	-$695,878	$0	$0	1
Long-Term Investment - Luyuan	$0	$880,000	$968,000	$880,000	$968,000	2
Long-Term Investment - Changlong	$811,383	$6,818,617	$7,358,617	$7,630,000	$8,170,000	3
Long-Term Investment - McVicar (HZ)	$99,005	$340,995	$360,995	$440,000	$460,000	4
Long-Term Investment - Kunshan	$0			$0	$0	
	$1,606,266			$8,950,000	$9,598,000	
	$1,683,523			**$8,947,454**	**$9,595,454**	
LIABILITIES						
Current Liabilities						
Due to Intercompany Amount	$933	-$933	-$933	$0	$0	5
Amount Payable to Hongbo	$1,745	-$1,745	-$1,745	$0	$0	6
Due to McVicar Canada	-$314,628	$314,628	$314,628	$0	$0	7
Amount Payable to 8% Changlong Acquisition	$61,726	-$61,726	-$61,726	$0	$0	7
	-$250,225			$0	$0	
Net Assets	**$1,933,747**			**$8,947,454**	**$9,595,454**	
Stub Period Net Income (Loss)				-$345	-$345	8
Receipts from Hongbo Sale				$183,000	$183,000	1
Less: Legal / Accounting Fees				-$150,000	-$125,000	9
Less: Withholding Tax (5%)				-$447,500	-$479,900	10
Fair Market Value, say				**$8,530,000**	**$9,170,000**	
				$8,850,000		

Notes

1 Hongbo has been sold and therefore removed from the analysis.

As outlined in the Hongbo Agreement and described in section 2.0 of the Report, the sum of RMB2,000,000 (~C$366,000 at RMB1 = C$0.183 as at the Valuation Date) will be received if two main conditions are met.
Given the uncertainties as to the ability of the two main conditions to be met, Evans & Evans has assumed the probability of receiving RMB2,000,000 to be 50%.

Hongbo - Receipts from Hongbo Sale (50%) of RMB2,000,000	$183,000

2 As outlined in the Hongbo Agreement, the Hongbo Sale does not include Hongbo's 80% interest in Luyuan.
Accordingly, McVicar HK's 80% ownership in Luyuan is adjusted to fair market value, as determined in Schedule 13.0.

	Low	High
Fair Market Value - Luyuan (100%)	$1,100,000	$1,210,000
McVicar HK's Pro-Rata 80% Interest*	$880,000	$968,000

**As Luyuan has ceased operations, no benefits are expected to accrue to McVicar HK which holds a controlling interest in Luyuan. Therefore a premium for control is deemed not applicable and a pro-rata portion is determined.*

3 The book value of McVicar HK's 100% interest in Changlong has been adjusted to fair market value, as outlined in Schedule 11.0.

	Low	High
Fair Market Value - Changlong (100%)	$7,630,000	$8,170,000

4 The book value of McVicar HK's 100% interest in McVicar HZ has been adjusted to fair market value, as outlined in Schedule 12.0.

	Low	High
Fair Market Value - McVicar HZ (100%)	$440,000	$460,000

5 Intercompany amounts are expected to be removed upon consolidation, and are also not anticipated to be received upon a sale of the Companies.

6 According to the Hongbo Agreement, this amount is not expected to be paid.

7 Intercompany amounts (due to McVicar Canada) are expected to be removed upon consolidation, and are also not anticipated to be received upon a sale of the Companies.

8 Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Adjusted Net Income for the 12 Months Ended December 31, 2013*	-$4,136
Number of Months	12
Loss Per Month	-$345

**Given intercompany sales to Hongbo are not anticipated to be generated going forward, only expenses will be incurred.*

9 Legal and accounting fees to wind up the corporation.

10 Under the Hong Kong-China income tax treaty, a reduced withholding tax rate on dividends of 5% is applicable.

Withholding tax is applicable for:	Low	High
Long-Term Investment - Luyuan	$880,000	$968,000
Long-Term Investment - Changlong	$7,630,000	$8,170,000
Long-Term Investment - McVicar (HZ)	$440,000	$460,000
	$8,950,000	$9,598,000
Withholding tax at 5%	$447,500	$479,900

SCHEDULE 15.0 – NET ASSET METHOD – MCVICAR CANADA

McVicar Industries Inc.

Net Asset Method

As At January 31, 2014 Based on December 31, 2013 Financial Statements

		Adjustment		Fair Market Value		
C$	**December 31, 2013**	**Low**	**High**	**Low**	**High**	**Notes**
ASSETS						
Current Assets						
Cash and Cash Equivalents	$1,087,030			$1,087,030	$1,087,030	
Short Term Investment	$105,293			$105,293	$105,293	
Loans Receivable from Related Parties	$10,000			$10,000	$10,000	1
Accounts Receivables	$2,862,084	-$2,837,090	-$2,837,090	$24,994	$24,994	2
Prepaid Expenses	$10,630			$10,630	$10,630	
	$4,075,037			$10,630	$10,630	
Computer Equipment	$530			$530	$530	
Office Equipment	$0			$0	$0	
Anhui Purchase	$0			$0	$0	
Long-Term Investment (Jite Canada)	$14,811,147	$3,588,853	$5,188,853	$18,400,000	$20,000,000	3
Long-Term Investment (McVicar HK)	$12,832,566	-$4,302,566	-$3,662,566	$8,530,000	$9,170,000	4
	$27,644,243			$26,930,530	$29,170,530	
Total Assets	**$31,719,280**			**$26,941,160**	**$29,181,160**	
LIABILITIES						
Current Liabilities						
Accounts Payable and Accrued Liabilities	$9,575,724	-$9,062,512	-$9,062,512	$513,212	$513,212	5
Credit Cards	$2,374			$2,374	$2,374	
Taxes Payable	-$7,122			-$7,122	-$7,122	
	$9,570,976			$508,464	$508,464	
Net Assets	**$22,148,304**			**$26,432,696**	**$28,672,696**	
Present Value of Public Company Costs				-$3,364,500	-$3,364,500	6
Less: Withholding Tax				-$426,500	-$426,500	7
Fair Market Value, say				**$22,640,000**	**$24,880,000**	
Shares Outstanding				**28,787,520**	**$28,787,520**	
Fair Market Value Per Share				**$0.79**	**$0.86**	
				$23,760,000		

Notes

1 Loans receivable from related parties are expected to be repaid.

2 The breakdown of the accounts receivable as at December 31, 2013 is as follows:

Loan to McVicar HZ	$2,518,709	*(Intercompany)*
Loan to Anhui	$318,382	*(Intercompany)*
Accounts Receivable - Other	$24,994	

Intercompany accounts receivable are expected to be removed upon consolidation, and are also not anticipated to be received upon a sale of the Companies.

Adjustment Required -$2,837,090

3 The book value of McVicar Canada's 100% interest in Jite Canada has been adjusted to fair market value, as outlined in Schedule 6.0 (Capitalized Cash Flow Method) and Schedule 7.0 (Capitalized EBITDA Method).

	Low	High
Fair Market Value - Jite Canada	$18,400,000	$20,000,000

4 The book value of McVicar Canada's 100% interest in McVicar HK has been adjusted to fair market value, as outlined in Schedule 14.0.

	Low	High
Fair Market Value - McVicar HK	$8,530,000	$9,170,000

5 Included in accounts payable and accrued liabilities are intercompany amounts of: $9,062,512

Intercompany accrued liabilities are expected to be removed upon consolidation, and are also not anticipated to be paid upon a sale of the Companies.

6 Public Company Costs determined as follows:

	FY2013	
Public Company Costs *	$468,671	
Capitalization Rate - Low	13.0%	
Capitalization Rate - High	15.0%	
Present Value of the Public Company Costs - Low	$3,605,000	$3,364,500
Present Value of the Public Company Costs - High	$3,124,000	

**As per management-prepared unconsolidated financial statements for McVicar Canada*

7 Under the Canada-Hong Kong income tax treaty, a reduced withholding tax rate on dividends of 5% is applicable.

Withholding tax is applicable for:	Low	High
McVicar HK	$8,530,000	$9,170,000
Withholding tax at 5%*	$426,500	$458,500

**Refer to section 6.0 of the Report for more details.*

As Jite Canada is deemed a going concern, it is assumed that the transfer of funds from the Jite Subsidiaries to Jite Canada will be done tax effectively and not be subject to the withholding tax from Hong Kong to Canada.

SCHEDULE 16.0 – TRADING PRICE METHOD – MCVICAR CANADA

Trading Price Method

McVicar Industries Inc. (TSX-V: MCV)

Date	Open	High	Low	Close	Volume
01/30/2014	0.225	0.225	0.225	0.225	0
01/29/2014	0.225	0.225	0.225	0.225	0
01/28/2014	0.225	0.225	0.225	0.225	0
01/27/2014	0.225	0.225	0.225	0.225	0
01/24/2014	0.225	0.225	0.225	0.225	0
01/23/2014	0.245	0.25	0.225	0.225	17655
01/22/2014	0.225	0.245	0.225	0.245	2500
01/21/2014	0.23	0.23	0.215	0.215	10400
01/20/2014	0.22	0.22	0.22	0.22	5000
01/17/2014	0.215	0.215	0.215	0.215	0
01/16/2014	0.215	0.215	0.215	0.215	0
01/15/2014	0.215	0.215	0.215	0.215	1000
01/14/2014	0.215	0.215	0.215	0.215	0
01/13/2014	0.215	0.215	0.215	0.215	0
01/10/2014	0.215	0.215	0.215	0.215	660
01/09/2014	0.21	0.21	0.21	0.21	0
01/08/2014	0.21	0.21	0.21	0.21	0
01/07/2014	0.21	0.21	0.21	0.21	3000
01/06/2014	0.21	0.21	0.21	0.21	0
01/03/2014	0.21	0.21	0.21	0.21	0
01/02/2014	0.21	0.21	0.21	0.21	0
12/31/2013	0.21	0.21	0.21	0.21	0
12/30/2013	0.21	0.21	0.21	0.21	0
12/27/2013	0.21	0.21	0.21	0.21	0
12/24/2013	0.21	0.21	0.21	0.21	0
12/23/2013	0.21	0.21	0.21	0.21	25000
12/20/2013	0.21	0.21	0.21	0.21	40000
12/19/2013	0.205	0.205	0.205	0.205	5000
12/18/2013	0.22	0.25	0.22	0.25	63500
12/17/2013	0.205	0.205	0.205	0.205	0
12/16/2013	0.205	0.205	0.205	0.205	30700
12/13/2013	0.205	0.205	0.205	0.205	20000
12/12/2013	0.205	0.205	0.205	0.205	2000
12/11/2013	0.2	0.2	0.2	0.2	900
12/10/2013	0.2	0.2	0.2	0.2	0
12/09/2013	0.2	0.2	0.2	0.2	0
12/06/2013	0.2	0.2	0.2	0.2	0
12/05/2013	0.17	0.22	0.17	0.2	203000
12/04/2013	0.19	0.19	0.19	0.19	0
12/03/2013	0.19	0.19	0.19	0.19	0
12/03/2013	0.19	0.19	0.19	0.19	0
12/02/2013	0.185	0.21	0.185	0.19	17595
29/11/2013	0.21	0.21	0.21	0.21	0
28/11/2013	0.19	0.19	0.19	0.19	3000
27/11/2013	0.21	0.21	0.21	0.21	0
26/11/2013	0.21	0.21	0.21	0.21	0
25/11/2013	0.21	0.21	0.21	0.21	0
22/11/2013	0.21	0.21	0.21	0.21	700
21/11/2013	0.19	0.19	0.19	0.19	0
20/11/2013	0.19	0.19	0.19	0.19	0
19/11/2013	0.19	0.19	0.19	0.19	14300
18/11/2013	0.19	0.19	0.19	0.19	0
15/11/2013	0.19	0.19	0.19	0.19	0
14/11/2013	0.19	0.19	0.19	0.19	0
13/11/2013	0.19	0.19	0.19	0.19	0
12/11/2013	0.19	0.19	0.19	0.19	0
11/11/2013	0.19	0.19	0.19	0.19	0
08/11/2013	0.19	0.19	0.19	0.19	0
07/11/2013	0.2	0.2	0.19	0.19	30000
06/11/2013	0.21	0.21	0.2	0.2	40000
05/11/2013	0.23	0.24	0.23	0.24	15000
04/11/2013	0.2	0.2	0.2	0.2	0
01/11/2013	0.2	0.2	0.2	0.2	0
31/10/2013	0.2	0.2	0.2	0.2	32000
30/10/2013	0.23	0.23	0.23	0.23	0
29/10/2013	0.23	0.23	0.23	0.23	5000
28/10/2013	0.2	0.22	0.2	0.22	2500
25/10/2013	0.2	0.2	0.2	0.2	2000
24/10/2013	0.21	0.21	0.2	0.2	70000
23/10/2013	0.2	0.2	0.19	0.19	50000
22/10/2013	0.23	0.23	0.23	0.23	0
21/10/2013	0.23	0.23	0.23	0.23	1600
18/10/2013	0.23	0.23	0.23	0.23	2000
17/10/2013	0.2	0.2	0.2	0.2	900

Trading Price - Respecting January 30, 2014	Minimum	Average	Maximum
10-Days Preceding	0.22	0.22	0.25
30-Days Preceding	0.21	0.22	0.25
90-Days Preceding	0.16	0.21	0.25
180-Days Preceding	0.16	0.25	0.38

Trading Volume - January 30, 2014	Minimum	Average	Maximum	Total	%
10-Days Preceding	0	3,556	17,655	35,555	0.1%
30-Days Preceding	0	5,791	63,500	173,715	0.6%
90-Days Preceding	0	13,088	227,000	1,177,910	4.1%
180-Days Preceding	0	8,442	227,000	1,519,510	5.3%

Total Shares Issued and Outstanding	28,787,520

Market Capitalization Based on Average Share Price

Days Preceding the Valuation Date			
10	30	90	180
$6,460,000	$6,240,000	$5,960,000	$7,160,000

Valuation Date	10 Day	30 Day	90 Day
Volume Weighted Opening Price	0.236	0.219	0.202
Volume Weighted Closing Price	0.223	0.227	0.196