

Form 45-106F6
British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

DealNet Capital Corp. (the “Issuer”)
325 Milner Avenue, Suite 300
Toronto, ON M1B 5N1
Telephone: 1-855-912-3444

B. If an underwriter is completing this report, state the following:

N/A

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The issuer is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

N/A

Item 3: Issuer’s industry

Indicate the industry of the issuer by checking the appropriate box below.

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> securitized products issuers | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Hi-tech | <input checked="" type="checkbox"/> Other (describe) |
| <input type="checkbox"/> Industrial | <u>Business outsourcing and mobile marketing</u> |

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
N/A			

Details of distribution

Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

August 18, 2015

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;

Units of the Issuer (“Units”) and compensation options (“Compensation Options”).

- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

34,500,000 Units and 2,070,000 Compensation Options.

Each Unit consists of one common share (“Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share for a period of eighteen (18) months from the closing date at an exercise price of \$0.50.

Each Compensation Option entitles the holder thereof to acquire one Unit for a period of eighteen (18) months from the closing date on payment of \$0.40 per Unit. Each Unit consists of one Common Share and one Warrant. Each Warrant entitles the holder thereof to

purchase one Common Share for a period of eighteen (18) months from the closing date at an exercise price of \$0.50.

- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

N/A

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Ontario	31	\$0.40	\$10,870,000
British Columbia	2	\$0.40	\$2,200,000
Quebec	10	\$0.40	\$720,000
United Kingdom	1	\$0.40	\$10,000
Total number of Purchasers	44		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$13,800,000

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

- If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.
- Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete
 - the following table for each purchaser that is not an individual, and
 - the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

- An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
J. Zechner & Associates Inc. 130 Adelaide St. West Suite 1701 Toronto, ON M5H 3P5 Attention: Jacqueline Ricci Tel: (416) 867-3121	R	6,000,000 Units	\$2,400,000	NI 45-106, 2.3(1)	2015-08-18
Front Street Capital Inc. 33 Yonge St., Suite 600 Toronto, ON M5E 1G4 Attention: Frank Mersch Tel: (416) 915-2441		750,000 Units	\$300,000	NI 45-106, 2.3(1)	2015-08-18
BMO Private Investment Counsel Inc. 1 First Canadian Place, 42nd Floor Toronto, ON M5X 1H3 Attention: Wakeham Pilot Tel: (514) 286-7308	R	1,875,000 Units	\$750,000	NI 45-106, 2.3(1)	2015-08-18
Aurion Capital Management 120 Adelaide St. West, Suite 2205 Toronto, ON M5H 1T1 Attention: Greg Taylor Tel: (416) 866-2422		1,875,000 Units	\$750,000	NI 45-106, 2.3(1)	2015-08-18
Dundee Global Resource Class 1 Adelaide St. East, Suite 2100 Toronto, ON M5C 2V9 Attention: Brett Whalen Tel: (416) 350-5059		625,000 Units	\$250,000	NI 45-106, 2.3(1)	2015-08-18
LDIC The Exchange Tower 130 King St. West, Suite 2130 Toronto, ON M5X 1E2 Attention: Andrew Pink Tel: (416) 362-4141	R	250,000 Units	\$100,000	NI 45-106, 2.3(1)	2015-08-18
Sprott Asset Management LP Royal Bank Plaza South Tower, Suite 2700 Toronto, ON M5J 2J2 Attention: Steve Rostowsky Tel: (416) 943-6429	R	1,250,000 Units	\$500,000	NI 45-106, 2.3(1)	2015-08-18
AGF Canadian Growth Equity Class TD Bank Tower 66 Wellington St. West, Suite 3100 Toronto, ON M5K 1E9 Attention: Peter Imhof Tel: (416) 815-6313		4,575,000 Units	\$1,830,000	NI 45-106, 2.3(1)	2015-08-18

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
London Life Growth Equity TD Bank Tower 66 Wellington St. West, Suite 3100 Toronto, ON M5K 1E9 Attention: Peter Imhof Tel: (416) 815-6313		980,000 Units	\$392,000	NI 45-106, 2.3(1)	2015-08-18
GWL Growth Equity TD Bank Tower 66 Wellington St. West, Suite 3100 Toronto, ON M5K 1E9 Attention: Peter Imhof Tel: (416) 815-6313		195,000 Units	\$78,000	NI 45-106, 2.3(1)	2015-08-18
C.A. Delaney Capital Mgmt. Ltd. 66 Wellington St. West, Suite 4410 Toronto, ON M5K 1H1 Attention: Lynn Miller Tel: (416) 361-0688		500,000 Units	\$200,000	NI 45-106, 2.3(1)	2015-08-18
Vertex Growth Fund 1021 West Hastings Street Suite 3200 Vancouver, BC V6E 0C3 Attention: Emily Wheeler Tel: (604) 681-5787		2,750,000 Units	\$1,100,000	NI 45-106, 2.3(1)	2015-08-18
Vertex Fund 1021 West Hastings Street Suite 3200 Vancouver, BC V6E 0C3 Attention: Emily Wheeler Tel: (604) 681-5787		2,750,000 Units	\$1,100,000	NI 45-106, 2.3(1)	2015-08-18
Picton Mahoney Asset Management 33 Yonge St., Suite 830 Toronto, ON M5E 1G4 Attention: James Lawson Tel: (416) 955-4108	R	3,000,000 Units	\$1,200,000	NI 45-106, 2.3(1)	2015-08-18
De Jong & Co 70 Distillery Lane, Suite 4004 Toronto, ON M5A 0E3 Attention: Louis De Jong Tel: (416) 662-2584		625,000 Units	\$250,000	NI 45-106, 2.3(1)	2015-08-18
Campbell Lee & Ross Investment Management Inc. 1075 North Service Rd. West Suite 200 Oakville, ON L6M 2G2 Attention: Bruce Campbell Tel: (905) 469-4630	R	625,000 Units	\$250,000	NI 45-106, 2.3(1)	2015-08-18

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
6878628 Canada Inc. 300 Av Des Sommets, Suite 2002 Verdun, QC H3E 2B7 Attention: Jacques Levesque Tel: (514) 861-3456		250,000 Units	\$100,000	NI 45-106, 2.3(1)	2015-08-18
Controlatec 2014 Inc. 300 Av Des Sommets, Suite 2002 Verdun, QC H3E 2B7 Attention: Jacques Levesque Tel: (514) 861-3456		100,000 Units	\$40,000	NI 45-106, 2.3(1)	2015-08-18
Les Productions Alain Simard Inc. 400 Boul. De Maisonneuve O 9eme etage Montreal, QC H3A 1L4 Attention: N/A Tel: (514) 208-1424		100,000 Units	\$40,000	NI 45-106, 2.3(1)	2015-08-18
6515037 Canada Inc. 557 Avenue Grosvenor Westmount, QC H3Y 2S6 Attention: Georges Kiaim Tel: (514) 996-5678		100,000 Units	\$40,000	NI 45-106, 2.3(1)	2015-08-18
Cameron Capital Corporation 330 Bay Street, Suite 812 Toronto, ON M5H 2S8 Attention: James Myers Tel: (416) 304-1102		125,000 Units	\$50,000	NI 45-106, 2.3(1)	2015-08-18
Corporate Flight Management Inc. 9546- 22nd Side Rd., Box 155 Hillsburgh, ON N0B 1Z0 Attention: Adam Keller Tel: (416) 407-1780		100,000 Units	\$40,000	NI 45-106, 2.3(1)	2015-08-18
Steane Consulting Ltd. 333 Bay St., Suite 2400 Toronto, ON M5H 2T6 Attention: Michael Harris Tel: (416) 865-4535		125,000 Units	\$50,000	NI 45-106, 2.3(1)	2015-08-18
2379388 Ontario Ltd. 23 White Harwood Seven Oaks, UK TN13 1RS Attention: Dr. M. Kalairajah Tel: 11447956316584		25,000 Units	\$10,000	NI 45-106, 2.3(1)	2015-08-18

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

- A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.
- B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Paradigm Capital Inc. 95 Wellington St. West Suite 2101 Toronto, ON M5J 2N7	R	\$662,400	1,656,000 Compensation Options	\$0.40	NI 45-106, 2.3(1) 2015-08-18	\$662,400
Cormark Securities Inc. 200 Bay Street, Royal Bank Plaza South Tower, Suite 2800 Toronto, ON M5J 2J2	R	\$165,600	414,000 Compensation Options	\$0.40	NI 45-106, 2.3(1) 2015-08-18	\$165,600

Note: Each Compensation Option entitles the holder thereof to acquire one Unit for a period of eighteen (18) months from the closing date on payment of \$0.40 per Unit. Each Unit consists of one Common Share and one Warrant. Each Warrant entitles the holder thereof to purchase one Common Share for a period of eighteen (18) months from the closing date at an exercise price of \$0.50.

Certificate

On behalf of the Issuer, I certify that the statements made in this report are true.

Date: August 26, 2015

DealNet Capital Corp.

Name of issuer (please print)

Michael Hilmer, President and CEO, 416-420-5529

Print name, title and telephone number of person signing

"Michael Hilmer" (Signed)

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393

Facsimile: (604) 899-6581