

5133243-2
\$ 594,000
May 5, 2009

Form 45-106F1
Report of Exempt Distribution

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

ILI TECHNOLOGIES (2002) CORP. (the "Issuer")
110W, 4760 - 72nd Avenue, SE
Calgary, AB, T2C 3Z2
(403) 543-0060

Item 2: 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 Alberta and British Columbia

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- ☐ Bio-tech
- ☐ Financial Services
 - ☐ investment companies and funds
 - ☐ mortgage investment companies
- ☐ Forestry
- ☐ Hi-tech
- ☒ Industrial

- ☐ Mining
 - ☐ exploration/development
 - ☐ production
- ☐ Oil and gas
- ☐ Real estate
- ☐ Utilities
- ☐ Other (describe)

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Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

May 5, 2009

Item 6: For each security distributed:

- (a) describe the type of security;

Units with each Unit consisting of 1 Common Share and $\frac{1}{2}$ of a Warrant. Each whole Warrant will allow the holder thereof to purchase 1 Common Share of the Corporation at a price of \$0.20 per common share and will expire on April 15, 2011, if unexercised.

- (b) 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

13,938,781 Units (13,938,781 Common Shares and 6,969,390 Warrants). Each Warrant will allow the holder thereof to purchase 1 Common Share of the Corporation at a price of \$0.20 per common share and will expire on April 15, 2011, if unexercised.

- (c) state the exemption(s) relied on.

NI 45-106 Sections 2.3 and 2.9

Item 8: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	17	\$0.10	\$594,000.00
Ontario	23	\$0.10	\$580,000.00
Alberta	10	\$0.10	\$210,000.00
United States	1	\$0.10	\$9,878.10
Total number of Purchasers	51		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$1,393,878.10

Commissions and finder's fees

Item 8: 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 payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please 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	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	Exemption relied on and date of distribution	
Paul Andreiola 2590 Trinity Street Vancouver, BC, V5K 1E2	\$35,411.47	354,114 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$35,411.46
Ian Pedersen 858 Cumberland Crescent North Vancouver, BC, V7P 1Y4	\$1,050.00	10,500 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$1,050.00
Paul Lopoth 6336 Dalbeattie Hill, NW Calgary, AB, T3A 1M3	\$11,200.00	112,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$11,200.00
Phil D'Angelo 52 Heritage Blvd. DeWinton, AB, T0L 0X0	\$87,571.47	Nil	N/A	N/A	\$87,571.47
Canaccord Capital Corporation 2200 – 609 Granville Street Vancouver, BC, V7Y 1H2	\$1,400.00	14,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$1,400.00
Raymond James Ltd. Suite 5300, 40 King Street, W. Toronto, Ontario, M5H 3Y2.	\$29,610.00	296,100 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$29,610.00
Jones Gable & Co. Ltd. 600, 110 Yonge Street Toronto, ON, M5C 1T6	\$10,000.00	70,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$10,000.00
CIBC Wood Gundy 600, 607 – 8 th Avenue, SW Calgary, AB, T2P 0A7	\$3,500.00	35,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$3,500.00
Fab Carella 7235 Bayview Drive Burnaby, BC, V5A 4T3	\$1,400.00	14,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$1,400.00
All Group Financial Services 106 Front Street East, Suite 300 Toronto, ON, M5A 1E1	\$10,000.00	70,000 Agent's Options to purchase Units	\$0.10	Section 2.3 of NI 45-106	\$10,000.00

Note: Each Agent's Option entitles the holder thereof to purchase one unit of the Issuer at a price of \$0.10 per Unit until April 15, 2011. Each Unit consists of one common share and one half of one common share purchase warrant. Each whole Warrant entitles the holder thereof to purchase 1 common share

at a price of \$0.20 per common share and the Warrants will expire if unexercised on the earlier of:
(i) 4:30 p.m. (Calgary time) on April 15, 2011; or (ii) on that date which is 30 days after the Issuer has delivered a notice to the holder specifying that the common shares of the Issuer have traded over the facilities of the TSX Venture Exchange (or such other stock exchange where the common shares of the Issuer may be trading at the time) at a price of at least \$0.30 per common share for at least 10 consecutive trading days.

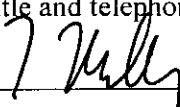
Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.
Certificate

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

Date: May 6, 2009

ILI Technologies (2002) Corp.
Name of issuer (please print)

Thomas Milley, Director
Print name, title and telephone number of person signing

Signature 

Item 10: 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.

Thomas Milley, Solicitor, (403) 252-9937

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

Notice - Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.