

Form 45-106F1
Report of Exempt Distribution

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

Issuer information

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.**

Indico Technologies Limited

Name of Issuer

243 Front Street, San Francisco, California, 94111

Address

1-877-578-5566

Telephone Number

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 each of the Provinces of British Columbia and Alberta.

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)

See (1) below

- (1) The Issuer was previously engaged in the business of navigational, measuring, medical and control instruments manufacturing and is currently pursuing new business opportunities.

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Details of distribution

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

See attached Schedule I.

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

The securities were distributed on June 23, 2006.

6. **For each security distributed:**

- (a) **Describe the type of security:**

Units, at a price of \$0.61 per unit.

- (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:**

1,209,836 units were distributed, at a price of \$0.61 per unit. Each unit is comprised of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one additional common share of the Issuer, at a price of \$0.95, up to and including June 23, 2008. In the event that the closing price of the Issuer's common shares on the TSX Venture Exchange is greater than \$1.90 for 10 consecutive trading days, the Issuer may, by providing written notice to the warrant holders, accelerate the expiry date of the warrants to the date that is 30 days from the date such written notice is mailed to the holder.

- (c) **State the exemption(s) relied on:**

The exemptions relied upon in connection with this distribution were sections 2.3 and 2.5 of National Instrument 45-106.

7. **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 \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia, Canada	15	\$0.61	\$412,249.59
Ontario, Canada	1	\$0.61	\$30,500.00

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Florida, United States	1	\$0.61	\$61,000.00
California, United States	2	\$0.61	\$55,999.83
Germany	3	\$0.61	\$76,250.00
United Kingdom	1	\$0.61	\$30,500.00
Arizona, United States	1	\$0.61	\$30,500.00
Washington, United States	1	\$0.61	\$20,500.27
South Carolina, United States	1	\$0.61	\$20,500.27
Total number of Purchasers	26		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$737,999.96

Commissions and finder's fees

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	
Not applicable.					

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: June 30, 2006

INDICO TECHNOLOGIES LIMITED

Name of issuer (please print)

MICHAEL KINLEY, DIRECTOR/CFO, 604 434 5252

Print name, title and telephone number of person signing



Signature

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.

Glenn Pogue, Vice-President

Telephone: 1-877-578-5566

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.

Authorization of Indirect Collection of Personal Information for Distributions in Ontario

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report

- (a) has been notified by the issuer