ONEMOVE TECHNOLOGIES INC.

UNAUDITED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED
DECEMBER 31, 2008

SECOND QUARTER OF FINANCIAL YEAR 2009

Creators of econveyance™

ONEMOVE TECHNOLOGIES INC.
CONSOLIDATED BALANCE SHEETS

		December 31, 2008 (Unaudited)		June 30, 2008 (Audited)
ASSETS				
Current				
Cash and cash equivalents	$	33,833	$	193,850
Short Term Deposits (Note 15)	$	96,300	$	-
Receivables		63,548		37,051
Prepaid expenses		20,819		18,751
		214,500		249,652
Equipment (Note 4)		292,871		337,414
Long Term Deposits (Note 15)		179,229		290,740
	$	686,600	$	877,806
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	151,194	$	94,493
Deferred revenue		82,529		30,000
Current portion of capital lease obligations		79,507		94,263
		313,230		218,756
Capital lease obligations (Note 7)		88,341		118,151
Liabilities related to assets held for sale (Note 3)		-		-
		401,571		336,907
Shareholders' equity				
Capital stock (Note 9)		17,243,765		16,678,894
Contributed surplus (Note 9)		3,365,753		3,281,600
Share subscriptions received		0		107,100
Deficit		(20,324,489)		(19,526,695)
		285,029		540,899
	$	686,600	$	877,806

Nature and continuance of operations (Note 1)
Contingencies and commitments (Note 10)
Subsequent events (Note 15)

The accompanying notes are an integral part of these consolidated financial statements.

ONEMOVE TECHNOLOGIES INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT (Unaudited)	Three months ended December 31, 2008	Three months ended December 31, 2007	Six months ended December 31, 2008	Six months ended December 31, 2007
REVENUES	$ 319,540	$ 380,579	$ 766,259	$ 809,638
EXPENSES				
Advertising	5,416	2,800	5,603	8,782
Amortization of equipment	28,579	30,649	57,009	52,945
Amortization of intangible asset	-	2,700	-	5,400
Commissions and fees	51,837	87,337	159,317	195,887
Consulting fees	2,000	22,591	88,516	22,591
Insurance	10,446	12,903	20,892	25,622
Interest and bank charges	3,429	1,370	5,382	3,016
Interest on loans	9,818	10,497	22,324	16,843
Investor relations and filing fees	60,974	53,072	108,516	101,294
Office and general	36,394	46,328	70,992	72,183
Professional fees	57,791	42,572	109,463	70,183
Rent and utilities	31,616	26,892	61,968	54,160
Stock-based compensation (Note 7)	53,424	11,925	84,154	42,595
Salaries and wages	354,388	371,446	758,643	741,756
Telephone	8,561	11,843	17,448	24,499
Travel	8,806	74,206	21,661	160,586
Web site planning and design	-	-	-	10,000
	723,479	809,131	1,591,888	1,608,342
Loss before other items	(403,939)	(428,552)	$ (825,629)	(798,704)
OTHER ITEMS				
Other income	25,653	(20,661)	25,653	10,363
Foreign exchange gain (loss)	2,162	-	2,182	-
	27,815	(20,661)	27,835	10,363
Loss and comprehensive loss from continuing operations	(376,124)	(449,213)	(797,794)	(788,341)
Loss and comprehensive loss from discontinued operations	-	(817,777)	-	(1,624,333)
Loss and comprehensive loss for the period	(376,124)	(1,266,990)	(797,794)	(2,412,674)
Deficit, beginning of period	(19,948,365)	(17,584,559)	(19,526,695)	(16,438,875)
Deficit, end of period	(20,324,489)	$ (18,851,549)	(20,324,489)	$ (18,851,549)
Net loss per common share				
Basic and diluted:				
Loss from continuing operations	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)
Net loss	$ (0.01)	$ (0.03)	$ (0.02)	$ (0.05)
Weighted average number of common shares				
Basic	53,927,113	49,977,687	50,547,594	49,940,312
Fully diluted	53,927,113	49,977,687	50,547,594	49,940,312

The accompanying notes are an integral part of these consolidated financial statements.

ONEMOVE TECHNOLOGIES INC.

CONSOLIDATED STATEMENTS OF CASH FLOW (Unaudited)	Three months ended December 31, 2008	2007	Six months ended December 31, 2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss from continuing operations for period	(376,124)	(1,266,990)	(797,794)	(2,412,674)
Items not affecting cash:				
Amortization of equipment	28,579	30,649	57,009	52,945
Amortization of intangible asset	-	2,700	-	5,400
Stock-based compensation	53,424	42,572	84,154	42,595
Unrealized foreign exchange		-		
Accrued interest on convertible loans				
Dividends on preferred shares				
Government assistance receivable				91,747
Interest on loans				
Loss on discontinued operations		817,777		(1,491,098)
	(294,121)	(373,292)	(656,631)	(3,711,085)
Changes in non-cash working capital				
(Increase) decrease in receivables	27,860	12,637	(26,497)	222,303
Increase in prepaid expenses and deposits	(89,289)	7,786	(98,368)	49,613
Increase (decrease) in accounts payable	36,225	(8,601)	56,701	
Increase in deferred revenue	39,003		52,529	
Net cash used by operating activities	(280,322)	(361,470)	(672,266)	(3,439,169)
CASH FLOWS FROM FINANCING ACTIVITIES				
Capital lease payments	(20,271)	(73,452)	(44,566)	
Proceeds from issuance of shares	-		564,871	140,211
Share issuance costs		(1,962)		
Long term deposits	108,979		111,511	
Subscriptions receivable			(107,100)	
Convertible loan proceeds				
Assets held for resale and discontinued operations		(409,585)		418,234
Deferred financing fees				
Net cash provided (used) by financing activities	88,708	(484,999)	524,716	558,445
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of equipment	(1,993)	(102,390)	(12,467)	460,781
Long term deposits		6,383		175,754
Cash received on acquisition of OneMove Tech				
Net cash used by investing activities	(1,993)	(96,007)	(12,467)	636,535
Effect of foreign exchange on cash and cash equivalents				
Change in cash and cash equivalents during the period	(193,607)	(942,476)	(160,017)	(2,244,189)
Cash and cash equivalents, beginning of period	227,440	2,403,258	193,850	3,704,971
Cash and cash equivalents, end of period	33,833	1,460,782	33,833	1,460,782
Cash paid during the period for interest	9,818	10,497	22,324	16,843
Cash paid during the period for income taxes	0	0	0	0

Supplemental disclosure with respect to cash flows (Note 12)

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

OneMove Technologies Inc. (the "Company" or "OneMove Tech") was incorporated under the Business Corporations Act (B.C.) on July18, 2005. The Company completed an initial public offering and commenced trading on the TSX Venture Exchange (the "Exchange") on February9, 2006.

During the 2007 fiscal year, the Company completed the Exchange's requisite qualifying transaction with OneMove Online Systems Inc. ("OneMove Online").

During the current fiscal year, the Company sold all of its interest in OneMove Ltd. ("OneMove UK") (Note 3).

OneMove Tech is engaged in the development and marketing of internet-based software applications and services related to the transfer of real estate in Canada.

The Company incurred a loss from continuing operations of $376,124 during the period ended December 31, 2008 and has a deficit of $20,324,489 as at December 31, 2008. These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will realize the carrying value of its assets and satisfy its obligations as they become due in the normal course of operations. The continuing operations of the Company are dependant upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

These interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended June 30, 2008. The disclosures in these interim consolidated financial statements do not meet all disclosure requirements of Canadian generally accepted accounting principals for annual consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation and presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and include the accounts of the Company and its wholly-owned subsidiary OneMove Online incorporated in British Columbia. OneMove UK is included as loss and comprehensive loss from discontinued operations, in the comparatives. All significant intercompany transactions and balances have been eliminated upon consolidation.

Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid short-term investments with maturity dates of less than 90 days.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Areas which involve a significant amount of judgment and employ estimates and assumptions include the determination of the carrying value of assets such as development costs, the useful life and applicable amortization policies for equipment, development costs and intangible assets, the recognition of stock based compensation, valuation of compensatory escrowed shares, recoverability

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

of loans receivable, valuation allowances applied against future tax assets and the assessment of potential commitments and contingencies. Actual results could differ from these estimates.

Research and development costs

Research costs are expensed as incurred. Development costs may be capitalized when the technology and financial feasibility of a project is established. These costs are subsequently amortized using the straight-line method over the related product's estimated economic life, typically three years.

Investments

Investments in shares of associated companies, over which the Company has significant influence, are accounted for by the equity method, whereby the investment is initially recorded at cost and adjusted to recognize the Company's share of earnings or loss in the investment. Other long-term investments are carried at cost.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided for annually using the following rates and methods:

Computer equipment	30%	declining balance
Application software	3	years straight-line
Computer software	100%	declining balance
Furniture and fixtures	20%	declining balance
Web site development	3	years straight-line

Web site development costs incurred in the preliminary project stage are expensed as incurred. The Company capitalized certain costs incurred in the developing or obtaining of internal use software used in its web sites.

Intangible asset

Intangible asset is comprised of a customer list recorded at cost and is being amortized over its estimated useful life of five years.

Impairment of long-lived assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicated that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the asset. When the carrying value exceeds such cash flows, an impairment charge is recognized for the excess.

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

The Company had a foreign subsidiary which was an integrated foreign operation and was translated into Canadian dollars using the temporal method. Monetary items were translated at the exchange rate in effect at the balance sheet date; non-monetary items were translated at historical exchange rates. Income and expense items were translated at rates approximating those in effect at the time of the transaction. Translation gains and losses were reflected as an income statement item.

Revenue recognition

The Company recognizes revenue from transaction based fees for the use of its software. The Company also receives revenue from providing internet and software based services to facilitate the process of purchasing, selling, insurance and financing real estate in Canada. Transaction and service fees are recognized when the transaction is complete or the service has been provided and collection is reasonably assured.

In addition, the Company earns revenues from product integration services and revenue is recognized as services are rendered and pre defined milestones are achieved on the percentage of completion method. Deferred revenue represents cash received from customers in advance as deposits for work to be completed in excess of revenue recognized on uncompleted contracts.

Government assistance

Government assistance is either recorded as a recovery of the related expense or a reduction of the costs of the applicable assets as determined by the terms and conditions under which the assistance is provided to the Company. Government assistance is recorded when there is a reasonable assurance that it will be realized. The funding received by the Company has repayment terms based upon a percentage of revenue earned from a specified date (Note 11). At that date, the liability for repayment will be recorded, based upon a percentage of revenue.

Stock-based compensation

The Company recognized compensation costs for the granting of stock options, agent's options, warrants and direct awards of stock using the fair value method as determined by the Black-Scholes option pricing model using amounts that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of the awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate. The estimated fair value of stock-based compensation are charged to expense as awards vest, with offsetting amounts recognized as contributed surplus.

The Company has performance escrow shares which may be released from escrow, upon achieving certain revenue goals. Some of these escrow shares are attributable to employees, directors and officers which are considered compensatory in nature and will be recorded at fair valued when they are released from escrow.

Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants, convertible notes, and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Basic loss per share is calculated using the weighted average number of shares outstanding during the year. Shares subject to escrow restrictions whereby the shares can be cancelled if certain performance criteria are not met have been excluded from the weighted average number of shares outstanding since they are considered contingently returnable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future income taxes

Future income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of the existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Accounting policy changes

Effective July 1, 2007, the Company adopted new accounting standards related to comprehensive income and financial instruments that were issued by the Canadian Institute of Chartered Accountants ("CICA"). The accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The new standards and accounting policy changes are as follows:

a) Comprehensive income

Comprehensive income is the change in shareholders' equity during a period from transactions and other events and circumstances from non-owner sources. In accordance with the new standard, the Company now reports comprehensive income (loss). The components of this new category may include unrealized gains and losses on financial assets classified as available-for-sale, exchange gains and losses arising from the translation of financial statements of a self-sustaining foreign operation and the effective portion of the change in fair value of hedging instruments.

b) Financial instruments

In accordance with these standards, the Company now classifies all financial instruments as either held-for-trading, available for sale, held-to-maturity, loans and receivables or other liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net income. Financial assets held-to-maturity, loans and receivables, and financial liabilities other than those held-for-trading, are measured at amortized cost. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Upon adoption of these new standards, the Company classified its cash and cash equivalents as held-for-trading, which are measured at fair value. Receivables are classified as loans receivables and accounts payable and accrued liabilities and capital lease obligations are classified as other liabilities. Adoption of these new standards did not have a material effect on the Company's financial statements.

Effective July 1, 2008, the Company has adopted the following new accounting standards issued by CICA.

a) Capital disclosures

In December 2006, the CICA issued Handbook Section 1535, Capital Disclosures. Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its econveyance business and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash equivalents and marketable securities.

To maintain or adjust its capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest its cash in highly liquid short-term and long term interest-bearing investments, such as banker's acceptances, and guaranteed investment certificates with initial maturity stated terms from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

b) Financial instruments – disclosures and presentation

In December 2006, the CICA issued two new accounting standards: Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation. The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments –Disclosure and Presentation, revising and enhancing disclosure requirements, and carrying forward, unchanged, existing presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

c) Goodwill and intangible assets

In February 2008, the CICA issued Handbook Section 3064, Goodwill and Intangible Assets, replacing Handbook Sections 3062, Goodwill and Other Intangible Assets and 3450, Research and Development Costs. Various changes have been made to other sections of the CICA Handbook for consistency purposes.

The new section establishes standards for the recognition, measurement, presentation and disclosure of intangible assets. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062.

These changes have had no impact on the Company's goodwill and intangible assets.

d) Assessing going concern

The Accounting Standards Board ("AcSB") amended CICA handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. Assuming that the Company is able to generate income, finance operations through public and private offerings and be able to discharge its liabilities, the adoption of this standard has had no material impact on the consolidated financial statements.

e) International financial reporting standards

In addition to the above accounting pronouncements the AcSB in 2006 published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over an expected five-year transition period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. RECAPITALIZATION, ACQUISITION AND DISPOSAL

Reverse takeover by OneMove Online System Inc. ("OneMove Online")

During the year ended June 30, 2007, the Company acquired all of the issued and outstanding common share capital of OneMove Online in exchange for 11,149,272 common shares of the Company.

As a result, the former shareholders of OneMove Online acquired control of the combined entities and, accordingly, the transaction has been accounted for as a recapitalization through a reverse takeover. Legally, the Company is the parent of OneMove Online. However, as a result of the share exchange, control of the combined entities passed to the former shareholders of OneMove Online. This share exchange is effectively a recapitalization of OneMove Online with the net assets of the Company.

The assets and liabilities of the Company have been recorded at their fair values as follows:

Cash	$211,829
Receivables	2,666
Prepaids and deferrals	45,222
Advances to OneMove Online	225,000
Accounts payable and accrued liabilities	(11,776)
	$ 472,941

Accordingly, the net assets of OneMove Online are included in the consolidated balance sheet with the net assets of the Company recorded at fair value at the date of recapitalization. Furthermore, the consolidated statements of operations and deficit and cash flows include the accounts of OneMove Online as well as the accounts of the Company from the date of recapitalization being October 19, 2006.

Acquisition of One Move Limited ("OneMove UK")

In July 2005, OneMove Online entered into a share purchase agreement with OneMove UK to acquire in stages a 50% interest in OneMove UK by purchasing 600 treasury shares of OneMove UK for consideration of £200,000 ($418,015) and a cash bonus payment of £50,000 ($105,720) to the existing shareholder of OneMove UK. OneMove Online recorded an equity loss of $496,169 which, when applied against the original cost of the investment of $523,735 reduced the carrying value of the investment to $27,566 prior to the acquisition of control described below.

Under an addendum to the share purchase agreement, OneMove Online acquired on March 31, 2006 an additional 982 treasury shares of OneMove UK representing an additional 22.5% interest for $1,725,694. At March 31, 2006, OneMove Online had paid $111,295 with $1,614,399 still owing and payable in installments to OneMove UK through November 2006.

The acquisition of OneMove UK has been accounted for using the purchase method and accordingly, these consolidated financial statements include the results of operations of OneMove UK from the date of acquisition on March 31, 2006. At the date of acquisition, the parties were related and as a result the excess purchase price paid over the net assets acquired is recorded as a related party charge against deficit.

3. RECAPITALIZATION ACQUISITION AND DISPOSAL (CONTINUED)

The total purchase price of $1,753,260 was allocated as follows:

Subscriptions receivable	$1,614,399
Receivables	109,696
Prepaid expenses	17,404
Equipment	153,505
Bank overdraft	(60,274)
Loans payable	(345,999)
Accounts payable and accrued liabilities	(539,192)
Non-controlling interest	(261,123)
Excess of purchase price over net assets required	1,064,844
	$1,753,260

In May 2007, the Company acquired the remaining 27.5% of OneMove UK from an individual who is a director of the Company by issuing 5,584,169 common shares at a value of $2,010,301. The net liabilities assumed relating to the acquisition of the remaining 27.5% was $214,626.

At the date of acquisition, the parties were related and the purchase price has been recorded as a related party charge against deficit. As part of the acquisition, the Company also agreed to issue an additional 4,042,085 common shares to the former shareholder of OneMove UK contingent upon certain performance targets, which were not met.

In March 2008, the Company sold its wholly owned subsidiary OneMove UK to a director of the Company who initially owned OneMove UK in exchange for the 5,584,169 common shares of the Company which were issued as consideration for the original purchase of OneMove UK. Upon completion of transaction, the common shares of the Company were returned to treasury and cancelled (Note 10). In addition, in exchange for the intercompany debt, the Company received a debenture for $2,526,059, being 50% of the intercompany advances. The loan is not considered to be collectible and therefore has a fair value of $nil.

The related assets and liabilities of the UK operations have been reported as assets held for sale and liabilities related to assets held for sale in separate captions in the consolidated balance sheet as of June 30, 2007 and the related results of operations have been presented as discontinued operations in the consolidated statements of operations and deficit.

The assets held for sale and the related liabilities were as follows as at June 30, 2007:

Assets		
Cash and cash equivalents	$	172,926
Receivables		229,233
Prepaid expenses		29,081
Equipment		595,831
Deposits		167,455
	$	1,194,526
Liabilities		
Accounts payable and accrued liabilities	$	669,099
Deferred revenue		22,867
Loans payable		747,207
	$	1,439,173

3. RECAPITALIZATION ACQUISITION AND DISPOSAL (CONTINUED)

The results of discontinued operations for the respective periods are as follows:

	Twelve months ended June 30, 2008	Twelve months ended June 30, 2007
Revenue	$ 256,253	$ 211,092
Amortization	176,772	228,292
Selling, general and administative	1,796,785	3,654,719
Loss from discontinued UK operations	(1,717,304)	(3,671,919)

The gain the on sale of discontinued operations is comprised of:

Proceeds	
Treasury stock	$446,734
Current assets	485,363
Equipment	460,990
Current liabilities	(615,352)
Loans payable	(416,222)
	(85,221)
Gain on sale of discontinued operations	$531,955

Cashflows from discontinued operations is as follows:	2008	2007
Operating	$(1,750,338)	$(3,561,343)
Financing	(303,989)	(346,458)
Investing	(41,931)	(181,948)
	$(2,096,258)	$(4,089,749)

4. EQUIPMENT

	December31, 2008			June 30, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	$567,254	$ 285,981	$ 281,273	$ 562,379	$ 236,775	$ 325,604
Application software	54,000	54,000	-	54,000	54,000	-
Computer software	68,696	57,099	11,597	61,107	49,297	11,810
	$689,950	$ 397,080	$ 292,870	$ 677,486	$ 340,072	$ 337,414

5. INTANGIBLE ASSET

	December 31, 2008	June 30, 2008
Customer list	$ 54,000	$ 54,000
Accumulated amortization	(54,000)	(54,000)
	$ -	$ -

6. LOAN PAYABLE

During the year ended June 30, 2007, the Company received $2,405,000 of short term "bridge" loan financing which was repaid from the proceeds of the Company's public offerings (Note 10 (e)). In relation to this loan, the Company:

a. recorded $36,615 of interest which was paid in cash
b. issued 259,375 warrants to purchase common shares of the Company at a price of $0.55 which expire on October 18, 2008
c. issued 12,500 agents options to purchase common shares of the Company at a price of $0.50 which expire May 14, 2009
d. issued 125,000 shares at a value of $43,125 to an independent company
e. issued 125,000 shares at a value of $43,125 to a director of the Company in consideration for a guarantee of $500,000 of the loan
f. issued 372,500 loan bonus shares to certain lenders at a value of $149,000.

The fair value of the compensatory warrants issued was $61,076, which along with the value of the shares issued above, has been recorded as additional interest expense. The fair value of the agents' options was insignificant.

7. CAPITAL LEASE OBLIGATIONS

The Company leases computer hardware under financing arrangements classified as capital leases. The gross amount of computer hardware assets and related accumulated amortization recorded under capital leases and included in equipment were as follows:

	Dec 31, 2008	June 30, 2008
Computer equipment	$ 281,954	$ 281,954
Accumulated amortization	(88,394)	(72,700)
	$ 193,560	$ 209,254

Amortization expenses incurred during the period with respect to the above assets under capital lease totalled $15,694.

7. CAPITAL LEASE OBLIGATIONS (CONTINUED)

The following is a schedule of the future minimum lease payments under the capital leases:

Year ending:	Dec 31, 2008	June 30, 2008
2009	$ 100,417	$ 133,890
2010	109,670	109,670
2011	25,985	25,985
Total future annual lease payments	$ 236,072	$ 269,545
Less amount representing interest	(47,953)	(57,131)
Present value of capital lease obligations	188,119	212,414
Less current portion	(99,778)	(94,263)
	$ 88,341	$ 118,151

With respect to the above, interest incurred during the period and included in interest expense amount of $9,818.00

8. COVERTIBLE LOANS

During the year ended June 30, 2007, the Company issued $424,650 (2006 - $1,672,749) convertible loans and recorded accrued interest of $67,103 (2006 - $42,038). Included in the loans issued is $400,800 issued to various directors and officers of the Company, their immediate family and to a company controlled by a director of the Company. The loans accrued interest at 1% per month and upon the recapitalization of OneMove Online (Note 3), the unpaid principal and accrued interest totalling $2,206,540 was converted into 4,903,443 units of the Company at the rate of $0.45 per unit. Each unit consisted of one share and one warrant of the Company exercisable for two years from issuance at a price of $0.75 per share.

9. CAPITAL STOCK

Authorized – Unlimited number of common shares without par value

Issued and Outstanding

	Number of Common Shares	Amount
Balance as at June 30, 2006	11,149,272	$ 4,780,220
OneMove online shares at recapitalization (Note 3)	(11,149,272)	-
Shares of the Company at time of recapitalization	3,613,001	-
Issue of shares upon recapitalization (Note 3)	11,149,272	472,941
Issue of shares on the conversion of convertible loans (Note 8)	4,903,443	2,206,540
Issue of shares upon public offerings	26,040,890	10,100,310
Issue of shares for finders fees and corporate finance fees	325,000	178,750
Issue of shares for redemption of preferred shares	603,336	332,000
Issue of shares upon exercise of options	355,000	71,000
Issue of shares upon exercise of agents options	8,000	2,400
Issue of shares upon acquisition of OneMove UK (Note 3)	5,584,169	2,010,301
Issue of shares as loan bonus on bridge loans	372,500	149,000
Issue of shares for interest	250,000	86,250
Share issue costs incurred on recapitalization	-	(205,581)
Share issue costs on public offerings	-	(1,633,680)
Balance as at June 30, 2007	53,204,611	18,550,451
Issue of shares upon conversion of debt	264,500	144,800
Cancellation of shares upon sale of OneMove UK (Note 3)	(5,584,169)	(2,010,301)
Share issue costs	-	(6,055)
Balance as at June 30, 2008	47,884,942	$ 16,678,895
Private placement	9,421,690	565,302
Share issue costs	-	(431)
Balance as at December 31, 2008	57,306,632	$ 17,243,766

During the period, the Company issued 9,421,690 units at $0.06 per unit. Each unit contains one common share and one purchase warrant. Each warrant enables the holder to acquire one common share at $0.10 until September 4, 2010.

a) Issuance of shares for debt

In July 2007, the company issued 264,500 common shares to settle $144,800 of accounts payable and loans payable.

b) Cancellation of treasury shares

Pursuant to the sale of OneMove UK (Note 3), the Company received 5,584,169 of its own common shares with a fair value of $446,734 that were originally issued at a fair value of $2,010,301. The Company recorded a decrease of share capital of $2,010,301 and an increase in contributed surplus of $1,563,567 in connection with the cancellation of these shares.

9. CAPITAL STOCK (CONTINUED)

c) Acquisition of OneMove Online

In October 2006, the Company completed a share exchange agreement to acquire the outstanding common shares of OneMove Online in exchange for 11,149,272 common shares of the Company (Note 3). A finder's fee of 100,000 common shares of the Company valued at $55,000 was also paid.

d) Conversion of OneMove Online Debt

As part of the OneMove Online acquisition, $2,206,540 of OneMove Online convertible loans were cancelled and the note holders were issued 4,903,443 units of the Company at a price of $0.45 per unit for the aggregate principal and accrued unpaid interest outstanding. Each unit consisted of one common share and one share purchase warrant, each warrant entitling the holder to acquire one share at a price of $0.75 for two years from the date of issuance of the units.

e) Public Offerings

In October 2006, the Company completed a prospectus offering issuing 3,818,890 common shares at a price of $0.55 per share for gross proceeds of $2,100,390. The financing agent received a 7% cash commission of $147,027 and other costs of $270,393 were incurred in respect of the public offering.

The Company also issued 225,000 common shares valued at $123,750 as a corporate finance fee and 381,889 agent's options valued at $89,976; each option entitles the holder to acquire one common share of the Company at a price of $0.55 for two years.

In May 2007, the Company completed a secondary public offering by way of a brokered private placement issuing 22,222,000 common shares at a price of $0.36 per share for gross proceeds of $7,999,920. The financing agent received a 7% cash commission of $559,994 and other costs of $201,138. The Company also issued 1,555,540 agent's options valued at $241,401; each option entitles the holder to acquire one common share of the Company at a price of $0.36 for two years.

f) Shares Held in Escrow

As at June 30, 2008, a total of 2,753,267 common shares of the Company were subject to an escrow agreement under which the shares may not be transferred, assigned, or otherwise dealt with without the consent of the Exchange. The escrowed shares are subject to time-based release criteria over a three year period from the closing of the reverse takeover.

In addition, 3,490,612 shares are subject to a voluntary escrow agreement to be released if the Company achieves certain revenue targets by June 30, 2008. These shares will be cancelled if the performance conditions are not met. Based on the revenue for fiscal 2008, 2,652,865 shares are to be released from escrow and 837,747 shares are to be cancelled, subject to the approval of the escrow shareholders. Of the shares to be released, 428,466 are considered compensatory in nature. Since the 428,466 shares have effectively been earned and eligible for release at June 30, 2008, the fair value of these shares of $27,820 has been recorded as compensation expense.

9. CAPITAL STOCK (CONTINUED)

g) Contributed Surplus

	Amount
Balance as at June 30, 2006	$ 891,980
Value of agents options issued on public offering	331,377
Stock-based compensation	322,911
Value of warrants issued on loan financing (Note 7)	61,076
Balance as at June 30, 2007	1,607,344
Stock-based compensation	82,869
Cancellation of shares upon sale of OneMove UK (Note 3)	1,563,567
Compensatory escrow shares	27,820
Balance as at June 30, 2008	$ 3,281,600
Stock based compensation first quarter	30,730
Stock based compensation second quarter	53,424
Balance as at December 31, 2008	$ 3,365,753

h) Stock Options

The Company has a Stock Option Plan ("the Plan") whereby the aggregate number of shares issuable under the Plan may not exceed 10% of the issued and outstanding share capital. Under the Plan, the exercise price of each option will not be less than the market price of the Company's stock at the date of the grant. Options granted will have a term not to exceed 5 years with vesting provisions determined by the board of directors of the Company.

As at December 31, 2008, the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
85,000	$0.55	January 31, 2009
1,100,000	$0.10	February 21,2011
2,050,000	$0.10	August 25, 2010
250,000	$0.10	September 16, 2011
1,557,000	$0.10	October 17, 2011
5,0542,000		

9. CAPITAL STOCK (CONTINUED)

Stock option transactions are summarized as follows:

	Options outstanding	Weighted average exercise price
Balance as at June 30, 2006	2,625,000	$0.50
Cancelled prior to recapitalization	(60,000)	$0.50
Exchanged upon recapitalization	2,565,000	$0.50
Exchanged upon recapitalization	(2,565,000)	$0.55
Options of the Company upon recapitalization	355,000	$0.20
Granted during the year	664,000	$0.55
Exercised during the year	(355,000)	$0.20
Cancelled during the year	(60,000)	$0.55
Balance as at June 30, 2007	3,169,000	$0.55
Granted during the period	1,600,000	$0.10
Cancelled during the period	(1,143,000)	$0.55
Balance as at June 30, 2008	3,626,000	$0.35
Granted during the period	2,300,000	$0.10
Expired during the period	(1,320,000)	$0.55
Balance as at September 30, 2008	4,606,000	$0.25
Granted during the period	1,557,000	$0.10
Expired during the period	(1,121,000)	
Currently exercisable	5,042,000	$0.10

Pursuant to the recapitalization (Note 3), all outstanding 2,565,000 options of OneMove Online were exchanged for options to purchase shares on the same terms and conditions as to number of shares that may be purchased upon exercise, the term of exercise and the vesting schedule, but the exercise price of the options increased to $0.55 per share, being the same price as the concurrent prospectus offering.

The weighted average fair value of stock options granted was $0.05 per option. The Company uses the Black-Scholes option pricing model to determine the fair value of options granted. During the current fiscal period, the Company granted 2,300,000 options to directors, employees and consultants with a fair value of $97,921, which is being recognized over the vesting periods of the options. Total stock-based compensation recognized during the period ended September 30, 2008 was $30,730.

The following weighted average assumptions were used for the Black-Scholes valuation of options vested during the period:

	December 31, 2008
Expected dividend yield	0%
Expected price volatility	75%
Risk free interest rate	2.07 - 4.13%
Expected life	2 - 3 years

9. CAPITAL STOCK (CONTINUED)

i) Agent's Options

As at December 31, 2008, the following agent's options were outstanding and exercisable:

Number of Agent's Options	Exercise Price	Expiry Date
1,555,540	$0.36	May 3, 2009
12,500	$0.50	May 14, 2009
1,568,040		

Agent's option transactions are summarized as follows:

	Agent's Options outstanding	Weighted average exercise price
Balance as at June 30, 2006		
Agent's options of the Company upon recapitalization	106,300	$0.30
Issued during the year	1,949,929	$0.40
Exercised during the year	(8,000)	$0.30
Balance as at June 30, 2007	2,048,229	$0.39
Expired during the period	(98,300)	$0.30
Balance as at June 30 and September 30, 2008	1,949,929	$0.40
Expired during the period	(381,889)	
Balance as at December 31, 2008	1,568,040	

In October 2006 the Company issued 381,889 and 1,555,540 agent's options pursuant to its public offerings of its common shares. These options have an aggregate value of $331,377 which has been recorded as share issue costs.

In addition, in May 2007, the Company issued 12,500 agent's options in relation to securing interim loan financings for the Company. The fair value of these options was insignificant.

The following weighted average assumptions were used for the Black-Scholes valuation of Agent's options issued during the year ended June 30, 2007:

Expected dividend yield	0%
Expected price volatility	75%
Risk free interest rate	4.47%
Expected life	2 years

j) Warrants

As at December 31, 2008, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiry Date
9,421,690		September 4, 2010

9. CAPITAL STOCK (CONTINUED)

Warrant transactions are summarized as follows:

	Warrants outstanding	Weighted average exercise price
Balance as at June 30, 2006	-	-
Issued during the year	5,162,818	$0.74
Balance as at June 30, 2008 and September 30, 2008	5,162,818	$0.74
Expired during the period	(5,162,618)	
Issued during the period	9,421,690	
Balance as at December 31, 2008	9,421,690	

During the period ended June 30, 2007 the Company issued 259,375 compensatory warrants pursuant to loan agreements. These warrants have a value of $61,076 which was recorded as interest expense.

The following weighted average assumptions were used for the Black-Scholes valuation of compensatory warrants issued during the year ended June 30, 2007:

Expected dividend yield	0%
Expected price volatility	75%
Risk free interest rate	4.10%
Expected life	2 years

10. CONTINGENCIES AND COMMITMENTS

Government Assistance

During the fiscal year ended June 30, 2008, the Company recognized assistance of $51,526 (2007 - $313,283) from the National Research Council of Canada's Industrial Research Assistance Program ("IRAP"). Repayment of these contributions commences in October 2008 at a rate of 6.25% of gross revenues and is payable quarterly until July 2012. If at any time within this repayment period, the repayments equal or exceed 150% of the IRAP assistance received, the Company will cease to have any further obligation to make repayments. The repayment will effectively be treated as a royalty expense against revenues.

If by July 1, 2012, the amount unpaid is less than the assistance received in total, the Company will continue to make repayments until the earlier of full repayment or ten years after the start of the repayment period, being October 2008. The liability and related expense are recorded when the corresponding revenue is recognized.

Total assistance received under IRAP to date is $ 455,201.

During the current fiscal period, the Company recorded total government assistance, including IRAP, of $ nil which has been recorded as a reduction of wages and benefits.

10. CONTINGENCIES AND COMMITMENTS (CONTINUED)

Commitments

The Company has entered into various premises and equipment operating leases with minimum lease payments as follows:

2009	$ 113,400
2010	113,400
2011	113,400
2012	97,600
2013	13,950
	$ 451,750

Contingencies

The Company provided $143,200 as security towards a bank loan held by OneMove UK (Note 3), which was collapsed by the bank in October of 2008. Pursuant to the share exchange agreement and the disposition of OneMove UK, (Note 3), the former director and current owner of OneMove UK have until March 2009 to remove the Company as guarantor or repay the funds. (see subsequent note 16)

11. FINANCIAL INSTRUMENTS

a) *Foreign currency risk*

Foreign currency risk reflects the risk that the Company's foreign currency denominated net assets or operations will be negatively impacted due to fluctuations in exchange rates. The Company does not have a foreign currency hedge in place to mitigate this risk.

b) *Credit risk*

Financial instruments subjecting the Company to concentrations of credit risk consist primarily of cash and cash equivalents and deposits. The Company maintains its cash with high quality financial institutions. Cash balance often exceeds federally insured limited.

c) *Fair values*

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, accounts payable and accrued liabilities and capital lease obligations. The fair value of these financial instruments approximates their carrying values.

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes follows:

	December 31 2008	June 30, 2008
Loss before income taxes	$ (797,794)	$ (3,087,820)
Expected income tax (recovery)	$ (279,300)	$ (1,054,161)
Non-deductible expenses	86,956	815,690
Other	(-)	(280,839)
Unrecognized benefits of non-capital and operating loss	192,344	519,310
Actual income taxes	$ -	$ -

12. INCOME TAXES (CONTINUED)

The significant components of the Company's future income tax assets are as follows:

	December 31 2008	June 30 2007
Future income tax assets		
Equipment	$ 295,043	$ 266,613
Non-capital and operating loss carry forwards	2,313,115	1,891,445
Share issue costs	352,167	351,736
Scientific research and development expenditures	751,718	751,718
Capital losses	656,963	656,963
	4,369,006	3,918,475
Less valuation allowance	(4,369,006)	(3,918,475)
Net future income tax assets	$ -	$ -

The Company has not recorded the potential future income tax benefits for approximately $7,270,000 of non-capital losses in Canada which expire through to 2028. Future tax benefits which may arise as a result of these losses and other tax assets have been offset by a valuation allowance and have not been recognized in these financial statements.

13. RELATED PARTY TRANSACTIONS

During the period ended December 31, 2008, the Company entered into transactions with related parties not disclosed elsewhere in these financial statements as follows:

a) Paid or accrued salaries and wages of $ 113,853 to the officers, former officers and directors of the Company.

b) During the previous quarter, the Company completed a private placement of 9,421,690 units at $0.06 per unit; see Note 9. Directors and officers of the Company subscribed to 2,027,000 units for a total of $121,620. At the quarter end, subscriptions for 1,091,000 units or $65,460 were paid and the balance of $56,160 in subscriptions were funded by advances from the Company, which originally with no interest and were repayable by the directors and officers to the Company in January 2009. The repayment date has been extended to the end of December 2009 and bears interest at a rate 5% for the principle outstanding of $48,240.

c) At the period end, and aside from the above officers of the Company were indebted to the Company for $13,606.

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Cash and cash equivalents consist entirely of cash on deposit.

There were no significant non-cash investing and financing transactions for the period ended December 31, 2008.

15. SUBSEQUENT EVENTS

a) On October 24, 2008 the bank collapsed collateral of approximately $143,200 pledged by the Company which was provided as a guarantee towards a bank loan of approximately $143,200 to OneMove UK. The Company had pledged these funds as security pursuant to the share exchange agreement and the disposition of OneMove UK, (Note 3). Management is of the view that the bank was not entitled to collapse the collateral and is currently reviewing its legal options in recovering the funds. (see Contingencies note 10)

15. SUBSEQUENT EVENTS (CONTINUED)

b) OneMove announced on January 21, 2009 that it recovered approximately CDN$96,300 which was security deposit that the Company provided on behalf of its former U.K. subsidiary to secure an equipment lease. OneMove's divestiture of its U.K. subsidiary, coupled with the termination of the lease agreement led to the return of the funds. As at the date of the balance sheet the amount was recorded as a short term deposit.

c) OneMove received on February 18, 2009 a Provincial Government offer of an extension to the External Product Reseller Agreement which expires on April 30, 2009. The extension offer is for a further five years (till April 30, 2014) under the same terms. Management is presently reviewing their options.

d) Effective March 1, 2009, OneMove implemented a company-wide reduction in salaries and wages of 20%. The Company anticipates this will result in saving of approximately $20,800 per month, or $250,000 annualized, with the first month of savings to be reflected in the Company's Q3 fiscal 2009 results.