

ONEMOVE TECHNOLOGIES INC.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING
JUNE 30, 2009



Creators of econveyancePro™

AUDITORS' REPORT

To the Shareholders of
OneMove Technologies Inc.

We have audited the consolidated balance sheets of OneMove Technologies Inc. as at June 30, 2009 and 2008 and the consolidated statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

October 23, 2009



ONEMOVE TECHNOLOGIES INC.
Notes to Consolidated Financial Statements
For the year ended June 30, 2009

ONEMOVE TECHNOLOGIES INC.
CONSOLIDATED BALANCE SHEETS

	June 30, 2009	June 30, 2008
ASSETS		
Current		
Cash	\$ 53,088	\$ 193,850
Receivables	369	37,051
Prepaid expenses	16,582	18,751
	70,039	249,652
Equipment (Note 4)	235,862	337,414
Advances (Note 13)	39,313	-
Intangible asset (Note 5)	530,685	-
Long term deposits	35,427	290,740
	\$ 911,326	\$ 877,806
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	\$ 473,028	\$ 94,493
Customer deposits	119,584	-
Deferred revenue	30,000	30,000
Current portion of capital lease obligations	93,892	94,263
Loans payable (Note 6)	83,125	-
	799,629	218,756
Capital lease obligations (Note 7)	19,641	118,151
	819,270	336,907
Shareholders' equity (deficiency)		
Capital stock (Note 8)	17,243,765	16,678,894
Contributed surplus (Note 8)	3,469,843	3,281,600
Share subscriptions received (Note 8)	-	107,100
Share subscriptions receivable (Note 8)	(48,240)	-
Deficit	(20,573,312)	(19,526,695)
	92,056	540,899
	\$ 911,326	\$ 877,806
Nature and continuance of operations (Note 1)		
Contingencies and commitments (Note 9)		
Subsequent events (Note 16)		

"Martin R. Johnson"

Director

"Mitchell Gropper"

Director

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

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

ONEMOVE TECHNOLOGIES INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT	YEAR ENDED JUNE 30	
	2009	2008
REVENUES		
Transaction fees	\$ 1,432,103	\$ 1,441,481
Other	80,936	196,077
	1,513,039	1,637,558
EXPENSES		
Advertising	8,733	10,654
Amortization of equipment	114,018	118,704
Amortization of intangible asset	-	10,800
Commissions and fees	296,033	400,645
Compensatory shares (Note 8)	-	27,820
Consulting fees	140,494	56,649
Insurance	39,730	48,618
Interest and bank charges	15,164	6,825
Interest and financing charges on debt	43,180	41,190
Investor relations and filing fees	170,653	163,718
Office and general	147,803	182,168
Professional fees	168,656	142,537
Rent and utilities	124,449	119,723
Stock-based compensation (Note 8)	188,243	82,869
Salaries and wages	879,809	1,578,603
Telephone	34,300	46,176
Travel	34,279	178,056
	2,405,544	3,215,755
Loss before other items	(892,505)	(1,578,197)
OTHER ITEMS		
Other income	3,073	61,110
Uncollectible deposit (Note 9)	(147,287)	-
Foreign exchange loss	(9,898)	(385,384)
Gain on disposal of OneMove UK (Note 3)	-	531,955
	(154,112)	207,681
Loss and comprehensive loss from continuing operations	(1,046,617)	(1,370,516)
Loss and comprehensive loss from discontinued operations (Note 3)	-	(1,717,304)
Loss and comprehensive loss for the year	(1,046,617)	(3,087,820)
Deficit, beginning of year	(19,526,695)	(16,438,875)
Deficit, end of year	\$ (20,573,312)	\$ (19,526,695)
Loss per common share		
Basic and diluted:	\$ (0.02)	\$ (0.02)
Weighted average number of common shares		
Basic	55,602,984	49,744,659
Diluted	55,602,984	49,744,659

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

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

ONEMOVE TECHNOLOGIES INC.

CONSOLIDATED STATEMENTS OF CASH FLOW	Year Ending June 30,	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from continuing operations	(1,046,617)	(1,370,516)
Items not affecting cash:		
Amortization of equipment	114,018	118,704
Amortization of intangible asset	-	10,800
Accrued interest expense	3,125	-
Uncollectible deposit	147,287	-
Stock-based compensation	188,243	82,869
Compensatory shares	-	27,820
Gain on discontinued operations	-	(531,955)
	(593,944)	(1,662,278)
Changes in non-cash working capital		
Decrease in receivables	9,207	1,102
Decrease in government assistance receivable	-	98,474
Decrease in prepaid expenses	2,169	28,178
Increase in advances	(12,269)	-
Increase (decrease) in accounts payable	378,535	(99,239)
Increase in customer deposits	119,584	-
Increase in deferred revenue	-	30,000
Net cash used in operating activities	(96,718)	(1,603,763)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued	409,962	-
Share issuance costs	-	(6,055)
Capital lease payments	(98,881)	(56,708)
Proceeds from loans payable	125,000	-
Repayment of loans payable	(45,000)	-
Long term deposits	-	(158,762)
Share subscriptions received	-	107,100
Net cash provided by (used in) financing activities	391,081	(114,425)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(12,466)	(46,006)
Intangible asset expenditure	(530,685)	-
Redemption of long term deposit	108,026	-
Bank indebtedness extinguished on disposal of OM UK	-	176,405
Net cash provided by (used in) investing activities	(435,125)	130,399
Cash flows from continuing operations	(140,762)	(1,587,789)
Cash flows from discontinued operations (Note 3)	-	(2,096,258)
Change in cash during the year	(140,762)	(3,684,047)
Cash, beginning of year	193,850	3,877,897
Cash, end of year	\$ 53,088	\$ 193,850
Cash paid during the period for interest	\$ 38,222	\$ 48,015
Cash paid during the period for income taxes	-	-
Supplemental disclosure with respect to cash flows (Note 14)		

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

ONEMOVE TECHNOLOGIES INC.

*Notes to Consolidated Financial Statements
For the year ended June 30, 2009*

1. NATURE AND CONTINUANCE OF OPERATIONS

OneMove Technologies Inc. (the "Company" or "OneMove Tech") was incorporated under the Business Corporations Act (B.C.) on July 18, 2005, and is listed for trading on the TSX Venture Exchange (the "Exchange").

During the 2008 fiscal year, the Company sold 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 \$1,046,617 during the year ended June 30, 2009, and has a deficit of \$20,573,312 as at June 30, 2009. 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 Company has a history of operating losses and has a working capital deficiency of \$729,590 at June 30, 2009. Continued operations of the company are dependant on the Company's ability to generate profitable operations in the future or complete equity or debt financings.

Subsequent to June 30, 2009, the Company completed a private placement for gross proceeds of \$263,000 and repaid certain liabilities. Management has also undertaken available cost cutting measures and is monitoring its cash flow. If the Company is unable to sustain profitable operations, its ability to continue as a going concern will be dependent on obtaining funds from additional equity or debt financings.

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.

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 as well as the accounts of OneMove UK to its date of disposal. All significant intercompany transactions and balances have been eliminated upon consolidation.

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

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

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.

Intangible asset

Research costs are expensed as incurred. Development costs may be capitalized when the technology and financial feasibility of a project is established as an intangible asset. Any cost recoveries, including government assistance, received is applied against the related cost.

The Company's intangible asset relates to developed software technology. The identifiable and directly associated costs of developing the software technology are capitalized when its financial feasibility is established. Costs associated with maintaining the software are recognized as an expense when incurred. Management evaluates the recoverability of its intangible asset periodically and takes into account events or circumstances that warrant revised estimates of useful lives or that indicate that impairment may exist. Software technology is amortized using a straight line method to allocate the cost over its estimated useful lives from the date the technology is released for commercial use. Management has estimated the useful life of the software technology to be 3 years

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

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.

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 incidental 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.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 9). 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.

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.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments – recognition and measurement

The Company classifies all financial instruments as either held for trading, available for sale, held to maturity, loans and receivable or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held for trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available for sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held to maturity, loans and receivables and other financial instruments are measured at amortized cost.

The Company classifies its cash as held for trading and receivables and advances as loans and receivables. Accounts payable and accrued liabilities, customer deposits, loans payable and capital lease obligations are classified as other financial liabilities.

Transaction costs relating to the issuance of debt instruments are expensed when incurred.

Comprehensive income

Comprehensive income is defined as the change in equity (net assets) from transactions and other events from non-owner sources. Other comprehensive income is defined as revenues, expenses, gains and losses that, in accordance with primary sources of GAAP, are recognized in comprehensive income, but excluded from net income. This would include holding gains and losses from financial instruments classified as available for sale

Comparative figures

Certain comparative figures have been reclassified to conform with current years presentation.

Accounting policy changes

Effective July 1, 2008, the Company adopted new accounting standards 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) Financial instruments

The Accounting Standards Board (“AcSB”) issued CICA Handbook Section 3862, *Financial Instruments - Disclosures*, which requires an increased emphasis on disclosing the nature and the extent of risk arising from financial statements and how the entity manages those risks. This section, together with Section 3863, *Financial Instruments – Presentation*, replaced Section 3861, *Financial Instruments – Disclosure and Presentation*. The adoption of these Sections has had no impact on the Company’s financial statements other than additional disclosures in Note 11.

b) Capital disclosures

The AcSB issued CICA Handbook Section 1535, *Capital Disclosures*, which establishes standards for 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. Other than the additional disclosure in Note 10, the adoption of this section has had no impact on the Company’s financial statements.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) 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. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008.

d) Goodwill and intangible assets

The Company early adopted the new standard *Goodwill and Intangible Assets* (Section 3064). This Section replaces Section 3062, *Goodwill and Other Intangible Assets*, and Section 3450, *Research and Development Costs*. The new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in *Section 3062*.

Recent accounting pronouncements

e) Business combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

The Company does not anticipate the adoption of the above standards will have a significant impact on the Company's financial statements.

f) 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 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.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

3. DIVESTITURE OF ONEMOVE LIMITED (“OneMove UK”)

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. This director subsequently resigned. Upon completion of transaction, the common shares of the Company were returned to treasury and cancelled (Note 8). 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 was not considered to be collectible and therefore had a fair value of \$nil.

The results of discontinued operations for the year ended June 30, 2008:

Revenue	\$	256,253
Amortization		176,772
Selling, general and administrative		1,796,785
Loss from discontinued UK operations		(1,717,304)

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
Operating	\$(1,750,338)
Financing	(303,989)
Investing	(41,931)
	\$(2,096,258)

4. EQUIPMENT

	June 30, 2009			June 30, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equip.	\$567,255	\$ 335,188	\$ 232,067	\$ 562,379	\$ 236,775	\$ 325,604
Application software	54,000	54,000	-	54,000	54,000	-
Computer software	68,696	64,901	3,795	61,107	49,297	11,810
	\$689,951	\$ 454,089	\$ 235,862	\$ 677,486	\$ 340,072	\$ 337,414

5. INTANGIBLE ASSET

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

	June 30, 2009	June 30, 2008
Balance, beginning of year	\$ -	\$ -
Additions	532,742	-
Less: Recoveries	<u>(2,057)</u>	<u>-</u>
Balance, end of year	<u>\$ 530,685</u>	<u>\$ -</u>

During the current fiscal year, the Company commenced the development of its econveyancePro™ software and no amortization has been taken on the asset as it was put into commercial use subsequent to year-end. In the prior fiscal year, the Company fully amortized a customer list having a net book value of \$10,800 at June 30, 2007.

6. LOANS PAYABLE

During the year ended June 30, 2009, the Company received \$125,000 of short term bridge loan financing to be repaid from the earlier of proceeds from any debt or equity offerings or surplus cash flows and July 31, 2009 and bears interest at a rate of 2.5% per month. The loan holders are to be issued a loan bonus of 312,500 shares upon repayment (issued subsequent to June 30, 2009 (Note 16)) and the Company incurred a finance charge of \$ 10,000 for financial advisory services. During the current fiscal year, the Company repaid \$ 45,000 of the loans and accrued \$ 3,125 in interest expense.

The president of the Company also provided a personal guarantee on the loans as security and as consideration, is to receive 156,000 common shares of the Company (issued subsequent to June 30, 2009 (Note 16)).

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 (Note 4) were as follows:

	June 30, 2009	June 30, 2008
Computer equipment	\$ 281,954	\$ 281,954
Accumulated amortization	<u>(135,476)</u>	<u>(72,700)</u>
	<u>\$ 146,478</u>	<u>\$ 209,254</u>

Amortization expenses incurred during the year with respect to the above assets under capital lease totalled \$ 62,776 (2008 - \$54,814)

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

7. CAPITAL LEASE OBLIGATIONS (Continued)

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

Year ending:	June 30, 2009	June 30, 2008
2009	\$ -	\$ 133,890
2010	109,670	109,670
2011	25,985	25,985
<hr/>		
Total future annual lease payments	\$ 135,655	\$ 269,545
Less amount representing interest	(22,122)	(57,131)
<hr/>		
Present value of capital lease obligations	113,533	212,414
Less current portion	(93,892)	(94,263)
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	\$ 19,641	\$ 118,151

With respect to the above, interest incurred during the year and included in interest expense is \$38,222 (2008 - \$41,182).

8. CAPITAL STOCK

Authorized – Unlimited number of common shares without par value

Issued and Outstanding

	Number of Common Shares	Amount
<hr/>		
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)
<hr/>		
Balance as at June 30, 2008	47,884,942	16,678,895
Private placement	9,421,690	565,302
Share issue costs	-	(432)
<hr/>		
Balance as at June 30, 2009	57,306,632	\$ 17,243,765

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.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

8. CAPITAL STOCK (CONTINUED)**c) Private Placement**

In September 2008, the Company issued 9,421,690 units at \$0.06 per unit for gross proceeds of \$509,142 of which \$107,100 was received during the year ended June 30, 2008. Of these units, 936,000 were issued to directors and officers for proceeds of \$56,160, of which \$48,240 of subscription proceeds is still receivable by the Company. Each unit consists of one common share and one purchase warrant. Each warrant enables the holder to acquire one common share at \$0.10 until September 4, 2010.

d) Shares Held in Escrow

As at June 30, 2009, a total of 917,755 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 were subject to time-based release criteria over a three year period from the closing of the reverse takeover, and were released in their entirety subsequent to June 30, 2009.

In addition, 3,490,612 shares were subject to a voluntary escrow agreement to be released if the Company achieved certain revenue targets by June 30, 2008. Based on the revenue for fiscal 2008, 2,652,865 shares were to be released from escrow and 837,747 shares were to be cancelled. Subsequently, the number of voluntary escrow shares to be released and cancelled were adjusted to 2,651,509 and 837,319 shares respectively. Of the shares to be released, 428,466 were considered compensatory in nature and the fair value of these shares, being \$27,820, was recorded as compensation expense for the year ended June 30, 2008. Subsequent to June 30, 2009, the 2,651,509 shares were released from escrow and 809,447 shares were cancelled (Note 16).

e) Contributed Surplus

	Amount
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	188,243
Balance as at June 30, 2009	\$ 3,469,843

f) 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.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements
For the year ended June 30, 2009

8. CAPITAL STOCK (CONTINUED)

As at June 30, 2009, the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
85,000	\$0.55	December 1, 2009
1,100,000	\$0.10	February 21, 2011
2,050,000	\$0.10	August 25, 2011
250,000	\$0.10	September 16, 2011
1,557,000	\$0.10	October 17, 2011
5,042,000		

Stock option transactions are summarized as follows:

	Options outstanding	Weighted average exercise price
Balance as at June 30, 2007	3,169,000	\$0.55
Granted	1,600,000	\$0.10
Cancelled	(1,143,000)	\$0.55
Balance as at June 30, 2008	3,626,000	\$0.35
Granted	3,857,000	\$0.10
Cancelled/Expired	(2,441,000)	\$0.46
Balance as at June 30, 2009	5,042,000	\$0.11
Currently exercisable	4,841,000	\$0.11

The weighted average fair value of stock options granted was \$0.04 (2008 - \$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 3,857,000 (2008 - 1,600,000) options to directors, employees and consultants with a fair value of \$142,896 (2008 - \$81,325), which is being recognized over the vesting periods of the options. Total stock-based compensation recognized during the year ended June 30, 2009 was \$188,243 (2008 - \$82,869)

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

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
Expected dividend yield	0%	0%
Expected price volatility	121%	75%
Risk free interest rate	4.45%	4.13%
Expected life	3 years	3 years

8. CAPITAL STOCK (CONTINUED)

ONEMOVE TECHNOLOGIES INC.

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For the year ended June 30, 2009

g) Agent's Options

As at June 30, 2009, there were no agent's options outstanding.

Agent's option transactions are summarized as follows:

	Agent's Options outstanding	Weighted average exercise price
Balance as at June 30, 2007	2,048,229	\$0.39
Expired	(98,300)	\$0.30
Balance as at June 30, 2008	1,949,929	\$0.40
Expired	(1,949,929)	\$0.40
Balance as at June 30, 2009	-	-

h) Warrants

As at June 30, 2009, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiry Date
9,421,690	\$0.10	September 4, 2010

Warrant transactions are summarized as follows:

	Warrants outstanding	Weighted average exercise price
Balance as at June 30, 2007	-	-
Issued	5,162,818	\$0.74
Balance as at June 30, 2008	5,162,818	\$0.74
Expired	(5,162,618)	\$0.74
Issued	9,421,690	\$0.10
Balance as at June 30, 2009	9,421,690	\$0.10

9. CONTINGENCIES AND COMMITMENTS**Government Assistance**

During the fiscal year ended June 30, 2009, the Company recognized assistance of \$nil (2008 - \$51,526) from the National Research Council of Canada's Industrial Research Assistance Program ("IRAP"). Total assistance received under IRAP to date is \$455,201. Repayment of these contributions was deferred from October 2008 to October 2011, and will be repaid at a rate of 6.25% of gross revenues, payable quarterly until July 2016. 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.

ONEMOVE TECHNOLOGIES INC.

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9. CONTINGENCIES AND COMMITMENTS (CONTINUED)

If by July 1, 2016, 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 2011. The liability and related expense are recorded when the corresponding revenue is recognized.

During the current fiscal year, the Company recorded total government assistance, including IRAP, of \$ nil (2008 - \$51,526) which has been recorded as a reduction of wages and benefits.

Commitments

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

2010	113,400
2011	113,400
2012	75,800
2013	<u>18,600</u>
	<u>\$ 321,200</u>

Contingencies

The Company provided £71,000 (approximately \$143,200 at June 30, 2008) as security towards a bank loan held by OneMove UK (Note 3). Pursuant to the share exchange agreement and the disposition of OneMove UK, (Note 3), the former director and current owner of OneMove UK had until March 2009 to remove the Company as guarantor or repay the funds. The bank has subsequently seized the deposit to satisfy its requirements. To date, the Company has been unable to recover these funds and accordingly the amount has been written off. However, the Company will continue to explore all options to attempt to collect the amounts owing.

10. CAPITAL MANAGEMENT

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 projects and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development and operation of the business. In the management of capital, the Company includes the components of shareholders equity.

To maintain or adjust its capital structure, the Company may attempt to issue new shares, and acquire, develop or dispose of assets. In addition, the Company is dependent upon external financing to fund activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital restrictions.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

For the year ended June 30, 2009

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The fair value of the Company's financial instruments, except for the capital lease obligations, approximates their carrying values due to the short-term nature of these instruments. The fair value of the capital lease obligations approximates its carrying value as the interest rates appropriate market rates.

The Company is exposed to a variety of financial risks by virtue of its activities including credit, interest rate, and liquidity.

Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and its receivables consist primarily of amounts due from related parties. The Company collects customer deposits in advance of transactions and therefore, the Company is not exposed to significant credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is very limited interest rate risk as the Company's interest-bearing debt has fixed interest rates.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

Foreign exchange risk

The Company is not exposed to significant foreign exchange risk as it operates in Canada and makes few international transactions.

12. INCOME TAXES

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

	June 30, 2009	June 30, 2008
Loss before income taxes	\$ (1,046,617)	\$ (3,087,820)
Expected income tax (recovery)	\$ (316,602)	\$ (1,054,161)
Non-deductible expenses	151,933	815,690
Other	(128,698)	(280,839)
Unrecognized benefits of non-capital and operating loss	293,367	519,310
Actual income taxes	\$ -	\$ -

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

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12. INCOME TAXES (Continued)

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

	June 30 2009	June 30 2008
Future income tax assets		
Equipment	\$ 252,000	\$ 267,000
Non-capital and operating loss carry forwards	2,009,000	1,891,000
Share issue costs	186,000	352,000
Scientific research and development expenditures	1,228,000	752,000
Capital losses	<u>1,156,000</u>	<u>657,000</u>
	4,831,000	3,919,000
Future income tax liabilities		
Intangible assets	<u>(143,000)</u>	<u>-</u>
Net future income tax assets	<u>4,688,000</u>	<u>3,919,000</u>
Less valuation allowance	<u>(4,688,000)</u>	<u>(3,919,000)</u>
Net future income tax assets	<u>\$ -</u>	<u>\$ -</u>

The Company has not recorded the potential future income tax benefits for approximately \$7,424,000 of non-capital losses in Canada which expire through to 2029. Net 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 year ended June 30, 2009, 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 \$396,367 (2008 - \$517,341) to officers and directors of the Company.
- b) Paid consulting fees of \$43,200 (2008 - \$nil) to an officer of the Company.

During the year ended June 30, 2008, the Company received 5,584,169 common shares at a value of \$446,734 from a former director of the Company relating to the sale of OneMove UK (Note 3), which resulted in a gain of \$531,955.

As at June 30, 2009, the Company had \$45,468 (2008 - \$Nil) due to officers included in accounts payable and accrued liabilities, and \$39,313 due from a director and officer included in advances. As at June 30, 2008, the Company had recorded \$27,044 of advances due from a director and officer of the Company as receivables. During the year ended June 30, 2009, \$22,117 of receivables at June 30, 2008 were reversed out and treated as salaries and wages to the President and CEO.

Pursuant to an employment agreement with the president dated April 2009, the Company is committed to paying an annual salary of \$243,000, plus related benefits and a bonus based on net income, for the next three years. If the president is terminated, all the compensation due under the agreement to the end of the term will be due.

These transactions were in the normal course of operations and were measured at the exchange amount which represented the amount of consideration established and agreed to by the related parties.

ONEMOVE TECHNOLOGIES INC.

Notes to Consolidated Financial Statements

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14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash investing and financing transactions for the year ended June 30, 2009 are as follows:

- a) The reclassification of \$27,044 of employee advances from receivables to advances
- b) The application of \$107,100 of subscriptions receivable to share capital proceeds
- c) The issuance of shares pursuant to a private placement for \$48,240 of subscriptions receivable.

The significant non-cash investing and financing transactions for the year ended June 30, 2008 are as follows:

- a) The issuance of 28,500 common shares to settle an account payable and 236,000 common shares to settle a debt payment at an aggregate value of \$144,800 to two independent companies.
- b) The acquisition of \$162,712 of computer equipment through a capital lease.
- c) The receipt and cancellation of 5,584,169 common shares of a value of \$446,734 from the sale of OneMove UK (Note 3).

15. SEGMENT INFORMATION

The Company has one operating segment being internet-based software applications and related services related to the transfer of real estate in Canada.

16. SUBSEQUENT EVENTS

- a) In October 2009, the Company cancelled and released escrow shares pursuant to its voluntary escrow agreement (Note 8). Based on the Company's performance and the prescribed performance targets in the escrow agreement, a total of 809,447 shares were cancelled and 2,651,509 were released from escrow.
- b) In August 2009, the Company completed a non-brokered private placement where the Company issued 5,260,000 units at a price of \$0.05 per unit, for total proceeds of \$263,000. Each unit consisted of one common share and one share purchase warrant, exercisable at a price of \$0.075 for the first year and \$0.10 for the second and third year after issuance.
- c) In July 2009, the Company issued 641,558 common shares to settle accrued and deferred salaries of \$32,078, of which \$22,030 were due to directors and officers of the Company.
- d) In relation to the loans issued during the year ended June 30, 2009 (Note 6), the Company repaid \$65,000 of the outstanding principal. The Company also issued 312,500 common shares as a loan bonus to the loan holders, 156,000 common shares to the president of the Company as consideration for a personal guarantee and 250,000 common shares to settle debt accrued at June 30, 2009 of \$10,000 for a finance advisory fee in relation to the loans.