Sarah E. Kelly
Director, Operations
Office: (203) 286-0404
Email: Skelly@sunwavegas.com

Sunwave Gas & Power Inc.
20 Marshall Street, Suite 300
Norwalk, CT 06854
www.sunwavegas.com

October 29, 2013

Pennsylvania Public Utility Commission
Secretary
PO Box 3265
Harrisburg, PA 17105-3265

Application for Electric Supplier License for Sunwave Gas and Power Pennsylvania Inc.

Dear Secretary:

Sunwave Gas and Power Pennsylvania Inc. has enclosed within our application package the following requirements:

1. One original signed and verified copy of the electric supplier license application for Sunwave Gas and Power Pennsylvania Inc.;
2. One hard copy of the application;
3. CD-RM containing a searchable PDF copy of the application; and
4. Check for the application fee of $350.

Sunwave Gas and Power Pennsylvania Inc. has submitted and provided payment to the required newspapers for publishing our public notice. To date, we have obtained 3 out of 4 certification of publications however, we have included in our application package the receipt of payment for the publication we are still awaiting proofs from. We will file the remaining certification of publication as soon as it is received.

If you have any questions, please don't hesitate to call me at (203) 286-0404 or I can be reached via email at skelly@sunwavegas.com.

Sincerely,

Sarah E. Kelly
Director, Operations

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Sunwave Gas and Power Pennsylvania Inc. for approval to offer, render, furnish, or supply electricity or electric generation services as a(n)__*supplier of electricity*______ to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

1. IDENTIFICATION AND CONTACT INFORMATION

a. IDENTITY OF THE APPLICANT: Provide name *(including any fictitious name or d/b/a)*, primary address, web address, and telephone number of Applicant:

Sunwave Gas and Power Pennsylvania Inc.,
20 Marshall Street, Suite 300, Norwalk, CT 06854
Phone: 203-286-0404 Web: www.sunwavegas.com

b. PENNSYLVANIA ADDRESS / REGISTERED AGENT: If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

Corporation Services Company
2595 Interstate Drive, Suite
Harrisburg, PA 17110

c. REGULATORY CONTACT: Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

Sarah E. Kelly, Director, Operations
20 Marshall Street, Suite 300, Norwalk, CT 06854
Email: skelly@sunwavegas.com, Phone: 203-286-0404, Fax: 203-286-0588

d. ATTORNEY: Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

Sunwave Gas and Power Pennsylvania Inc. is not using an attorney

e. CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS: Provide the name, title, address, telephone number, FAX number, and e-mail of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

Customer Service number to be listed on the Commission`s website: 855-478-6928

Contact for resolving complaints filed with the EDC, PUC, or other agencies is as follows:
Sarah E. Kelly, Director, Operations
20 Marshall Street, Suite 300, Norwalk, CT 06854
Email: skelly@sunwavegas.com, Phone: 203-286-0404, Fax: 203-286-0588

2. BUSINESS ENTITY FILINGS AND REGISTRATION

a. FICTITIOUS NAME: *(Select appropriate statement and provide supporting documentation as listed.)*

☐ The Applicant will be using a fictitious name or doing business as ("d/b/a")

Provide a copy of the Applicant's filing with Pennsylvania's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

or

X The Applicant will not be using a fictitious name.

b. BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:
(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)

☐ The Applicant is a sole proprietor.

- If the Applicant is located outside the Commonwealth, provide proof of compliance with 15 Pa. C.S. §4124 relating to Department of State filing requirements.

or

☐ The Applicant is a:

☐ domestic general partnership (*)
☐ domestic limited partnership (15 Pa. C.S. §8511)
☐ foreign general or limited partnership (15 Pa. C.S. §4124)
☐ domestic limited liability partnership (15 Pa. C.S. §8201)
☐ foreign limited liability general partnership (15 Pa. C.S. §8211)
☐ foreign limited liability limited partnership (15 Pa. C.S. §8211)

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.
- Give name, d/b/a, and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.
- Provide the state in which the business is organized/formed and provide a copy of the Applicant's charter documentation.
- * If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa. C.S. §4124.

or

X The Applicant is a:

- ☐ domestic corporation (15 Pa. C.S. §1308)
- X foreign corporation (15 Pa. C.S. §4124)
- ☐ domestic limited liability company (15 Pa. C.S. §8913)
- ☐ foreign limited liability company (15 Pa. C.S. §8981)
- ☐ Other (Describe):

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above. See Exhibit 2(b-1)

- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation. See Exhibit 2(b-2)

- Give name and address of officers. See Exhibit 2(b-3)

3. AFFILIATES AND PREDECESSORS

(both in state and out of state)

a. AFFILIATES : Give name and address of any affiliate(s) currently doing business and state whether the affiliate(s) are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.
Sunwave Gas and Power Inc. located at 2225 Sheppard Ave E. Toronto, ON, Canada M2J 5C2 is an affilifate of the applicant, Sunwave Gas and Power Pennsylvania Inc., and is currntly is doing bussiness in Canada.

b. PREDECESSORS: Identify the predecessor(s) of the Applicant and provide the name(s) under which the Applicant has operated within the preceding five (5) years, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

Sunwave Gas and Power Pennsylania Inc. does not have any predecessors that have done business in Pennsylvania.

4. OPERATIONS

a. APPLICANT'S PRESENT OPERATIONS: *(select and complete the appropriate statement)*

☐ The Applicant is presently doing business in Pennsylvania as a

- ☐ municipal electric corporation
- ☐ electric cooperative
- ☐ local gas distribution company
- ☐ provider of electric generation, transmission or distribution services
- ☐ Other; Identify the nature of service being rendered.

or

☒ The Applicant is not presently doing business in Pennsylvania.

b. APPLICANT'S PROPOSED OPERATIONS: The Applicant proposes to operate as a (*may check multiple*):

- ☐ Generator of electricity
- ☒ Supplier of electricity
- ☐ Aggregator engaged in the business of supplying electricity
- ☐ Broker/Marketer engaged in the business of supplying electricity services
- ☐ Electric Cooperative and supplier of electric power
- ☐ Other (Describe):

Definitions

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

c. PROPOSED SERVICES: Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

Sunwave Gas and Power Pennsylvania Inc. plans to provide residential, commercial, and industrial customers with electricity supply products and services wtihin the Commonwealth of Pennsylvania. These services may included the provision of both fixed and variable price programs.

d. PROPOSED SERVICE AREA: Provide a list of each Electric Distribution Company for which the Applicant proposes to provide service.

PPL, PECO, and MetEd

e. CUSTOMERS: Applicant proposes to provide services to:

- ☐ Reidential Customers
- ☐ Small Commercial Customers - (25 kW and Under)
- ☐ Large Commercial Customers - (Over 25 kW)
- ☐ Industril Customers
- ☐ Governental Customers
- ☒ All of above
- ☐ Other (Describe):

f. PROPOSED MARKETING METHOD *(check all that apply)*

- ☒ Internal – Applicant will use its own internal resources/employees for marketing
- ☒ External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
- ☒ Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
- ☒ External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
- ☐ Other (Describe):

g. DOOR TO DOOR SALES: Will the Applicant be implementing door to door sales activities?

- ☐ Yes
- ☒ No

If yes, will the Applicant be using a Third Party Verification procedure?

- ☐ Yes
- ☐ No

If yes, describe the Applicant's Third Party Verification procedures.

h. START DATE: Provide the approximate date the Applicant proposes to begin services within the Commonwealth.

December 1, 2013

5. COMPLIANCE

a. CRIMINAL/CIVIL PROCEEDINGS: State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminl or civil proceeding within the last five (5) years.

Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such.

Sunwave Gas and Power Pennsylvania Inc., any of its affliate(s), predecessor(s) or any person(s) identified in this application has had no criminal or civil proceeding within the last 5 years.

b. SUMMARY: If applicable; provide a statement as to the resolution or present status of any such proceedings listed above.

Not applicable.

c. CUSTOMER/REGULATORY/PROSECUTORY ACTIONS: Identify all formal or escalated actions or complaints filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers, Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. If the Applicant has no actions or complaints to list, explicitly state such.

Sunwave Gas and Power Pennsylvania Inc. any of its affliate(s), predecessor(s) or any person(s) identified in this application have had no such actions or complaints.

d. SUMMARY: If applicable; provide a statement as to the resolution or present status of any actions listed above.

Not applicable.

6. PROOF OF SERVICE

(See attached at Appendix C)

a.) STATUTORY AGENCIES: Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, provide proof of service of a signed and verified Application with attachments on the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

b.) EDCs : Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, aprovide Proof of Service of the Application and attachments upon each of the Electric Distribution Companies the Applicant proposed to provide service in. Upo n review of the Application, further notice may be requ ired pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14. Contact information for each EDC is as follows.

Allegheny Power:
Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

PECO:
Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Duquesne Light:
Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

PPL:
Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Met-Ed, Penelec, and Penn Power:
Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

UGI:
UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

Citizens' Electric Company:
Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Pike County Light & Power Company:
Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

Wellsboro Electric Company:
Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

7. FINANCIAL FITNESS

a. BONDING: In accordance with 66 Pa. C.S. Section 2809(c)(1)(i), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant:
Sunwave Gas and Power Pennsylvania Inc. is respectfully requesting that upon approval of this Application, the Applicant will provide a $250,000 Security Bond (or LOC) in conformance with Exhibit D.

☐ Furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of $250,000.

☐ Furnishing the **original** (along with copies) of another initial security for Commission approval, to ensure financial responsibility.

☐ Filing for a modification to the $250,000 requirement and furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of $10,000. Applicant is required to provide information supporting an amount less than $250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.

- *At the conclusion of Applicant's first year of operation it is the intention of the Commission to tie security bonds to a percentage of Applicant's gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. The amount of the security bond will be reviewed and adjusted on an annual basis.*

- *Example version of a bond and letter of credit are attached at Appendix D & E, Applicant's security must follow language from these examples.*

- *Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.*

b. FINANCIAL RECORDS, STATEMENTS, AND RATINGS: Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:
See attached Exhibit 7(b)

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.

- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient)

- Applicant's accounting statements, including balance sheet and income statements for the past two years.

- Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.

- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.

- Audited financial statements exhibiting accounts over a minimum two year period.

- Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

c. ACCOUNTING RECORDS CUSTODIAN: Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.
Ray de Ocampo, Vice President, Finance, ONEnergy, Inc.
2225 Sheppard Ave. E., Suite 1600, Toronto, ON, Canada M2J 5C2
Phone: 647-253-2534, Fax: 647-253-2525, Email: rdeocampo@onenergyinc.com

d. TAXATION: Complete the TAX CERTIFICATION STATEMENT attached as Appendix F to this application.
See Appendix F

All sections of the Tax Certification Statement must be completed. Absence (submitting N/A) of any of the TAX identifications numbers (items 7A through 7C) shall be accompanied by supporting documentation or an explanation validating the absence of such information.

Items 7A and 7C on the Tax Certification Statement are designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.

8. TECHNICAL FITNESS:

To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided.

a.) EXPERIENCE, PLAN, STRUCTURE: such information may include:
See attached Exhibit 8(a)

- Applicant's previous experience in the electricity industry.
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.
- Type of customers and number of customers Applicant currently serves in other jurisdictions.
- Staffing structure and numbers as well as employee training commitments.
- Business plans for operations within the Commonwealth.
- Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.
- Any other information appropriate to ensure the technical capabilities of the Applicant.

b.) OFFICERS: Identify Applicant's chief officers including names and their professional resumes.
See attached Exhibit 8(b)

c.) FERC FILING: Applicant has:

☐ Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.

☐ Received approval from FERC to be a Power Marketer at Docket or Case Number ____________.

☒ Not applicable - Applicant will soon be submitting an application to FERC to become a Power Marketer.

9. DISCLOSURE STATEMENT:

Disclosure Statements: If proposing to serve Residential and/or Small Commercial (under 25 kW) customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix G to this Application.

- Electricity should be priced in clearly stated terms to the extent possible. Common definitions should be used. All consumer contracts or sales agreements should be written in plain language with any exclusions, exceptions, add-ons, package offers, limited time offers or other deadlines prominently communicated. Penalties and procedures for ending contracts should be clearly communicated.

See attached Appendix G

Not applicable for an applicant applying for a license exclusively as a broker/marketer.

---

10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS

a. PJM LOAD SERVING ENTITY REQUIREMENT: As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:

- proof of registration as a PJM Load Serving Entity (LSE), or
- proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application. *(Select only one of the following)*

☐ AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).

☒ AGREED - Applicant will provide compliance with this requirement within 120 days of receiving its license

☐ ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. STANDARDS OF CONDUCT AND DISCLOSURE: As a condition of receiving a license, Applicant agrees to conform to any Uniform Standards of Conduct and Disclosure as set forth by the Commission. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43.

☒ AGREED

c. REPORTING REQUIREMENTS: Applicant agrees to provide the following information to the Commission or the Department of Revenue, as appropriate:

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.

- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.

- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.

- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis:

- Applicant will be required to meet periodic reporting requirements as may be issued by the Commission to fulfill the Commission's duty under Chapter 28 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

☒ AGREED

d. TRANSFER OF LICENSE: The Applicant understands that if it plans to transfer its license to another entity, it is required to request authority from the Commission for permission prior to transferring the license. See 66 Pa. C.S. Section 2809(D). Transferee will be required to file the appropriate licensing application.

☒ AGREED

e. ASSESSMENT: The Commission does not presently assess Electric Generation Suppliers for the purposes of recovery of regulatory expenses; see *PPL Energyplus, LLC v. Commonwealth, 800 A.2d 360 (Pa. Cmwlth. 2002).*

☒ ACKNOWLEDGED

f. FURTHER DEVELOPMENTS: Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

☒ AGREED

g. FALSIFICATION: The Applicant understands that the making of false statement(s) herein may be grounds for denying the Applicati on or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

X AGREED

h. NOTIFICATION OF CHANGE: If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within twenty (20) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

X AGREED

i. CEASING OF OPERATIONS: Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

X AGREED

j. Electronic Data Interchange: The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at appendix J.

X AGREED

k. FEE: The Applicant has enclosed or paid the required initial licensing fee of $350.00 payable to the Commonwealth of Pennsylvania.

X PAYMENT ENCLOSED

11. AFFIDAVITS

a.) APPLICATION AFFIDAVIT: Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.
See Appendix A

b.) OPERATIONS AFFIDAVIT: Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.
See Appendix B

12. NEWSPAPER PUBLICATIONS

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. Below is a list of newspapers which cover the publication requirements for Electric Generation Suppliers looking to do business in Pennsylvania.

The newspapers in which proof of publication is required is dependent on the service territories the applicant is proposing to serve. The chart below dictates which newspapers are necessary for each EDC. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

Please file with the Commission the Certification of Publication, along with a photostatic copy of the notice to complete the notice requirements.

Proof of newspaper publications must be filed with the initial application. Applicants **do not** need a docket number in their publication. Docket numbers will be issued when all criteria on the item 14 checklist (see below) are satisfied.

	Duquesne	Met Ed	PECO	Penelec	Penn Power	PPL	UGI	West Penn	Entire Commonwealth
Philadelphia Daily News		X	X			X			X
Harrisburg Patriot-News		X		X		X		X	X
Scranton Times Tribune		X		X		X	X		X
Williamsport Sun Gazette				X		X		X	X
Johnstown Tribune Democrat				X				X	X
Erie Times-News				X	X				X
Pittsburgh Post-Gazette	X				X			X	X

(Example Publication is provided at Appendix H)

13. SIGNATURE

Applicant: Sunwave Gas and Power Pennsylvania Inc.

By: MARK J LEWIS

Title: DIRECTOR

Proof of Publication in The Philadelphia Daily News
Under Act. No 587, Approved May 16, 1929

STATE OF PENNSYLVANIA
COUNTY OF PHILADELPHIA

Florence Devlin being duly sworn, deposes and says that **The Philadelphia Daily News** is a newspaper published daily, except Sunday, at Philadelphia, Pennsylvania, and was established in said city in 1925, since which date said newspaper has been regularly issued in said County, and that a copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said newspaper on the following dates:

October 21, 2013

Affiant further deposes and says that she is an employee of the publisher of said newspaper and has been authorized to verify the foregoing statement and that she is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Florence Devlin

Sworn to and subscribed before me this 21st day of October, 2013.

Mary Anne Logan
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARY ANNE LOGAN, Notary Public
City of Philadelphia, Phila. County
My Commission Expires March 30, 2017

Copy of Notice of Publication

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Application of **Sunwave Gas and Power Pennsylvania Inc.** For Approval To Offer, Render, Furnish Or Supply Electricity Services As A Supplier Of Electric Power To The Public In The Commonwealth Of Pennsylvania.

Sunwave Gas and Power Pennsylvania Inc. will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity as a supplier of electric power. **Sunwave Gas and Power Pennsylvania Inc.** proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of **Sunwave Gas and Power Pennsylvania Inc.** may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to **Sunwave Gas and Power Pennsylvania Inc.** address listed below.

Sunwave Gas and Power
20 Marshall Street, Suite 300
Norwalk, CT 06854
Phone: (203) 286-0404
Fax: (203) 286-0585

The Patriot-News Co.
2020 Technology Pkwy
Suite 300
Mechanicsburg, PA 17050
Inquiries - 717-255-8213

The Patriot-News
Now you know

SUNWAVE GAS + POWER
20 MARSHALL STREET, SUITE 300

NORWALK CT 06854

THE PATRIOT NEWS
THE SUNDAY PATRIOT NEWS

Proof of Publication

Under Act No. 587, Approved May 16, 1929
Commonwealth of Pennsylvania, County of Dauphin} ss

Marianne Miller, being duly sworn according to law, deposes and says:

That she is a Staff Accountant of The Patriot News Co., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal office and place of business at 2020 Technology Pkwy, Suite 300, in the Township of Hampden, County of Cumberland, State of Pennsylvania, owner and publisher of The Patriot-News and The Sunday Patriot-News newspapers of general circulation, printed and published at 1900 Patriot Drive, in the City, County and State aforesaid; that The Patriot-News and The Sunday Patriot-News were established March 4th, 1854, and September 18th, 1949, respectively, and all have been continuously published ever since;

That the printed notice or publication which is securely attached hereto is exactly as printed and published in their regular daily and/or Sunday/ Community Weekly editions which appeared on the date(s) indicated below. That neither she nor said Company is interested in the subject matter of said printed notice or advertising, and that all of the allegations of this statement as to the time, place and character of publication are true; and

That she has personal knowledge of the facts aforesaid and is duly authorized and empowered to verify this statement on behalf of The Patriot-News Co. aforesaid by virtue and pursuant to a resolution unanimously passed and adopted severally by the stockholders and board of directors of the said Company and subsequently duly recorded in the office for the Recording of Deeds in and for said County of Dauphin in Miscellaneous Book "M", Volume 14, Page 317.

PUBLICATION COPY

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Application of Sunwave Gas and Power Pennsylvania, Inc. For Approval To Offer, Render, Furnish Or Supply Electricity Services As A Supplier Of Electric Power To The Public In The Commonwealth Of Pennsylvania.

Sunwave Gas and Power Pennsylvania, Inc. will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity as a supplier of electric power. Sunwave Gas and Power Pennsylvania, Inc. proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Sunwave Gas and Power Pennsylvania, Inc. may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Sunwave Gas and Power Pennsylvania, Inc. address listed below.

Sunwave Gas and Power
20 Marshall Street, Suite 300
Norwalk, CT 06854
Phone: (203) 286-0404
Fax: (203) 286-0588

This ad # 0002279118 ran on the dates shown below:

October 22, 2013

Marianne Miller

....

Sworn to and subscribed before me this 22 day of October, 2013 A.D.

Holly L. Warfel

Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Holly Lynn Warfel, Notary Public
Washington Twp., Dauphin County
My Commission Expires Dec. 12, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

No. Term, 19

PROOF OF PUBLICATION OF NOTICE IN THE WILLIAMSPORT SUN-GAZETTE UNDER ACT NO. 587, APPROVED MAY 16, 1929

STATE OF PENNSYLVANIA
COUNTY OF LYCOMING SS:

Bernard A. Oravec Publisher of the Sun-Gazette Company, publishers of the Williamsport, Sun-Gazette, successor to the Williamsport Sun and the Gazette & Bulletin, both daily newspapers of general circulation, published at 252 West Fourth Street, Williamsport, Pennsylvania, being duly sworn, deposes and says that the Williamsport Sun was established in 1870 and the Gazette & Bulletin was established in 1801, since which dates said successor, the Williamsport Sun-Gazette, has been regularly issued and published in the County of Lycoming aforesaid, and that a copy of the printed notice is attached hereto exactly as the same was printed and published in the regular editions of said Williamsport Sun-Gazette on the following dates, viz:

October 19, 2013

Affiant further deposes that he is an officer daily authorized by the Sun-Gazette Company, publisher of the Williamsport Sun-Gazette, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all the allegations in the foregoing statement as to time, place and character of publication are true.

Bernd A. Or

SUN-GAZETTE COMPANY

Sworn to and subscribed before me
the 22nd day of October 2013

Cathy A Billey
Notary Public

NOTARIAL SEAL
CATHY A. BILLEY, Notary Public
City of Williamsport, Lycoming County
My Commission Expires May 15, 2015

STATEMENT OF ADVERTISING COSTS

To the Sun-Gazette Company, Dr.:
For publishing the notice attached
hereto on the above state dates.................................$ 240.76
Probated same...$
Total...$ 240.76

LEGAL NOTICES

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

*Application of **Sunwave Gas and Power Pennsylvania, Inc.** For Approval To Offer, Render, Furnish Or Supply Electricity Services As A Supplier Of Electric Power To The Public In The Commonwealth Of Pennsylvania.*

Sunwave Gas and Power Pennsylvania, Inc. will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity as a supplier of electric power. ***Sunwave Gas and Power Pennsylvania, Inc.*** proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of ***Sunwave Gas and Power Pennsylvania, Inc.*** may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to ***Sunwave Gas and Power Pennsylvania, Inc.*** address listed below.

Sunwave Gas and Power
20 Marshall Street,

R[...] CEIPT FOR ADVERTISING COSTS

THE SUN-GAZETTE CO[...] wledges receipt of the aforesaid advertising and publication costs and certifies that the same [...].

[...]-GAZETTE COMPANY

BY Bernard A. Oravec

THE SCRANTON TIMES
ORDER CONFIRMATION

Salesperson: FRIEDMAN STEVE X5607 Printed at 10/28/13 11:27 by sfrie

---

Acct#: 589611	Ad#: 81367880 Status: N
SUNWAVE GAS & POWER	Start: 10/29/13 Stop: 10/29/13
20 MARSHALL STREET, SUITE 300	Times Ord: 1 Times Run: ****
NORWALK CT 06854	6COL 1.00 X 42.00 Words: 180
	Rate: CLL Cost: 197.10
	Class: X1010 LEGALS & PUBLIC NOTICES
Contact:	Descript: PENNSYLVANIA PUBLIC UTILI
Phone: (203)286-0404	Given by: *
Fax#:	Created: sfrie 10/28/13 11:25
Email: skelly@sunwavegas.com	Last Changed: sfrie 10/28/13 11:27
Agency:	

PUB	ZONE	ED	TP	START	INS	STOP	SMTWTFS
STTT	CL	3	W	10/29/13	1	10/29/13	SMTWTFS
STIN	INTR	3	W	10/29/13	1	10/29/13	SMTWTFS

AUTHORIZATION

Under this agreement rates are subject to change with 30 days notice. In the event of a cancellation before schedule completion, I understand that the rate charged will be based upon the rate for the number of insertions used.

Name (print or type)

Name (signature)

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Application of **Sunwave Gas and Power Pennsylvania Inc.** For Approval To Offer, Render, Furnish Or Supply Electricity Services As A Supplier Of Electric Power To The Public In The Commonwealth Of Pennsylvania.

Sunwave Gas and Power Pennsylvania Inc. will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity as a supplier of electric power. **Sunwave Gas and Power Pennsylvania Inc.** proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of **Sunwave Gas and Power Pennsylvania Inc.** may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O.
Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to **Sunwave Gas and Power Pennsylvania Inc.** address listed below.

Sunwave Gas and Power
20 Marshall Street, Suite 300
Norwalk, CT 06854
Phone: (203) 286-0404
Fax: (203) 286-0588

14. CHECKLIST

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

Applicant: Sunwave Gas and Power Pennsylvania Inc.

Applicant's Use		PUC Secretary's Bureau Use
X	**Signature**	
X	**Filing Fee**	
X	**Application Affidavit**	
X	**Operations Affidavit**	
TBU	**Proof of Publication**	
TBC	**Bond or Letter of Credit**	
X	**Tax Certification Statement**	
X	**Commonwealth Department of State Verification**	
X	**Certificate of Service**	

Appendix A

APPLICATION AFFIDAVIT

State of ___Connecticut ______________________________ :

: ss.

County of ____Fairfield________________________ :

_Mark J. Lewis________________, Affiant, being duly sworn according to law, deposes and says that:

That he is the Sole Director_______________(Office of Affiant) of Sunwave Gas and Power Pennsylvania Inc.;

That he is authorized to and does make this affidavit for said Applicant;

That the Applicant herein Sunwave Gas and Power Pennsylvania Inc. has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa. C.S. § 2809 (B).

That the Applicant herein Sunwave Gas and Power Pennsylvania Inc. has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

That the Applicant herein Sunwave Gas and Power Pennsylvania Inc. acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein Sunwave Gas and Power Pennsylvania Inc. acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief, and that he/she expects said Applicant to be able to prove the same at hearing.

____
Signature of Affiant

Sworn and subscribed before me this 29th day of October, 2013.

Patricia A. Curry
____
Signature of official administering oath

My commission expires April 30, 2016.

PATRICIA A. CURRY
NOTARY PUBLIC
MY COMMISSION EXPIRES APR. 30, 2016

Appendix B

OPERATIONS AFFIDAVIT

State of ___Connecticut ___________________________ :

: ss.

County of Fairfield____________________ :

_Mark J. Lewis______________, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

That he Sole Director (Office of Affiant) of Sunwave Gas and Power Pennsylvania Inc.;

That he is authorized to and does make this affidavit for said Applicant;

That Sunwave Gas and Power Pennsylvania Inc. the Applicant herein, acknowledges that Sunwave Gas and Power Pennsylvania Inc. may have obligations p ursuant to this Applicatio consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Con solidated Statutes; or with other applicable statutes or regulations in cluding Eme rgency Ord ers which may be is sued v erbally o r in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in PA.

That Sunwave Gas and Power Pennsylvania Inc., the Applicant herein, asserts that it possesses the requisite technical, managerial, a nd finan cial fitness to render electric service within the Commonwealth of Pennsylvania and th at the Applicant will abide by all applicable federal and state laws a nd regulations and by the decisions of the Pennsylvania Public Utility Commission.

That Sunwave Gas and Power Pennsylvania Inc., the Applicant he rein, certifies to the Commission that it is subject to, will pay, and in the past has paid, the full amou nt of taxes impos ed by Article s II and XI of the As of March 4, 1971 (P.L. 6, No. 2), known as the Tax Refo rm Act of 1971 and any tax impose d by Chapter 2 8 of Title 66. The Applicant acknowl edges th at failure to p ay su ch taxe s or otherwise comply wit h the taxatio n req uirements of Chapter 2 8, shall b e cau se for th e Commissio n to revo ke the licen se of t he Applicant. The Applicant acknowledges that it sh all repo rt to th e Com mission its ju risdictional G ross Receipts an d power sales for ultimate consumption, for the previous year or as otherwise required by th e Commission. The Applicant also acknowledges that it is subject to 66 Pa. C.S. §506 (relating to the inspection of facilities and records).

As p rovided by 66 Pa. C. S. §281 0 (C)(6)(iv), Applicant, by filing of this ap plication waives confidentiality with respect to it s state tax i nformation in the possession of the Department of Revenue, regardless of th e source of the information, and shall consent to the Department of Revenue providing that information to the Pennsylvania Public Utility Commission.

Appendix B (Continued)

That Sunwave Gas and Power Pennsylvania Inc., the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, §2 807 (C), §2807(D)(2), §2809(B) and the standards and billing practices of 52 PA. Code Chapter 56.

That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

Signature of Affiant

Sworn and subscribed before me this 29th day of October, 2013.

Patricia A. Curry

Signature of official administering oath

My commission expires April 30, 2016.

PATRICIA A. CURRY
NOTARY PUBLIC
MY COMMISSION EXPIRES APR. 30, 2016

Appendix C

CERTIFICATE OF SERVICE

On this the 29 day of October 2013 I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all attachments have been served upon the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Mark Lewis, Director
Sunwave Gas and Power Pennsylvania Inc.

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Exhibit 2(b-1)

Proof of compliance with appropriate Department of State filing for a foreign corporation (15 Pa. C.S. §4124)
(see next page)

Entity #: 4221627
Date Filed: 10/21/2013
Carol Aichele
Secretary of the Commonwealth

PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS

Application for Certificate of Authority

(15 Pa.C.S.)

Entity Number

X Foreign Business Corporation (§ 4124)
____ Foreign Nonprofit Corporation (§ 6124)

Corporation Service Company

852442-5

Commonwealth of Pennsylvania
CERTIFICATE OF AUTHORITY 3 Page(s)

T1329611359

Fee: $250

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations), the undersigned, hereby states that:

1. The name of the corporation is:
Sunwave Gas & Power Pennsylvania Inc.

2. *Complete only when the corporation must adopt a corporate designator for use in Pennsylvania.*
The name which the corporation adopts for use in this Commonwealth is:

3 *If the name set forth in paragraph 1 or 2 is not available for use in this Commonwealth, complete the following:*
The fictitious name which the corporation adopts for use in transacting business in this Commonwealth is:

The corporation shall do business in Pennsylvania only under such fictitious name pursuant to the attached resolution of the board of directors under the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) and the attached form DSCB:54-311 (Application for Registration of Fictitious Name).

4 The name of the jurisdiction under the laws of which the corporation is incorporated is: Delaware

5 The address of its principal office under the laws of the jurisdiction in which it is incorporated is:

Number and street	City	State	Zip
20 Marshall Street, Suite 300	Norwalk	CT	06854

6 The (a) address of this corporation's proposed registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:
(a) Number and street City State Zip County

(b) Name of Commercial Registered Office Provider	County
Corporation Service Company	Dauphin

2013 OCT 21 PM 12: 21
PA DEPT OF STATE

7 *Check one of the following*:

_X_ *Business Corporation*: The corporation is a corporation incorporated for a purpose or purposes involving pecuniary profit, incidental or otherwise.

____ *Nonprofit Corporation*: The corporation is a corporation incorporated for a purpose or purposes not involving pecuniary profit, incidental or otherwise.

8 Business corporations only. *Check any applicable statements:*

____ This corporation is organized on a nonstock basis.
____ This corporation is a statutory close corporation.
____ This corporation is a management corporation.
_X_ This corporation is a professional corporation.
____ This corporation is an insurance corporation.
____ This corporation is a benefit corporation.

IN TESTIMONY WHEREOF, the undersigned corporation has caused this Application for Certificate of Authority to be signed by a duly authorized officer thereof this 18th day of October, 20 13.

Sunwave Gas & Power Pennsylvania Inc.
Name of Corporation

Signature

Secretary
Title

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Exhibit 2(b-2)

Names and address of Officers
(see next page)

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Name and Address of Officers

Officers and Directors of Sunwave Gas & Power Pennsylvania Inc. (an indirect wholly-owned subsidiary of ONEnergy Inc.)

Sole director: Mark J. Lewis

President: Robert Weir

Secretary: Mark J. Lewis

The business address and telephone number for the above officers and director is:

Address: 2225 Sheppard Avenue East, Suite 1600, Toronto, ON M2J 5C2 Canada

Telephone: 1 (416) 444-4848

Officers and Directors of ONEnergy Inc.

Chairman of the Board of Directors: Stephen J.J. Letwin

Director: Lawrence Silber

Director: Stanley Hartt

Director: David Rattee

Chief Executive Officer: Mark J. Lewis

Chief Financial Officer: C. Fraser Elliott

Chief Operating Officer: Robert Weir

The business address and telephone number for the above officers and director is:

Address: 2225 Sheppard Avenue East, Suite 1600, Toronto, ON M2J 5C2 Canada

Telephone: 1 (416) 444-4848

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Exhibit 2(b-3)

Incorporated documentation of Sunwave Gas & Power Pennsylvania Inc.
(see next page)

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "SUNWAVE GAS & POWER PENNSYLVANIA INC.", FILED IN THIS OFFICE ON THE SEVENTEENTH DAY OF OCTOBER, A.D. 2013, AT 5:16 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

SECRETARY OF STATE 1776 DELAWARE 1970

Jeffrey W. Bullock, Secretary of State

5417195 8100

AUTHENTICATION: 0826516

131209507

DATE: 10-18-13

State of Delaware
Secretary of State
Division of Corporations
Delivered 05:30 PM 10/17/2013
FILED 05:16 PM 10/17/2013
SRV 131209507 - 5417195 FILE

STATE *of* DELAWARE
CERTIFICATE *of* INCORPORATION
A STOCK CORPORATION

- **First:** The name of this Corporation is Sunwave Gas & Power Pennsylvania Inc.
- **Second:** Its registered office in the State of Delaware is to be located at 2111 Centerville Road, Suite 400 Street, in the City of Wilmington, DE County of New Castle Zip Code 19808. The registered agent in charge thereof is Corporation Service Company.

Third: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

- **Fourth:** The amount of the total stock of this corporation is authorized to issue is 1000------------------------ shares (number of authorized shares) with a par value of $0.001-------------------- per share.
- **Fifth:** The name and mailing address of the incorporator are as follows:
  Name Mary Stawikey
  Mailing Address c/o CSC Entity Services, LLC
  Wilmington, DE Zip Code 19803
- **I, The Undersigned,** for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 16th day of October, A.D. 20 13.

BY: Mary S Stg
(Incorporator)

NAME: Mary Stawikey
(type or print)

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Exhibit 7(b): "Financial Records, Statements and Ratings"

The Applicant, Sunwave Gas & Power Pennsylvania Inc. ("Sunwave Pennsylvania") is a newly incorporated entity which is indirectly wholly-owned by ONEnergy Inc., a publicly-listed company whose shares are traded on the TSX-V exchange in Canada. Sunwave Pennsylvania was incorporated for the sole purpose of serving electric customers in Pennsylvania and as such has no operations to date.

ONEnergy Inc. was formed on July 9, 2013 following the acquisition of privately-held Sunwave Gas & Power Inc. by the former Look Communications Inc. The combined entity was re-named ONEnergy Inc. Sunwave Gas & Power Inc. and associated subsidiaries are the operating entities under the publicly-traded ONEnergy Inc. holding company.

As ONEnergy Inc. is also newly formed following the acquisition of Sunwave Gas & Power Inc., attached are what we believe are the most appropriate and relevant financial statements for the purposes of this Application. Specifically, attached are the following:

- The Look Communications Inc. Management Information Circular dated June 7, 2103 as filed with the Ontario Securities Commission. In particular we would draw your attention to Schedule J of this document, which incorporates the *pro forma* balance sheet for the combined Look Communications and Sunwave Gas & Power Inc.

- The fiscal fourth quarter 2013 quarterly statements for the period ending August 31, 2013 for ONEnergy Inc. as filed with the Ontario Securities Commission

LOOK COMMUNICATIONS INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on July 4, 2013

AND

MANAGEMENT INFORMATION CIRCULAR WITH RESPECT TO THE SPECIAL MEETING AND THE PROPOSED ACQUISITION OF SUNWAVE GAS & POWER INC. AND ISSUANCE OF $9 MILLION OF SHARES AT $0.14 PER SHARE

June 7, 2013

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the change of business described in this Circular.

June 7, 2013

Dear Shareholders,

The directors of Look Communications Inc. invite you to attend the special meeting of the shareholders of Look to be held on Thursday, July 4, 2013. At the Meeting, you will be asked to approve a transaction pursuant to which Look would acquire all of the issued and outstanding shares of Sunwave Gas & Power Inc., a privately-held provider of innovative energy commodity products and services based in Toronto, for consideration of $1 million payable in multiple and subordinate voting shares of Look, each valued at $0.14 per share. Detailed information regarding Sunwave and its business is provided in the accompanying information circular. Concurrently with the acquisition of Sunwave, Look would issue $9 million in multiple and subordinate voting shares, also valued at $0.14 per share, to a group of arm's length investors (other than C. Fraser Elliott, the Chief Financial Officer of Look).

This transaction is the culmination of a process of assessing a number of options for maximizing value for shareholders that has been ongoing since the current board took office in July of 2010. During that time, the board has engaged in negotiations with numerous third parties regarding a broad range of potential transactions that could provide enhanced liquidity to shareholders and/or that could result in Look once again pursuing an active business.

As previously announced, on December 18, 2012, Look entered into a support agreement with Robert Ulicki and Jeffrey Gavarkovs pursuant to which Messrs. Ulicki and Gavarkovs agreed to make an offer to acquire up to 45,000,000 multiple voting shares for $0.11 per share in cash. While the board made no recommendation to shareholders in connection with the offer, a special committee of independent directors approved the support agreement because the committee believed that shareholders should have the opportunity to consider for themselves whether to accept the offer, and because the committee believed that the offer might stimulate additional interest in a superior transaction involving Look.

Following execution of the support agreement, Look received a number of alternative transaction proposals from third parties. As a result, the Ulicki/Gavarkovs offer was delayed so that the board could pursue these alternative proposals with a view to determining whether it could negotiate a superior transaction for Look and its shareholders. The board, with the assistance of its advisors, engaged in extensive discussions with a number of these parties and negotiated more favourable terms for a number of these potential alternative transactions. The board then requested that each party submit its best and final offer so that the board could determine which transaction, if any, to recommend to shareholders.

As a result of this process, the board has concluded, having regard to all available alternatives, that the transaction described in the accompanying information circular is in the best interests of Look and provides the best prospect of maximizing returns to shareholders over the long term. Specifically, the board believes that the fact that a large group of arm's length investors is investing $9 million at a significant premium to the market price of Look's shares, the prospects for growth of Sunwave's business and the fact that the transaction is expected to result in Look graduating to Tier 1 of the TSX Venture Exchange, make this a highly compelling opportunity for shareholders. Accordingly, the board is unanimously recommending that shareholders vote in favour of the transaction. The detailed background to the transaction, and the full reasons for the board's determinations and recommendations, are described in the information circular. We encourage you to read the information circular carefully and in its entirety.

The board also believes that it would be in the best interests of Look and its shareholders to simplify Look's capital structure and eliminate the dual class share structure that was implemented in order to address foreign ownership restrictions applicable to broadcast undertakings, which are no longer relevant to Look's business. Accordingly, the board is also asking shareholders to approve a resolution that would result in the multiple and subordinate voting shares being consolidated into a single class of shares with one vote per share. The holders of multiple voting shares and subordinate voting shares (other than insiders) will also be asked to approve a resolution ratifying Look's existing dual class share structure in accordance with the policies of the TSX Venture Exchange. The transaction can proceed if either of these resolutions are approved. If both resolutions are approved, it is currently anticipated that Look will proceed with the first resolution, but the board retains the discretion to maintain the existing dual class share structure if it determines that it is in the best interests of Look to do so.

Your vote is important regardless of the number of shares you own. If you are a registered holder of multiple voting shares and/or subordinate voting shares, you are encouraged to take the time now to complete, sign, date and return the enclosed form of proxy in accordance with the instructions and prior to the deadline described in the information circular. If you hold your shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your shares.

Sincerely,

"*David A Rattee*"

David A. Rattee
Chairman of the Board of Directors

LOOK COMMUNICATIONS INC.

NOTICE OF THE SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 4, 2013

NOTICE IS HEREBY GIVEN THAT a special meeting of shareholders (the "**Meeting**") of LOOK COMMUNICATIONS INC. ("**Look**") will be held on Thursday, July 4, 2013 at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400 Toronto, Ontario for the following purposes and to transact any other business that may properly come before the Meeting and any postponement or adjournment thereof:

For the holders of both the multiple voting shares and subordinate voting shares of Look, voting together as a single class:

1. to consider and, if deemed advisable, to adopt an ordinary resolution, the full text of which is attached as Schedule "A" to the accompanying Management Information Circular (the "**Transaction Resolution**"), approving, among other things, the acquisition by Look of all of the issued shares of Sunwave Gas and Power Inc. ("**Sunwave**") and the concurrent issuance of 30,446,767 multiple voting shares and 33,838,947 subordinate voting shares in the capital of Look to a group of arm's length investors (other than C. Fraser Elliott, the Chief Financial Officer of Look).

AND in the event that the Transaction Resolution **<u>IS</u>** adopted, for the holders of subordinate voting shares and multiple voting shares of Look, voting together as a single class, excluding the votes attaching to shares held by promoters, directors, officers or insiders of Look, or their respective associates or affiliates:

2. to consider and, if deemed advisable, to adopt a resolution, the full text of which is attached as Schedule "B" to the accompanying Management Information Circular, ratifying the current capital structure of Look and authorizing the issuance of the multiple voting shares and the subordinate voting shares of Look pursuant to (i) the securities purchase agreement dated March 26, 2013 among Look, Sunwave and OZZ Clean Energy Inc. and (ii) the subscription agreements among Look and certain investors.

AND in the event that the Transaction Resolution **<u>IS</u>** adopted, for the holders of both the multiple voting shares and subordinate voting shares of Look, each voting separately as a class:

3. to consider and, if deemed advisable, to adopt a resolution, the full text of which is attached as Schedule "C" to the accompanying Management Information Circular, authorizing, among other things, an amendment to the articles of Look in order to change the designation of the subordinate voting shares in the capital of Look to common shares ("**Common Shares**") and to exchange the multiple voting shares in the capital of Look on a one-for-one basis into Common Shares.

AND in the event that the Transaction Resolution **<u>IS</u>** adopted, for the holders of subordinate voting shares and multiple voting shares of Look, voting together as a single class:

4. to consider and, if deemed advisable, to adopt a special resolution, the full text of which is attached as Schedule "D" to the accompanying Management Information Circular, changing the name of Look to "ONEnergy Inc." or such other name as may be approved by the board of directors of Look.

The accompanying Management Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice.

Only shareholders of record at the close of business on June 4, 2013 will be entitled to receive notice of and vote at the Meeting or any adjournment or postponement thereof. If you are unable to attend the Meeting in person, please date, sign and return the enclosed form of proxy. Proxies to be used at the Meeting must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 prior to 10:00 a.m. (Toronto time) on July 2, 2013.

If you are a non-registered shareholder of Look and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted at the Meeting.

DATED at Toronto, Ontario on June 7, 2013

BY ORDER OF THE BOARD OF DIRECTORS

"Grant McCutcheon"

Grant McCutcheon
Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

TABLE OF CONTENTS

INTRODUCTION

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth in the "*Glossary of Terms*".

This Circular is delivered in connection with the solicitation of proxies by or on behalf of the management of Look for use at the Meeting and any adjournments or postponements thereof. Look has not authorized any person to give any information or to make any representation in connection with the Transactions or any other matters to be considered at the Meeting other than those contained in this Circular. If any such information or representation is given or made, Shareholders should not rely on it as having been authorized or as being accurate. For greater certainty, to the extent that any information provided on Look's website is inconsistent with this Circular, Shareholders should rely on the information provided in this Circular.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own legal, tax, financial or other professional advisors.

Shareholders who hold Multiple Voting Shares and/or Subordinate Voting Shares through a broker, investment dealer, bank, trust company or other Intermediary should contact their Intermediary for instructions and assistance with voting their Multiple Voting Shares and/or Subordinate Voting Shares of Look that they beneficially own.

The information concerning Sunwave contained in this Circular has been provided by Sunwave and OCE. Although Look has no knowledge that would indicate that any statements contained in this Circular taken from or based upon such sources are untrue or incomplete, Look does not assume any responsibility for the accuracy or completeness of the information taken from or based upon such sources, or for any failure by Sunwave, OCE any of their affiliates or any of their respective representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Look. In accordance with the Purchase Agreement, Sunwave and OCE have provided Look with all necessary information concerning Sunwave that is required by law to be included in this Circular and ensured that such information does not contain any misrepresentations.

Information contained in this Circular is given as of June 7, 2013, unless otherwise stated.

All summaries of, and references to, the Purchase Agreement and the Subscription Agreements in this Circular are qualified in their entirety by the complete text of the Purchase Agreement and the form of the Subscription Agreement, as the case may be, which are available on SEDAR at www.sedar.com. Shareholders are urged to read carefully the full text of the these agreements.

Unless otherwise indicated, all currency amounts are stated in Canadian dollars.

FORWARD-LOOKING INFORMATION

Certain statements herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking statements or information include, but are not limited to, statements or information with respect to the completion of the Transactions and the future business and prospects of Sunwave, Look and the Resulting Issuer. Forward-looking statements or information also includes information contained in *pro forma* financial statements.

Forward-looking statements or information can generally be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. With respect to forward-looking statements and information contained herein, numerous assumptions have been made including among other things, Look's, Sunwave's and/or OCE's ability to satisfy the conditions in the Purchase Agreement and the Subscription Agreements, as well as the assumptions made in connection with the preparation of Look's *pro forma* financial statements. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Such risks, uncertainties and other factors include, among other things, the following: the failure to satisfy the conditions of closing in the Purchase Agreement and/or the Subscription Agreements, including obtaining the necessary shareholder and regulatory approvals; general economic and business conditions in Canada and globally; the ability of management to execute its business plan; levels of customer natural gas and electricity consumption; rates of customer additions, attrition and renewals; fluctuations in natural gas and electricity prices and interest and exchange rates; actions taken by governmental authorities, including energy marketing regulation, increases in taxes and changes in government regulations and incentive programs; dependence on suppliers; risks inherent in marketing operations, including credit risk; the availability of capital on acceptable terms; inability to obtain required consents, permits or approvals; incorrect assessments of the value of acquisitions; failure of Look to realize the anticipated benefits of the Transactions; failure of the Resulting Issuer to realize the anticipated benefits of any future acquisitions; volatility in the stock markets and in market valuations; competition for, among other things, customers, supply, capital and skilled personnel; and the other factors described under "Risk Factors" in this Circular. Although management of Look, Sunwave and OCE believe that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate.

Readers should also refer to Look's most recent interim and annual Management Discussion and Analysis for additional information on risks and uncertainties relating to forward-looking statements and information. Although Look has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Also, many of the factors are beyond the control of Look. Accordingly, readers should not place undue reliance on forward-looking statements or information. Look and the Resulting Issuer undertake no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof, except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

GLOSSARY OF TERMS

In this Management Information Circular, the following capitalized terms shall have the following meanings, in addition to other terms defined elsewhere in this Management Information Circular.

"**Access Gas**" has the meaning given thereto under "*Information Concerning Sunwave — General Development of the Business*".

"**Acquisition**" means the acquisition by Look of all of the issued and outstanding shares of Sunwave pursuant to the Purchase Agreement.

"**allowable capital loss**" has the meaning given thereto under "*Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada*".

"**Applicants**" has the meaning given thereto under "*Information Concerning Look — General Development of the Business — History*".

"**Board**" means Look's board of directors.

"**BP**" has the meaning given thereto under "*Information Concerning Sunwave — General Development of the Business*".

"**Business Day**" means any day, other than a Saturday or a Sunday, when Canadian chartered banks are open for business in the City of Toronto, Ontario.

"**Capital Reorganization**" means (a) the re-designation of the subordinate voting shares in the capital of Look to Common Shares, (b) the exchange the Multiple Voting Shares on one-for-one basis into Common Shares and (c) the removal of the Class A non-voting shares from the authorized capital of Look.

"**Capital Reorganization Resolution**" means the resolution in the form attached as Schedule "B" to this Circular authorizing an amendment to the articles of Look in order to give effect to the Capital Reorganization.

"**CBCA**" means the *Canada Business Corporations Act* and the regulations thereunder, as amended.

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada).

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Circular**" means this Management Information Circular, including all schedules and certificates attached hereto.

"**Claim**" has the meaning given thereto under "*Information Concerning Look — General Development of the Business — History*".

"**Closing**" means the time at which the Transactions become effective.

"**Common Shares**" means the class of shares in the capital of Look that would result from the re-designation of the Subordinate Voting Shares as "Common Shares", as contemplated in the Capital Reorganization Resolution.

"**Consideration Shares**" means, in the aggregate, 3,382,974 Multiple Voting Shares and 3,759,883 Subordinate Voting Shares, to be issued by Look to OCE pursuant to the Purchase Agreement.

"**Court**" means the Ontario Superior Court of Justice.

"**CRA**" means the Canada Revenue Agency.

"**Credit Facility**" has the meaning given thereto under "*Information Concerning Sunwave — Non-Arm's Length Transactions*".

"**December Offer**" has the meaning given thereto under "*The Transactions — Background to the Transactions*".

"**demand for payment**" has the meaning given thereto under "*Dissent Rights*".

"**dissenting shareholder**" has the meaning given thereto under "*Dissent Rights*".

"**Escrowed Shares**" has the meaning given thereto under "*Information Concerning the Resulting Issuer — Escrowed Securities*".

"**Excluded Shareholders**" means those Shareholders who must be excluded from the vote on the Ratification Resolution pursuant to Policy 3.5 of the TSX-V Corporate Finance Manual, including Shareholders who are promoters, directors, officers or insiders of Look, or their respective associates or affiliates.

"**Fixed Option Plan**" has the meaning given thereto under "*Information Concerning the Resulting Issuer — Resulting Issuer Option Plan*".

"**Holder**" has the meaning given thereto under "*Certain Canadian Federal Income Tax Considerations*".

"**IDX**" has the meaning given thereto under "*Information Concerning Look — Name and Incorporation*".

"**Intermediary**" has the meaning given thereto under "*General Proxy Information — Non-Registered Shareholders*".

"**LDC**" has the meaning given thereto under "*Information Concerning Sunwave — Operations — Customer Communication*".

"**Look**" means Look Communications Inc., a corporation governed by the laws of Canada.

"**Look Investors**" means the investors who are parties to the Subscription Agreements.

"**Meeting**" means the special meeting of Shareholders to be held at 10:00 a.m. (Toronto time) on Thursday, July 4, 2013 (or any adjournment or postponement thereof) to consider, among other matters, the Transaction Resolution, the Capital Reorganization Resolution, the Ratification Resolution and the Name Change Resolution.

"**Meeting Materials**" has the meaning given thereto under "*General Proxy Information — Non-Registered Shareholders*".

"**Multiple Voting Shares**" means the multiple voting shares in the capital of Look or any shares or other securities of Look into which the multiple voting shares are changed, exchanged, classified, reclassified, subdivided, consolidated or converted from time to time.

"**Name Change Resolution**" means the resolution in the form attached as Schedule "D" to this Circular authorizing an amendment to the articles of Look in order to change the name of Look to "ONEnergy Inc.".

"**Named Executive Officers**" has the meaning given thereto under "*Executive Compensation — Summary of Compensation*".

"**Non-Registered Shareholder**" has the meaning given thereto under "*General Proxy Information — Non-Registered Shareholders*".

"**Non-Resident Holder**" has the meaning given thereto under "*Certain Canadian Federal Income Tax Considerations — Non-Resident Holders*".

"**notice of dissent**" has the meaning given thereto under "*Dissent Rights*".

"**Notice of Meeting**" means the notice to Shareholders calling the Meeting, which accompanies this Circular.

"**NWT Announcement**" has the meaning given thereto under "*The Transactions — Background to the Transactions*".

"**OCE**" means OZZ Clean Energy Inc., a corporation governed by the laws of Ontario and the sole shareholder of Sunwave.

"**OCE Loan**" has the meaning given thereto under "*Information Concerning Sunwave — Non-Arm's Length Transactions*".

"**OEB**" means the Ontario Energy Board.

"**Offer**" has the meaning given thereto under "*General Proxy Information — Voting Securities and Principal Holders Thereof — Take-Over Bid Protection*".

"**Offer to Pay**" has the meaning given thereto under "*Dissent Rights*".

"**Operating Advances**" has the meaning given thereto under "*Information Concerning Sunwave — Non-Arm's Length Transactions*".

"**Option Plan**" means the stock option plan of Look as amended by the Board on January 13, 2005 and approved by Shareholders on February 16, 2005.

"**Option Shares**" means the Subordinate Voting Shares and any shares or securities of Look into which such Subordinate Voting Shares are changed, converted, subdivided, consolidated or reclassified.

"**OZZ Services Agreement**" means the services agreement in the form agreed to by Look, OCE and Sunwave.

"**POR**" has the meaning given thereto under "*Risk Factors — Risks Related to the Resulting Issuer — Risks Relating to the Commodity Market, Credit Market and Other Markets*".

"**Predecessor Look**" has the meaning given thereto under "*Information Concerning Look — Name and Incorporation*".

"**Pre-Amalgamation Look**" has the meaning given thereto under "*Information Concerning Look — Name and Incorporation*".

"**Private Placement**" means the issuance of the Private Placement Shares to the Look Investors in accordance with the terms and conditions of the Subscription Agreements.

"**Private Placement Shares**" means an aggregate of 30,446,767 Multiple Voting Shares and 33,838,947 Subordinate Voting Shares to be issued to the Look Investors pursuant to the Subscription Agreements.

"**Purchase Agreement**" means the securities purchase agreement dated as of March 26, 2013 among Look, Sunwave and OCE.

"**Ratification Resolution**" means the resolution ratifying the current capital structure of Look in the form attached as Schedule "B" to this Circular.

"**RCEs**" has the meaning given thereto under "*Information Concerning Sunwave — Description of the Business — Market Conditions*".

"**Record Date**" means June 4, 2013, being the date set by Look for determining Shareholders entitled to receive notice of and vote at the Meeting.

"**Registered Shareholder**" means a holder of record of Multiple Voting Shares and/or Subordinate Voting Shares of Look.

"**Resident Holder**" has the meaning given thereto under "*Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada*".

"**RESP**" means a registered education savings plan.

"**Resulting Issuer**" means Look as it will exist upon completion of the Transactions.

"**RiteRate**" has the meaning given thereto under "*Information Concerning Sunwave — Non-Arm's Length Transaction*".

"**RiteRate Services Agreement**" has the meaning given thereto under "*Information Concerning Sunwave — Non-Arm's Length Transactions*".

"**RRIF**" means a registered retirement income fund.

"**RRSP**" means a registered retirement savings plan.

"**SEDAR**" means System for Electronic Document Analysis and Retrieval.

"**Services Agreements**" means the OZZ Services Agreement and the RiteRate Services Agreement.

"**Shareholder**" means a holder of Multiple Voting Shares and Subordinate Voting Shares of Look.

"**Shell**" has the meaning given thereto under "*Information Concerning Sunwave — General Development of the Business*".

"**Special Committee**" has the meaning given thereto under "*The Transactions — Background to the Transactions*".

"**Sponsor**" means Brant Securities Limited.

"**Sub-Lease**" means sub-lease in the form agreed to by Look, OCE and Sunwave for the premises located on 16th Floor of 2225 Sheppard Avenue East, Toronto Ontario.

"**Subordinate Voting Shares**" means the subordinate voting shares in the capital of Look or any shares or other securities of Look into which the subordinate voting shares are changed, exchanged, classified, reclassified, subdivided, consolidated or converted from time to time.

"**Subscription Agreements**" means the subscription agreements between each of the Look Investors and Look providing for the Private Placement.

"**Sunwave**" means Sunwave Gas & Power Inc., a corporation governed by the laws of Canada.

"**Sunwave Named Executive Officers**" has the meaning given thereto under "*Information Concerning Sunwave — Executive Compensation*".

"**Sunwave Shares**" means the Class A shares in the capital of Sunwave.

"**Sunwave Subsidiaries**" means, collectively, Sunwave USA Holdings Inc., Sunwave Gas & Power New York Inc., Sunwave Gas & Power Massachusetts Inc. and Sunwave Gas & Power Illinois Inc., each a corporation governed by the laws of Delaware.

"**Support Agreement**" has the meaning given thereto under "*The Transactions — Background to the Transactions*".

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder.

“**taxable capital gain**” has the meaning given thereto under “*Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada*”.

“**Resident Holder**” has the meaning given thereto under “*Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada*”.

“**Transaction Resolution**” means the resolution approving the Transactions in the form attached as Schedule “A” to this Circular.

“**Transactions**” means the Acquisition and the Private Placement.

“**TSX**” means the Toronto Stock Exchange.

“**TSX-V**” means the TSX Venture Exchange.

“**UBS**” has the meaning given thereto under “*The Transactions — Background to the Transactions*”.

“**utility**” has the meaning given thereto under “*Information Concerning Sunwave — Operations — Customer Communication*”.

SUMMARY

The following is a summary of information relating to the Meeting, Look, Sunwave, the Resulting Issuer (assuming completion of the Transactions) and the Transactions and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular. This Summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere in this Circular.

The Meeting

The Meeting will be held on Thursday, July 4, 2013 at 10:00 a.m. (Toronto time) at the offices of Goodmans LLP, 333 Bay Street, Suite 3400 Toronto, Ontario. The date set by Look for determining Shareholders entitled to receive notice of and vote at the Meeting is June 4, 2013.

The Meeting is a special meeting where the Shareholders will be asked to approve the Transactions. The completion of the Transactions is conditional upon, among other things, the Shareholders having approved the Transaction Resolution and either the Capital Reorganization Resolution or the Ratification Resolution. If the Transaction Resolution is approved, Shareholders will be asked to consider each of the Capital Reorganization Resolution, the Ratification Resolution and the Name Change Resolution. If both the Capital Reorganization Resolution and the Ratification Resolution are approved, it is currently anticipated that Look will proceed with the Capital Reorganization. However, the Capital Reorganization Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to not proceed with the Capital Reorganization. The Board reserves the right, in the event that both the Capital Reorganization Resolution and the Ratification Resolution are approved, to not proceed with the Capital Reorganization. The Board will make its final determination based on all relevant factors, including the number of Multiple Voting Shares and Subordinate Voting Shares, if any, in respect of which dissent rights are exercised in connection with the Capital Reorganization Resolution. If the Shareholders adopt both the Capital Reorganization Resolution and the Ratification Resolution, Look will issue a press release as soon as practicable following the Meeting to inform the Shareholders whether or not the Capital Reorganization will be implemented. If the Shareholders adopt the Name Change Resolution, Look will proceed to change its name as soon as practicable after the Closing of the Transactions. The full text of the Transaction Resolution, the Ratification Resolution, the Capital Reorganization Resolution and the Name Change Resolution is set out in Schedule “A”, Schedule “B”, Schedule “C” and Schedule “D” to this Circular, respectively.

The resolutions to be passed at the Meeting require the following approvals:

1. *Transaction Resolution*: The affirmative vote of at least a majority of the votes cast by the Shareholders present in person or by proxy at the Meeting, voting as a single class;

2. *Ratification Resolution*: The affirmative vote of at least a majority of the votes cast by the Shareholders (other than Shareholders who are Excluded Shareholders) present in person or by proxy at the Meeting, voting as a single class. As of the date of this Circular, management of Look believes that the shares held by UBS Wireless Services Inc., Canyon Creek Management Services Inc., Arthur Silber and Lawrence Silber must be excluded from the vote on the Ratification Resolution. Accordingly, management is aware of 38,083,011 Multiple Voting Shares, or 57.56% of the currently issued and outstanding Multiple Voting Shares, and 44,702,818 Subordinate Voting Shares, or 60.79% of the currently issued and outstanding Subordinate Voting Shares, that must be excluded from the vote on the Ratification Resolution;

3. *Capital Reorganization Resolution*: The affirmative vote of not less than two thirds of the votes cast by the holders of the Multiple Voting Shares and Subordinate Voting Share present in person or by proxy at the Meeting, each voting separately as a class; and

4. *Name Change Resolution*: The affirmative vote of not less than two thirds of the votes cast by the Shareholders present in person or by proxy at the Meeting, voting as a single class.

The Transactions

Pursuant to the Purchase Agreement, Look will acquire all of the issued and outstanding Sunwave Shares from OCE for aggregate consideration of $1 million. The consideration for the Sunwave Shares will be satisfied through the issuance of 3,382,974 Multiple Voting Shares and 3,759,883 Subordinate Voting Shares, each valued at $0.14 per share. Concurrently with the execution of the Purchase Agreement, Look entered into the Subscription Agreements pursuant to which Look will issue 30,446,767 Multiple Voting Shares and 33,838,947 Subordinate Voting Shares, on a private placement basis, to the Look Investors at a price of $0.14 per share for aggregate subscription proceeds of $9,000,000. The Multiple Voting Shares and Subordinate Voting Shares to be issued pursuant to the Transactions will be issued in the same proportion as the number of Multiple Voting Shares and Subordinate Voting Shares currently outstanding. If Look's shareholders vote to approve the Capital Reorganization Resolution, Look will issue a number of Common Shares pursuant to the Transactions that is economically equivalent to the number of Multiple Voting Shares and Subordinate Voting Shares described above.

Each of the Acquisition and the Private Placement is conditional upon the completion of the other. The Transactions are also conditional upon TSX-V acceptance, Look's shareholders either approving Look's existing capital structure or voting to collapse the dual class share structure into a single class of Common Shares, in each case in accordance with applicable laws and the rules of the TSX-V.

Upon completion of the Transactions, Stanley H. Hartt and Stephen J.J. Letwin will be appointed as directors of the Resulting Issuer and will be joined on the Board by Lawrence Silber and David A. Rattee, two of the current independent directors of Look. Mark J. Lewis, a former director and the current Chief Executive Officer of OCE, will be appointed Chief Executive Officer of the Resulting Issuer, Robert Weir, President of Sunwave, will be appointed Chief Operating Officer of the Resulting Issuer and C. Fraser Elliott will serve as Chief Financial Officer and Corporate Secretary of the Resulting Issuer. Based on the terms of the Transactions, Look has applied to the TSX-V to have its listing graduated from the NEX Board to Tier 1 of the TSX-V. The completion of the Acquisition will constitute a "change of business" under the rules of the TSX-V.

The Transactions were negotiated by parties dealing at arm's length with each other and therefore they are not Non-Arm's Length Transactions (as defined by the policies of the TSX-V).

See "*The Transactions*".

Conditions to the Transactions Becoming Effective

The completion of the Transactions are subject to the satisfaction or waiver of a number of closing conditions in the Purchase Agreement and/or Subscription Agreements. For more information, see "*The Transactions — Purchase Agreement*" and "*The Transactions — Subscription Agreements*".

Stock Exchange Approval

The TSX-V has conditionally accepted the Transactions subject to Look fulfilling all of the requirements of the TSX-V.

Summary of Sunwaves's Business and the Business of Resulting Issuer

Sunwave is a licensed retailer of energy commodity products to the residential and commercial customer market segments in Ontario. Sunwave's business can be divided into three customer segments: residential, small commercial and large commercial. Sunwave offers each customer segment both natural gas and electricity products. Sunwave seeks to differentiate itself in the energy marketing business through: (1) innovation of both products and how they are sold; and (2) the integrity of its sales process.

A description of the assets, business and operations of Sunwave is presented in this Circular in the section entitled "*Information Concerning Sunwave*". Sunwave's audited financial statements for the fiscal year ending December 31, 2012 and unaudited financial statements for the interim period ended March 31, 2013 are attached as Schedule "H" to this Circular.

Information Concerning the Resulting Issuer

Look and OCE have agreed, subject to the approval of the Name Change Resolution by the Shareholders, to change the name of Look to "ONEnergy Inc.". Following completion of the Transactions, the Resulting Issuer's business, on a going forward basis, will be that of Sunwave's. See "*Information Concerning the Resulting Issuer*" herein for a description of the proposed business of the Resulting Issuer, and the unaudited *pro forma* balance sheet of Look contained in Schedule "J" to this Circular.

Available Funds and Principal Purposes

The following tables set out information respecting the Resulting Issuer's sources of cash and intended uses of such cash for the 18 months following completion of the Transactions. The amounts shown in the table are estimates only and are based upon the information available to Look and Sunwave as of the date hereof. The intended uses of such cash and/or the Resulting Issuer's development capital needs may vary based upon a number of factors.

Sources	Amount
Cash on Look balance sheet	$17,250,000
Proceeds from Private Placement	$9,000,000
Total Available Funds	$26,250,000

Anticipated use of Funds	Amount
Transaction costs associated with the Acquisition	$750,000
Estimated Sales Commissions(1)	$5,310,000
General and Administrative Costs	$4,644,000
Costs associated with U.S. Expansion	$230,000
Security deposits required by local distribution companies	$250,000
Unallocated working capital and potential acquisitions	$15,070,000

(1) Includes estimated commission to be paid to sales agents and sales distributors that the Resulting Issuer anticipates on contracting in order to achieve an increase in RCEs as set out in "*Information Concerning the Resulting Issuer — Description of the Business — Stated Business Objectives*".

Selected *Pro Forma* Consolidated Financial Information

The following tables summarize selected *pro forma* consolidated balance sheet information for the Resulting Issuer as at February 28, 2013. The information should be read in conjunction with the Resulting Issuer's *pro forma* balance sheet and related notes and other financial information included as Schedule "J" to this Circular.

	Look (unaudited) as at Feb. 28, 2013	Sunwave (unaudited) as at March 31, 2013	*Pro Forma* Adjustments	Resulting Issuer *Pro Forma* as at Feb. 28, 2013
Current Assets	$17,986,000	$3,871,000	$5,161,000	$27,018,000
Total Assets	$17,986,000	$4,062,000	$6,605,000	$28,653,000
Current Liabilities	$938,000	$951,000	$375,000	$2,264,000
Total Liabilities	$938,000	$6,220,000	$(4,832,000)	$2,326,000
Shareholders' Equity	$17,048,000	$(2,158,000)	$11,437,000	$26,327,000

Pro Forma Consolidated Capitalization and Fully Diluted Share Capital

The following table sets out the *pro forma* share capital of the Resulting Issuer, on a consolidated basis after giving effect to the Transactions:

Designation of Security	Amount Authorized	Amount outstanding after giving effect to the Transactions
Multiple Voting Shares	Unlimited number of Multiple Voting Shares	99,994,671
Subordinate Voting Shares	Unlimited number of Subordinate Voting Shares	111,135,424
Class A non-voting shares	Unlimited number of Class A non-voting shares	Nil
Long-term Debt	N/A	Nil

If the Capital Reorganization is implemented, the following table sets out the *pro forma* share capital of the Resulting Issuer, on a consolidated basis after giving effect to the Transactions:

Designation of Security	Amount Authorized	Amount outstanding after giving effect to the Transactions
Common Shares	Unlimited number of Common Shares	211,130,095
Long-term Debt	N/A	Nil

Stock Exchange Price

The Multiple Voting Shares and Subordinate Voting Shares are currently listed on the NEX Board of the TSX-V under the symbols "LOK.H" and "LOK.K", respectively. The closing price of the Multiple Voting Shares and Subordinate Voting Shares on the TSX-V on March 25, 2013, the day immediately prior to the announcement of the Transactions, was $0.10 each. In accordance with the policies of the TSX-V, both the Multiple Voting Shares and Subordinate Voting Shares have been subject to a trading halt since the announcement of the Transactions.

No public market exists for the Sunwave Shares.

Sponsorship

Pursuant to an agreement dated April 10, 2013, Brant Securities Limited, of 220 Bay Street, Suite 300, Toronto, Ontario M5J 2W4, has agreed to sponsor Look with respect to the Transactions. In consideration therefor, the Sponsor will receive a fee of $25,000 (before taxes) and will be reimbursed its reasonable expenses (including legal costs which will be a maximum of $14,500 before taxes and disbursements). As at the date of this Circular, Look has advanced to the Sponsor $12,500 plus taxes, representing partial payment of the sponsorship fee and a retainer for expenses, and $7,500 plus taxes, representing partial payment of the Sponsor's legal fees. The Sponsor is at arm's length to Look and Sunwave, and holds no securities in either Look or Sunwave.

Conflicts of Interest

As of the date of this Circular, to the best of its knowledge, Look is not aware of the existence of any conflicts of interest between Look and any of the directors or officers of Look, other than as disclosed in "*Information Concerning the Resulting Issuer — Directors, Officers and Promoters — Conflict of Interest*".

Interests of Insiders and Experts

Other than as set forth in the paragraph below, no insider, promoter or control person of Look, and none of their affiliates or associates, to the best of Look's knowledge, has any interest in the proposed Transactions.

Certain insiders and principals of Look hold Multiple Voting Shares and Subordinate Voting Shares and, as such, have an interest in the Transactions that is identical to all Shareholders of Look. Upon Closing of the Transactions, Lawrence Silber and David A. Rattee, two of the current independent directors of Look, will be appointed as directors of the Resulting Issuer and C. Fraser Elliott, the current Chief Financial Officer of Look, will be appointed as Chief Financial Officer and Corporate Secretary of the Resulting Issuer. In addition, C. Fraser Elliott is participating in the Private Placement by subscribing for 845,744 Multiple Voting Shares and 939,971 Subordinate Voting Shares.

The audited financial statements of Look as at and for the 12 month periods ended August 31, 2012, 2011 and 2010 have been incorporated in this Circular in reliance upon the reports of Grant Thornton LLP, independent chartered accountants, and upon the authority of such firm as experts in accounting and auditing. Grant Thornton LLP is independent of Look and Sunwave within the meaning of the applicable rules of professional conduct in Canada.

The audited financial statements of Sunwave as at December 31, 2012 and for the period then ended, have been incorporated in this Circular in reliance upon the reports of BDO Canada LLP, independent chartered accountants, and upon the authority of such firm as experts in accounting and auditing. BDO Canada LLP is independent of Look and Sunwave within the meaning of the applicable rules of professional conduct in Canada.

Risk Factors

An investment in the Resulting Issuer following completion of the Transactions involves a substantial degree of risk and should be regarded as speculative due to the early stage of the business of the Resulting Issuer. The risks, uncertainties and other factors, many of which are beyond the control of the Resulting Issuer, that could influence actual results include, but are not limited to: significant increases in the wholesale price of natural gas and electricity; exposure to commodity price and volumetric risks; exposure to credit risks; liquidity risk; dependence on wholesale energy suppliers; inability to meet contractual minimum volume thresholds; risk of default under wholesale commodity agreements; risks associated with commodity supply management; reliance on LDCs; general economic conditions in Canada and globally; competition for customers; customer acceptance; regulatory compliance and requirements to maintain applicable licenses; regulatory changes in utility service rates; limited historical data available to assess future performance; the ability of management to successfully manage the Resulting Issuer's business plans; historical performance may not be indicative of future performance; dependence on information systems and third party providers; inability to identify and complete strategic acquisitions; expansion risks; dependence on proposed managements; compliance risks; relationships with certain agents; dependence on certain agents for sales and marketing efforts; risks associated with actions of independent agents; litigation risks; failure of Look to realize the anticipated benefits of the Transactions; volatility in the stock markets and in market valuations; and the other factors described under "*Risk Factors*" in this Circular.

While this Circular has described the risks and uncertainties that management of Look and Sunwave believe to be material to Resulting Issuers' business, and therefore the value of the Multiple Voting Shares and Subordinate Voting Shares of Look, it is possible that other risks and uncertainties will arise or become material in the future.

Certain Canadian Federal Income Tax Considerations

A summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to Canadian Shareholders in respect of the Capital Reorganization are described under "*Certain Canadian Federal Income Tax Considerations*" in this Circular.

GENERAL PROXY INFORMATION

Record Date

Look has fixed June 4, 2013 as the Record Date for the purpose of determining shareholders entitled to receive notice of and to vote at the Meeting. Pursuant to the CBCA, Look is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to receive notice of and to vote at the Meeting as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the registered office of Look and at the Meeting.

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by management of Look for use at the Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by directors, officers or employees of Look. Costs of the solicitation of proxies for the Meeting will be borne by Look. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of Look who will not be directly compensated therefor. Look has arranged for intermediaries to forward meeting materials to beneficial holders held of record by those intermediaries and Look may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors and/or officers of Look. A Shareholder has the right to appoint as his or her proxy a person or company, who need not be a Shareholder, other than those whose names are printed on the accompanying form of proxy. A Shareholder who wishes to appoint some other person or company to represent him or her at the Meeting may do so either by inserting such other person's or company's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A Registered Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The revocation of a proxy, in order to be acted upon, must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 prior to 5:00 p.m. on the last Business Day immediately preceding the date of the the Meeting or any adjournment or postponement thereof, or with the Secretary of Look before the commencement of the Meeting or at any adjournment or postponement thereof.

Non-Registered Shareholders

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a Shareholder (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares of Look, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, Look has distributed copies of the Notice of Meeting and this Circular (collectively, the "**Meeting Materials**") to the Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders, and often use a service company (usually Broadridge Investor Services Inc.) for this purpose.

Non-Registered Holders will either:

(a) typically, be provided with a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. Non-Registered Holders must properly complete and sign the voting instruction form and submit it to the Intermediary or its service company in accordance with the instructions provided on the voting instruction form. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the internet or through a toll-free telephone number, in accordance with the instructions provided on the voting instruction form; or

(b) less commonly, be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to vote should properly complete the proxy form and submit it to Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 by no later than 10:00 a.m. (Toronto time) on July 2, 2013 or, if the Meeting is adjourned or postponed, not later than two Business Days before the Meeting or any subsequent adjournments or postponements thereof at which the proxy is to be used. The time limit for the deposit of proxies may be waived by the chairman of the Meeting at his discretion, without notice.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Multiple Voting Shares and Subordinate Voting Shares of Look which they beneficially own. Look intends to pay for Intermediaries to deliver proxy-related materials to “objecting beneficial owners” and Form 54-101F7 (the request for voting instructions), in accordance with National Instrument 54-101 *Proxy Solicitation*.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a form of proxy wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare Investor Services Inc. at the address set out above.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where, and by what means the voting instruction form or proxy form must be delivered.

Non-Registered Shareholders who wish to revoke their proxies must arrange for their respective Intermediaries to revoke their proxies on their behalf in accordance with the instructions of, and within the time limits established by, such Intermediaries.

Exercise of Discretion

The persons named in the form of proxy accompanying this Circular will vote or withhold from voting the Multiple Voting Shares and/or Subordinate Voting Shares in accordance with the instructions from the Shareholder, on any ballot that may be called for. If a choice is specified with respect to any matter to be acted upon, the Multiple Voting Shares and Subordinate Voting Shares will be voted accordingly.

Where no choice has been specified by the Shareholder, or if both choices have been specified, such Multiple Voting Shares and Subordinate Voting Shares will be voted in favour of the matters identified in the Notice of Meeting.

The enclosed form of proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the

Meeting. At the time of the printing of this Circular, management of Look knows of no such amendment, variation or other matter which may be presented to the Meeting.

Voting Securities and Principal Holders Thereof

As at the date hereof, there are 66,164,930 Multiple Voting Shares and 73,536,594 Subordinate Voting Shares of Look issued and outstanding. Each Multiple Voting Share entitles the holder thereof to 150 votes while each Subordinate Voting Share entitles the holder thereof to one vote. Based on the number of issued and outstanding shares as at the date hereof, the holders of the Subordinate Voting Shares hold in the aggregate approximately 0.7% of the aggregate voting rights attached to the issued and outstanding shares of Look.

Principal Shareholders

As at the date hereof, to the knowledge of Look, the following are the only persons who beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Multiple Voting Shares or Subordinate Voting Shares of Look:

Name	Number of Multiple Voting Shares	Percentage of Class	Number of Subordinate Voting Shares	Percentage of Class	Number of Issued Shares	Percentage of Total Issued Shares
UBS Wireless Services Inc.(1) Toronto, Ontario	12,434,478	18.8%	15,291,308	20.8%	27,725,786	19.8%
Canyon Creek Management Services Inc.(1) (2)	12,430,000	18.8%	14,630,000	19.9%	27,060,000	19.4%
Arthur Silber(1)	13,045,633	19.7%	14,656,510	19.9%	27,702,143	19.8%

(1) Based on publicly available filings.

(2) A corporation controlled by Mr. Andrew Kim.

Take-Over Bid Protection

As required by National Instrument 51-102 *Continuous Disclosure Obligations*, the following is a summary of the right of holders of Look's Subordinate Voting Shares to participate if a take-over bid is made for Look's Multiple Voting Shares.

In the event that an offer (the "**Offer**") is made to purchase Multiple Voting Shares of Look and the Offer is one which must, pursuant to applicable securities legislation, be made to all or substantially all the holders of Multiple Voting Shares of Look, each Subordinate Voting Share of Look will become convertible at the option of the holder, at any time commencing eight days after the Offer is made and ending at the expiration of the Offer, into one Multiple Voting Share of Look. The conversion right may be exercised only for the purpose of depositing the resulting Multiple Voting Shares in response to the Offer and the transfer agent and registrar of Look will deposit the resulting Multiple Voting Shares on behalf of the shareholder. No share certificates representing Multiple Voting Shares will be delivered to the shareholder in such circumstances.

If: (i) Multiple Voting Shares resulting from the conversion and deposited pursuant to the Offer are subsequently withdrawn by the shareholder or are not taken up by the offeror; or (ii) the Offer is abandoned or withdrawn by the offeror, such Multiple Voting Shares will be re-converted into Subordinate Voting Shares of Look and a share certificate representing the Subordinate Voting Shares will be sent to the shareholders by the transfer agent and registrar of Look.

In the event that the offeror takes up and pays for the Multiple Voting Shares resulting from conversion, the transfer agent and registrar of Look will deliver to the holders thereof the consideration paid for such shares by the offeror.

In light of the foregoing, there will be no right to convert Subordinate Voting Shares of Look into Multiple Voting Shares of Look in the following cases:

(a) the offeror is not required under applicable securities legislation or the rules of a stock exchange on which the Multiple Voting Shares of Look are then listed to be made to all or substantially all holders of Multiple Voting Shares who are in a province of Canada to which the legislation applies, that is, the Offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation;

(b) an offer to purchase Subordinate Voting Shares is made concurrently with the Offer to purchase Multiple Voting Shares and the two offers are identical with respect to price per share, percentage of outstanding shares for which the offer is made, and in all other material respects. The offer to purchase the Subordinate Voting Shares must be unconditional, subject to the exception that the offer for the Subordinate Voting Shares may contain a condition to the effect that the offeror not be required to take up and pay for Subordinate Voting Shares tendered in response to the offer if no shares are purchased pursuant to the contemporaneous Offer for the Multiple Voting Shares; or

(c) holders of Multiple Voting Shares representing, in the aggregate, more than 50% of the then outstanding Multiple Voting Shares of Look (excluding shares owned immediately prior to the Offer by the offeror and any party acting jointly or in concert with the offeror, as defined in the relevant securities legislation) certify to the transfer agent and registrar and to the Secretary of Look that they will not tender any shares in response to the Offer for the Multiple Voting Shares and such certificate is not withdrawn during the offer period.

BUSINESS OF THE MEETING

The completion of the Transactions is conditional upon, among other things, the Shareholders having approved the Transaction Resolution and either the Capital Reorganization Resolution or the Ratification Resolution. If the Transaction Resolution is approved, Shareholders will be asked to consider each of the Ratification Resolution, the Capital Reorganization Resolution and the Name Change Resolution. If both the Capital Reorganization Resolution and the Ratification Resolution are approved, it is currently anticipated that Look will proceed with the Capital Reorganization. However, the Capital Reorganization Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to not proceed with the Capital Reorganization. The Board reserves the right, in the event that both the Capital Reorganization Resolution and the Ratification Resolution are approved, to not proceed with the Capital Reorganization. The Board will make its final determination based on all relevant factors, including the number of Multiple Voting Shares and Subordinate Voting Shares, if any, in respect of which dissent rights are exercised in connection with the Capital Reorganization Resolution. If the Shareholders adopt both the Capital Reorganization Resolution and the Ratification Resolution, Look will issue a press release as soon as practicable following the Meeting to inform the Shareholders whether or not the Capital Reorganization will be implemented. If the Shareholders adopt the Name Change Resolution, Look will proceed to change its name as soon as practicable after the Closing of the Transactions.

Transaction Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to adopt the Transaction Resolution, the full text of which is attached as Schedule "A" to this Circular, approving, among other things, the Acquisition by Look of all of the outstanding Sunwave Shares and the concurrent issuance of 30,446,767 Multiple Voting Shares and 33,838,947 Subordinate Voting Shares to the Look Investors.

The Transaction Resolution must be approved by at least a majority of the votes cast by the Shareholders present in person or by proxy at the Meeting, voting as a single class.

Notwithstanding the foregoing, the Transaction Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to not proceed with the Transactions.

The Board unanimously recommends that Shareholders vote in favour of the Transaction Resolution. It is the intention of the nominees designated in the enclosed form of proxy to vote the shares in respect of which they are appointed proxy in favour of the Transaction Resolution, unless the Shareholder who has given such proxy has directed that the shares be otherwise voted.

Ratification Resolution

In the event that the Transaction Resolution is adopted, Shareholders will be asked to consider, and if deemed advisable, to adopt the Ratification Resolution, the full text of which is attached as Schedule "B" to the Circular, approving:

(a) the ratification of the current capital structure of Look; and

(b) the issuance of the Multiple Voting Shares and the Subordinate Voting Shares forming part of the Consideration Shares and the Private Placement Shares.

In order to be approved, the Ratification Resolution must be approved by at least a majority of the votes cast by the Shareholders (other than Shareholders who are Excluded Shareholders) present in person or by proxy at the Meeting, voting as a single class. As of the date of this Circular, management of Look believes that the shares held by UBS Wireless Services Inc., Canyon Creek Management Services Inc., Arthur Silber and Lawrence Silber must be excluded from the vote on the Ratification Resolution. Accordingly, management is aware of 38,083,011 Multiple Voting Shares, or 57.56% of the currently issued and outstanding Multiple Voting Shares, and 44,702,818 Subordinate Voting Shares, or 60.79% of the currently issued and outstanding Subordinate Voting Shares, that must be excluded from the vote on the Ratification Resolution.

Notwithstanding the foregoing, the Ratification Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to proceed with the Capital Reorganization if the Capital Reorganization Resolution is approved.

The Board unanimously recommends that Shareholders vote in favour of the Ratification Resolution. It is the intention of the nominees designated in the enclosed form of proxy to vote the shares in respect of which they are appointed proxy in favour of the Ratification Resolution, unless the Shareholder who has given such proxy has directed that the shares be otherwise voted.

Capital Reorganization

In the event that the Transaction Resolution is adopted, Shareholders will be asked to consider, and if deemed advisable, to adopt the Capital Reorganization Resolution, the full text of which is attached as Schedule "C" to the Circular, authorizing, among other things, an amendment to the articles of Look in order to:

(a) change the designation of the Subordinate Voting Shares to "Common Shares";

(b) exchange the issued and outstanding Multiple Voting Shares into Common Shares on a one-for-one basis; and

(c) remove the Multiple Voting Shares and Class A non-voting shares from the authorized capital of Look,

so that upon receipt of a certificate of amendment pursuant to the CBCA, the authorized capital of Look shall consist of an unlimited number of Common Shares and an unlimited number of preference shares. The amendment will not affect the preference shares which Look is authorized to issue. If the amendment is adopted by the Shareholders at the Meeting, the terms and conditions of the Common Shares shall be substantially similar to those of the Subordinate Voting Shares. A copy of the proposed share provisions for the Common Shares and preference shares is attached to this Circular as Schedule "E".

In order to be approved, the Capital Reorganization Resolution requires the affirmative vote of not less than two thirds of the votes of the holders of the Multiple Voting Shares and Subordinate Voting Shares present in person or by proxy at the Meeting, each voting separately as a class.

Notwithstanding the foregoing, the Capital Reorganization Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to not proceed with the Capital Reorganization.

If the Capital Reorganization Resolution is approved at the Meeting and Look determines to proceed with the Capital Reorganization, Look will mail to each registered Shareholder, a letter of transmittal and instruction letter. Shareholders of record will be requested to complete and return the letter of transmittal along with their Multiple Voting Shares certificates and/or Subordinate Voting Shares certificates to Computershare Investor Services Inc., who will issue and deliver to them certificates representing the Common Shares to which they are entitled.

The Board unanimously recommends that Shareholders vote in favour of the Capital Reorganization Resolution. It is the intention of the nominees designated in the enclosed form of proxy to vote the shares in respect of which they are appointed proxy in favour of the Capital Reorganization Resolution, unless the Shareholder who has given such proxy has directed that the shares be otherwise voted.

Name Change Resolution

In the event that the Transaction Resolution is adopted, Shareholders will be asked to consider, and if deemed advisable, to adopt the Name Change Resolution, the full text of which is attached as Schedule "D" to the Circular, authorizing an amendment to the articles of Look in order to change the name of Look to "ONEnergy Inc." or such other name as may be approved by the Board and the applicable regulatory authorities. The Resulting Issuer's stock symbol will also change to "OEG".

In order to be approved, the Name Change Resolution requires the affirmative vote of not less than two thirds of the votes cast by the Shareholders present in person or by proxy at the Meeting, voting as a single class. In addition, implementation of the Name Change Resolution is also subject to the approval of the TSX-V.

Notwithstanding the foregoing, the Name Change Resolution authorizes the Board, without further notice to or approval of the Shareholders, to elect to not proceed with filing articles of amendment in order to change the name of Look.

The Board unanimously recommends that Shareholders vote in favour of the Name Change Resolution. It is the intention of the nominees designated in the enclosed form of proxy to vote the shares in respect of which they are appointed proxy in favour of the Name Change Resolution, unless the Shareholder who has given such proxy has directed that the shares be otherwise voted.

THE TRANSACTIONS

Summary of the Transactions

Pursuant to the Purchase Agreement, Look will acquire all of the issued and outstanding Sunwave Shares for aggregate consideration of $1 million. The consideration for the Sunwave Shares will be satisfied through the issuance of 3,382,974 Multiple Voting Shares and 3,759,883 Subordinate Voting Shares, each valued at $0.14 per share. Concurrently with the execution of the Purchase Agreement, Look entered into the Subscription Agreements pursuant to which Look will issue 30,446,767 Multiple Voting Shares and 33,838,947 Subordinate Voting Shares, on a private placement basis, to the Look Investors at a price of $0.14 per share for aggregate subscription proceeds of $9,000,000. The Multiple Voting Shares and Subordinate Voting Shares to be issued pursuant to the Transactions will be issued in the same proportion as the number of Multiple Voting Shares and Subordinate Voting Shares currently outstanding. If Look's shareholders vote to approve the Capital Reorganization Resolution, Look will issue a number of Common Shares pursuant to the Transactions that is economically equivalent to the number of Multiple Voting Shares and Subordinate Voting Shares described above.

Each of the Acquisition and the Private Placement is conditional upon the completion of the other. The Transactions are also conditional upon TSX-V acceptance, Look's shareholders approving the Transactions, and either ratifying Look's existing dual class share structure or voting to collapse the dual class share structure into a single class of Common Shares, in each case in accordance with applicable laws and the rules of the TSX-V.

Upon completion of the Transactions, Stanley H. Hartt and Stephen J.J. Letwin will be appointed as directors of the Resulting Issuer and will be joined on the Board by Lawrence Silber and David A. Rattee, two of the current independent directors of Look. Mark J. Lewis, a former director and the current Chief Executive Officer of OCE, will be appointed Chief Executive Officer of the Resulting Issuer, Robert Weir, President of Sunwave, will be appointed Chief Operating Officer of the Resulting Issuer and C. Fraser Elliott will serve as Chief Financial Officer and Corporate Secretary of the Resulting Issuer. Based on the terms of the Transactions, Look has applied to the TSX-V to have its listing graduated from the NEX Board to Tier 1 of the TSX-V. The completion of the Acquisition will constitute a "change of business" under the rules of the TSX-V.

Upon completion of the Transactions, OCE. will own 3.4% of the Multiple Voting Shares and 3.4% of the Subordinate Voting Shares. Similarly, the Look Investors will collectively hold 30.4% of the Multiple Voting Shares and 30.4% of the Subordinate Voting Shares. Each of the Look Investors are at arm's length to Look (other than C. Fraser Elliott, the Chief Financial Officer of Look) and, to the knowledge of Look, none of them are acting jointly or in concert with one another with respect to their investment in Look.

Background to the Transactions

The decision of the Board to unanimously determine that the Transactions are in the best interests of Look and to recommend that Shareholders vote in favour of the Transaction Resolution were made following a process that was ongoing for several years and as a result of the evaluation and negotiation of the Transactions and the related agreements by Look's independent directors. The following is a summary of the material events that preceded the public announcement of the Transactions.

Following the sale of Look's spectrum and broadcast license in September of 2009 and the resignation of Look's former directors and executive officers en masse in July of 2010, the Board has pursued a strategy of seeking to preserve its capital, maximize the value of its remaining assets and assess available options for maximizing returns to shareholders, including opportunities to realize value for its principal non-cash asset of approximately $166 million in tax attributes. Throughout this process, the Board has engaged in discussions and negotiations with numerous third parties regarding a broad range of potential transactions.

Concurrently with the process of evaluating potential transactions, Look has sought to recover from certain former directors and officers of Look approximately $20.0 million of "restructuring awards" paid in 2009, of which approximately $15.7 million was paid to the directors and officers named in the claim, from the net proceeds of approximately $64.0 million realized by Look on the sale of its spectrum license in 2009. Look formally issued a statement of claim against these defendants in July of 2011 and has received statements of defence. Look has filed a reply and is continuing to vigorously pursue these claims.

On November 9, 2012, the Court issued an order approving a process by which Unique Broadband Systems Inc. ("**UBS**"), then Look's largest Shareholder, would seek offers for the purchase of all or part of the 24,846,578 Multiple Voting Shares and 29,921,208 Subordinate Voting Shares that UBS then indirectly held. In response, the Board formed a special committee of independent directors (the "**Special Committee**") to ensure that the interests of Look and its Shareholders (other than UBS) were taken into account, protected and advanced in the context of that process and to consider any alternatives to any transaction that may arise pursuant to or as a result of that process.

On December 18, 2012, Look entered into a support agreement (the "**Support Agreement**") with Robert Ulicki and Jeffrey Gavarkovs pursuant to which Messrs. Ulicki and Gavarkovs agreed to make an offer to acquire up to 45,000,000 Multiple Voting Shares for $0.11 per share in cash (the "**December Offer**"). The Special Committee determined that the December Offer was in the best interests of Look. While the Board did not make a recommendation to Shareholders with respect to the December Offer, the Special Committee approved the December Offer and the Support Agreement because the Special Committee believed that Shareholders should have the opportunity to consider for themselves whether to accept the December Offer, and because the Special Committee believed that the offer might stimulate additional interest in a superior transaction involving Look. In addition, based on available information, the Special Committee concluded that the UBS sales process was unlikely to result in a transaction that was available to Shareholders other than UBS. The Special Committee also concluded that the December Offer may not be available if Look waited until the UBS sales process, which had at that time been extended until at least January 10, 2013, was complete.

On January 8, 2013, an affiliate of NWT Uranium Corp. publicly announced an intention to make an all cash offer (the "**NWT Announcement**") to acquire up to 33,260,968 Multiple Voting Shares at a price of $0.125 per share. Look did not receive any communications from NWT regarding the NWT Announcement or the potential offer, and NWT ultimately did not proceed with the offer.

Following the public announcement of the December Offer and the NWT Announcement, Look received a number of proposals from third parties for alternative transactions, including a revised proposal from the principals of OCE. As a result of these proposals and the announcement of the NWT Announcement, Look agreed to amend the Support Agreement to delay the December Offer.

In accordance with the terms of the Support Agreement, Look, under the supervision of the Board and with the assistance of its advisors, met with a number of the third parties who had submitted an alternative proposal and carefully evaluated and negotiated each proposal that the Board believed could reasonably be expected to result in a transaction that was more favourable, from a financial point of view, to the December Offer. After the Board had received final offers from each of those parties, the Board determined that the proposal with respect to the Transactions had the greatest probability of leading to a transaction that was more favourable, from a financial point of view, than the December Offer, as well as the other alternative transaction proposals received by Look.

Over the following weeks, Look, under the supervision of the Board and with the assistance of its advisors, negotiated the terms of the Transactions with OCE and the Look Investors and their respective representatives. Among other things, Look negotiated an increase in the price of the Shares from $0.13 to $0.14 and negotiated more favourable non-financial terms than were contemplated by the initial proposal regarding the Transactions. In addition, Look engaged Grant Thornton to perform certain financial analyses to assist the Board in supporting an appropriate value for Sunwave. As a result of this process, the Board unanimously determined that it would be in the best interests of Look to terminate the Support Agreement with Messrs. Ulicki and Gavarkovs and to enter into the Purchase Agreement and the Subscription Agreements, and to recommend that Shareholders vote in favour of the Transactions.

On the morning of March 26, 2013, Look terminated the Support Agreement and paid the termination fee of $225,000. Subsequently, Look, Sunwave and OCE entered into the Purchase Agreement and Look and the Look Investors entered into the Subscription Agreements. The Multiple Voting Shares and Subordinate Voting Shares were halted from trading and the Transactions were publicly announced.

Recommendations of the Board

The Board has unanimously determined that the Transactions are in the best interests of Look and are fair to the Shareholders. Accordingly, the Board has unanimously approved the Transactions and recommends that Shareholders vote in favour of the Transaction Resolution.

Reasons for the Board's Recommendation

In making its determinations, the Board considered a number of substantive factors and benefits associated with the Transactions, the Purchase Agreement and Subscription Agreements:

1. The prospects and potential for growth (including both organic and inorganic) of Sunwave's business.

2. The Consideration Shares and the Private Placement Shares value the Multiple Voting Shares and Subordinate Voting Shares at $0.14 per share, which represents a significant premium to the market price of the shares as of the date immediately prior to the public announcement of the Transactions.

3. The fact that the Look Investors committed to invest $9,000,000 as part of the Transactions.

4. The pricing analysis applied by Grant Thornton supported the purchase price for Sunwave.

5. The experience and expertise of the new directors and officers that will be appointed upon completion of the Transactions.

6. Upon completion of the Transactions, it is anticipated that the Multiple Voting Shares and Subordinate Voting Shares (or the Common Shares, if the Capital Reorganization is implemented) will be listed on Tier 1 of the TSX-V, which will, among other things, enhance the liquidity of the Multiple Voting Shares and Subordinate Voting Shares and provide Look with greater flexibility in financing its operations and growth.

7. The consideration under the Acquisition is paid entirely in Multiple Voting Shares and Subordinate Voting Shares and does not require a cash payment by Look.

8. The Consideration Shares and the Private Placement Shares are being issued in the same proportions as the number of Multiple Voting Shares and Subordinate Voting Shares that are currently outstanding.

9. Look negotiated more favourable terms for the Transactions than were initially proposed by OCE and the Look Investors, including an increase in the price of the Multiple Voting Shares and Subordinate Voting Shares from $0.13 to $0.14.

10. Look is not required to pay any termination or similar payment in the event that the Transactions are not completed for any reason.

In making its determinations, the Board also observed that a number of procedural safeguards were and are present to permit the Board to represent effectively the interests of Look, the Shareholders and Look's other stakeholders, including the following:

1. The evaluation and negotiation process was conducted under the oversight of three directors who are independent of management and Look and who have no financial interest in the Transactions that is different from that of the Shareholders.

2. The directors met formally on numerous occasions, and the directors had additional informal conferences among themselves, and with their advisors.

3. The directors received legal advice from Goodmans LLP.

4. The directors received financial advice from Grant Thornton LLP.

5. UBS, with the assistance of its advisors, conducted a lengthy sales process for all of or part of the 24,846,578 Multiple Voting Shares and 29,921,208 Subordinate Voting Shares it then held resulting in the sale of 12,430,000 Multiple Voting Shares and 14,630,000 Subordinate Voting Shares at $0.14 per share in February 2013. The Board believes this sale is significant in establishing a fair market value for the Multiple Voting Shares and Subordinate Voting Shares.

In making its determinations, the Board also considered a variety of uncertainties, risks and other factors concerning the Transactions and the Purchase Agreement and Subscription Agreements (which the Board concluded were outweighed by the potential benefits described above), including the following:

1. Sunwave has a limited history of operations and there is no assurance that Sunwave will achieve the financial results anticipated by its management.

2. Risks associated with Sunwave's business, including those related to customer acquisitions and customer attrition, energy consumption, energy prices and gross margin per customer and the other risks described under "*Risk Factors*".

3. The fact that, unlike the December Offer, the Transactions do not provide existing Shareholders with the opportunity to immediately liquidate any portion of their Multiple Voting Shares and/or Subordinate Voting Shares (though the Board recognized that the issuance of the Consideration Shares and the Private Placement Shares, as well as the anticipated graduation of Look to Tier 1 of the TSX-V, is likely to enhance the liquidity of the Multiple Voting Shares and Subordinate Voting Shares following completion of the Transactions).

4. The fact that Look was required to pay a $225,000 termination fee to Messrs. Ulicki and Gavarkovs to terminate the Support Agreement and there is no assurance that the Transactions will be completed.

5. The nature of Look's material assets (other than cash), being its tax attributes and claims against certain former directors and officers, make it difficult to determine the fair market value of the Multiple Voting Shares and Subordinate Voting Shares, and Look did not obtain a valuation of the Multiple Voting Shares and Subordinate Voting Shares or an opinion as to whether a price of $0.14 per share is fair, from a financial point of view, to Shareholders (given the nature of Look's assets and the difficulty in determining a fair market value for the Multiple Voting Shares and Subordinate Voting Shares, the directors considered that the costs of any such valuation or opinion would outweigh the limited benefit to Shareholders).

6. Look was restricted by the terms of the Support Agreement from considering potential transactions other than those that were received on an unsolicited basis.

7. The limitations contained in the Purchase Agreement on Look's ability to solicit alternative transactions from third parties following execution of the Purchase Agreement.

8. The conditions to the parties' obligation to complete the Transactions and the rights of OCE and the Look Investors to terminate the Purchase Agreement and/or Subscription Agreements in certain circumstances.

9. Other risks associated with the parties' ability to complete the Transactions.

Securities Law Matters

The issue of the Consideration Shares and Private Placement Shares to OCE and the Look Investors, respectively, will be exempt from prospectus and registration requirements of applicable Canadian securities laws. All of such Consideration Shares and Private Placement Shares will be subject to a four-month hold period commencing on the date of Closing.

The officers and directors of Look, holding in the aggregate approximately 0.4% of the issued and outstanding Multiple Voting Shares and 0.3% of the issued and outstanding Subordinate Voting Shares, have indicated their support for the Transactions.

The Purchase Agreement

The Acquisition will be carried out pursuant to the Purchase Agreement. The following is a summary of the principal terms of the Purchase Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement, which has been filed by Look on SEDAR at www.sedar.com.

On March 26, 2013, Look, Sunwave and OCE entered into the Purchase Agreement pursuant to which the parties agreed that, subject to the terms and conditions set forth in the Purchase Agreement, Look would acquire all of the issued and outstanding Sunwave Shares from OCE. As a result of the Acquisition, Look will issue the Consideration Shares to OCE.

Mutual Conditions to the Acquisition Becoming Effective

The obligations of Look, OCE and Sunwave to complete the transactions contemplated by the Purchase Agreement are subject to the satisfaction of or compliance with, as of Closing, each of the following conditions:

(a) All necessary regulatory approvals, including the conditional approval of the TSX-V to the Acquisition, shall have been obtained on terms satisfactory to Look and OCE, each acting reasonably.

(b) The TSX-V shall have conditionally approved the listing of the Multiple Voting Shares and the Subordinate Voting Shares (including the Consideration Shares and the Private Placement Shares), in each case subject only to Look providing the TSX-V certain required documentation, as is customary.

(c) The Acquisition shall have been approved by the Shareholders in accordance with applicable Law and the rules of the TSX-V.

(d) The Shareholders shall have approved, in accordance with applicable Law and the rules of the TSX-V, either (i) the continuation of Look's existing capital structure and the issuance of the Consideration Shares and the Private Placement Shares, or (ii) an amendment to Look's articles pursuant to which the terms of the Multiple Voting Shares and/or Subordinate Voting Shares are amended to create a single class of Common Shares (with terms substantially equivalent to the existing terms of the Subordinated Voting Shares, unless OCE and Look otherwise agree).

(e) All of the conditions of closing set forth in each of the Subscription Agreements shall have been satisfied or waived in accordance with the terms of each of the Subscription Agreements and the transactions contemplated by the Subscription Agreements shall be completed contemporaneously with the Acquisition.

(f) If the Transactions are subject to the TSX-V's sponsorship requirements, a qualified brokerage firm acceptable to OCE and Look, acting reasonably, shall have agreed to sponsor the Transactions and shall have filed a sponsorship report satisfactory to the TSX-V. Alternatively, the Buyer shall have obtained from the TSX-V a waiver of the sponsorship requirement for the Acquisition.

(g) There shall have been no action taken under any applicable law or by any governmental authority which:

    (i) makes it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the completion of the Acquisition, or

    (ii) results or could reasonably be expected to result in an order of damages, directly or indirectly, relating to the Acquisition which is, or could be, materially adverse to Sunwave or Look, respectively, on a consolidated basis.

(h) Look shall have entered into the Sub-Lease.

(i) Look, OCE and Sunwave shall have entered into the Services Agreements.

Conditions to the Obligations of Look

The obligations of Look to complete the transactions contemplated by the Purchase Agreement are subject to the satisfaction of or compliance with, as of Closing, each of the following conditions:

(a) All representations and warranties of OCE (i) set forth in the Purchase Agreement (other than representations with respect to Sunwave's capitalization and OCE's title to the Sunwave Shares) shall be true and correct in all respects, without regard to any materiality or material adverse effect qualification contained therein, as of the Closing except where the failure or failures of such representations and warranties, individually or in the aggregate, to be so true and correct in all respects would not reasonably be expected to result in a material adverse effect to Sunwave, and (ii) with respect to Sunwave's capitalization and OCE's title to the Sunwave Shares shall be true and correct in all respects as of the Closing.

(b) OCE and Sunwave shall have performed or complied in all material respects with all of their respective obligations and covenants in the Purchase Agreement which are to be performed by them or complied with at or prior to Closing and each of OCE and Sunwave, respectively, shall deliver to Look at Closing a certificate signed by a senior officer of such party, in his or her capacity as an officer and not in his or her personal capacity, confirming the satisfaction of this condition.

(c) Since March 26, 2013, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public) any material adverse effect in respect of Sunwave.

(d) Neither Sunwave nor any of its subsidiaries shall have any indebtedness other than certain permitted indebtedness and the Credit Facility shall be repaid in the manner set forth in the Purchase Agreement.

(e) The loans Sunwave made to OCE shall have been repaid in full in the manner set forth in the Purchase Agreement.

Conditions to the Obligations of OCE

The obligations of OCE to complete the transactions contemplated by the Purchase Agreement are subject to the satisfaction of or compliance with, as of Closing, each of the following conditions:

(a) All representations and warranties of Look (i) set forth in the Purchase Agreement (other than representations with respect to the capitalization of Look and the Consideration Shares) shall be true and correct in all respects, without regard to any materiality or material adverse effect qualification contained therein, as of the Closing, except where the failure or failures of such representations and warranties, individually or in the aggregate, to be so true and correct in all respects would not reasonably be expected to result in a material adverse effect to Look, and (ii) with respect to the capitalization of Look and the Consideration Shares shall be true and correct in all respects as of Closing;

(b) Look shall have performed or complied in all material respects with all of its obligations, covenants and agreements in the Purchase Agreement which are to be performed or complied with by it at or prior to the Closing, and Look shall deliver to OCE at Closing a certificate signed by a senior officer of Look, in his or her capacity as an officer and not in his or her personal capacity, confirming the satisfaction of this condition.

(c) Since March 26, 2013, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public) any material adverse effect in respect of Look.

(d) Look shall have provided either (i) replacement security, in a form satisfactory to Shell, supporting the obligations of Sunwave in connection with the Base Contract for Sale and Purchase of Natural Gas between Shell and Sunwave, dated April 1, 2012 and the Master Swap Agreement between Shell and Sunwave, dated April 1, 2012, and Shell's release of an OCE related party from the Guarantee Agreements in a form satisfactory to the OCE related party, acting reasonably; or (ii) an indemnity in favour of the OCE related party in the form agreed to by OCE, Look and Sunwave.

Representations and Warranties

The Purchase Agreement contains representations and warranties made by OCE to Look and representations and warranties made by Look to OCE. These representations and warranties were made solely for purposes of the Purchase Agreement and may be subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms or which have been disclosed in the disclosure letters exchanged by Look and OCE upon entering into the Purchase Agreement. Moreover, some of those representations and warranties are subject to a contractual standard of materiality or material adverse effect qualification different from that generally applicable to public disclosure to Shareholders, or are used for the purpose of allocating risk between the parties to the Purchase Agreement. For the foregoing reasons, Shareholders should not rely on the representations and warranties contained in the Purchase Agreement as statements of factual information at the time they were made or otherwise.

Each of OCE and Look have made representations and warranties in the Purchase Agreement that are customary for a transaction similar to the Acquisition, including those relating to: organization; authority; execution; capitalization; and no violations.

Operation of the Businesses

In the Purchase Agreement, both Look and Sunwave have agreed to certain customary negative and affirmative covenants relating to the operation of their respective businesses during the period from the date upon which the Purchase Agreement was signed until the earlier of the Closing and the time at which the Purchase Agreement is terminated in accordance with its terms. Each of Look and Sunwave will, among other things: conduct their business in the ordinary course consistent with past practice, use commercially reasonable efforts to maintain their goodwill and preserve their business and their relationships with all customers, landlords, suppliers, employees, consultants and others having business relationships with them, use commercially reasonable efforts to maintain in force their current policies of insurance and pay all premiums in respect of such insurance policies that become due, and avoid taking any actions, refrain from taking any action, permit any action to be taken or not taken, inconsistent with the Purchase Agreement, which might directly or indirectly interfere or affect the consummation of the Acquisition.

Termination

The Purchase Agreement may be terminated at any time prior to the Closing by Look or OCE, as the case may be:

(a) by mutual consent of Look and OCE;

(b) by Look or OCE if:

    (i) Closing shall not have occurred by the date that is 180 days after the execution of the Purchase Agreement;

    (ii) if there shall be passed any applicable law that makes consummation of the Acquisition illegal or otherwise prohibited; or

    (iii) if a meeting of the Shareholders is held to consider the Acquisition and the shareholders fail to approve the Acquisition in accordance with applicable laws and/or the rules of the TSX-V;

(c) subject the notice periods and applicable cure periods, by Look if OCE or Sunwave shall have breached any of their respective representations, warranties, covenants or agreements described in paragraphs (a) and (b) under "*The Transactions - The Purchase Agreement - Conditions to the Obligations of Look*" would not be satisfied, provided that such breach has not been caused by the failure of Look to fulfill any of its obligations under the Purchase Agreement; or

(d) subject the notice periods and applicable cure periods, by OCE if Look shall have breached any of its respective representations, warranties, covenants or agreements described in paragraphs (a) and (b) under "*The Transactions - The Purchase Agreement - Conditions to the Obligations of OCE*" would not be satisfied, provided that such breach has not been caused by the failure of Sunwave or OCE to fulfill any of their respective obligations under the Purchase Agreement.

Post-Closing Reorganization

Look and OCE have agreed, subject to the approval of the Name Change Resolution by the Shareholders, to change the name of Look to "ONEnergy Inc.".

Covenants of Look Regarding Non-Solicitation

The Purchase Agreement provides that, except as otherwise contemplated by the Purchase Agreement (which includes seeking any required third party consents or approvals) or with the prior written consent of OCE, Look shall not directly or indirectly communicate with any person, other than OCE and Sunwave and the directors, officers, employees, agents and representatives of OCE and Sunwave, in respect of the issuance or transfer of any Multiple Voting Shares, Subordinate Voting Shares or the issuance or transfer of any other equity or debt securities of Look.

The Subscription Agreements

The Private Placement will be carried out pursuant to the Subscription Agreements. The following is a summary of the principal terms of the Subscription Agreements. This summary does not purport to be complete and is qualified in its entirety by reference to the Subscription Agreements, the form of which has been filed by Look on SEDAR at www.sedar.com.

On or after March 26, 2013, Look entered into a Subscription Agreement with each of the Look Investors pursuant to which Look agreed that, subject to the terms and conditions set forth in the Subscription Agreements, Look would issue 30,446,767 Multiple Voting Shares and 33,838,947 Subordinate Voting Shares, on a private placement basis, to the Look Investors at a price of $0.14 per share for aggregate subscription proceeds of $9,000,000.

Conditions Precedent to the Private Placement

Each of the Subscription Agreements provide that the obligations of the parties thereto to complete the transactions contemplated therein are subject to the satisfaction of or compliance with, as of Closing, each of the following conditions:

(a) the satisfaction or waiver of all of the conditions set forth in the Purchase Agreement;

(b) the substantially concurrent completion of the other subscriptions comprising the Private Placement in accordance with the terms of the other Subscription Agreements;

(c) the accuracy of the representations and warranties of the Look Investors and Look contained in the Subscription Agreement, as if such representations and warranties were made as of the time of Closing;

(d) the performance by each party of its respective covenants and obligations to be performed at or prior to the Closing;

(e) Look having obtained all required regulatory approvals to permit the completion of the sale of the Private Placement Shares;

(f) the Private Placement Shares having been conditionally approved for listing and posting for trading on the TSX-V, subject only to the completion of the Acquisition and Look providing the TSX-V certain required documentation, as is customary;

(g) the Look Investors having delivered to Look one manually signed and duly completed representation letter pursuant to which the Look Investors will represent that they meet the securities laws exemption requirements necessary to effect the transactions contemplated in the Subscription Agreement;

(h) the sale of the Private Placement Shares being exempt from the prospectus and registration requirements of applicable securities laws; and

(i) the Look Investors having properly completed, signed and delivered any other documents required by applicable securities laws which Look reasonably requests.

Representations and Warranties

Each Subscription Agreement contains certain customary representations and warranties of the Look Investors, including those relating to: authority; capacity; and no violations. The Subscription Agreements also contains limited representations and warranties of Look that are customary for a private placement transaction.

Indemnity

Pursuant to the Subscription Agreements, each Look Investor and Look will agree to indemnify the other party for any loss such party may incur as a result of a breach of any representation or warranty of the indemnifying party contained in the Subscription Agreement or in any document furnished therewith.

Stock Exchange Approval

The TSX-V has conditionally accepted the Transactions subject to Look fulfilling all of the requirements of the TSX-V.

INFORMATION CONCERNING LOOK

Name and Incorporation

Look Communications Inc. is governed by the CBCA and its head and registered office is located at 333 Bay Street, Suite 3400 Toronto, Ontario M5H 2S7.

Look Communications Inc. ("**Pre-Amalgamation Look**") was formed on October 31, 1999 through an amalgamation under the CBCA of Look Communications Inc. ("**Predecessor Look**") and I.D. Internet Direct Ltd. ("**IDX**"). Predecessor Look was itself the result of an amalgamation under the CBCA on April 30, 1998 of Look TV (Ontario) Inc. (incorporated on August 20, 1997) and Look Télé (Quebec) Inc. (incorporated on March 27, 1998). IDX commenced operations as an Internet service provider in January 1995. IDX was formed on January 25, 1999 through an amalgamation under the CBCA with its wholly-owned subsidiary, Canada Internet Direct Inc., 3564185 Canada Inc. (which owned the former Internet Direct division of Tucows Interactive Limited) and Toronto Internet Exchange Limited. IDX carried on its Internet business in Quebec through its wholly-owned subsidiary, Delphi SuperNet Inc.

In June 2003, Pre-Amalgamation Look filed articles of amendment in order to amend its share structure so as to create Class A non-voting shares in addition to the existing classes of common shares and preference shares. The amendment did not affect the preference shares. The Class A non-voting shares introduced were identical in all material respects to the common shares of Pre-Amalgamation Look, with the exception of the right to vote at meetings of Pre-Amalgamation Look's shareholders.

In February 2005, Pre-Amalgamation Look filed articles of amendment in order to amend its share structure whereby the Multiple Voting Shares were created and the outstanding common shares of Pre-Amalgamation Look were re-designated as the Subordinate Voting Shares. Effective April 2005, each outstanding common share was exchanged for one-half of a Multiple Voting Share and one-half of a Subordinate Voting Share, resulting in shareholders maintaining their respective voting and equity interests in Pre-Amalgamation Look. On January 1, 2006, Look was formed through an amalgamation under the CBCA of Pre-Amalgamation Look, Look Communications (East) Inc., Look Communications (West) Inc., 6054447 Canada Inc., 376850 Canada Inc., 3565602 Canada Inc. Edulook Corporation Inc., Canix Internet Exchange Ltd. and Internet Now Canada Inc.

General Development of the Business

History

During fiscal 2009, Look sold its spectrum and broadcast license to Inukshuk Wireless Partnership (a joint venture between Rogers Communications and Bell Canada).

Effective May 9, 2011, Look's listing was transferred from Tier 1 of the TSX-V to Tier 2 as a result of Look no longer having a significant interest in a business or primary asset used to carry on business.

On June 3, 2011 Look sold its land and building in Milton, Ontario for aggregate consideration of $3,050,000.

Effective Friday, November 25, 2011, Look's listing was transferred to the NEX Board of the TSX-V. The trading symbol for the Multiple Voting Shares changed from "LOK" to "LOK.H". The trading symbol for the Subordinate Voting Shares changed from "LOK.A" to "LOK.K".

On July 6, 2011, Look issued a statement of claim (the "**Claim**") in the Court against certain former directors and certain former officers of Look in connection with the payment of approximately $20 million of "restructuring awards" paid in 2009, of which approximately $15.7 million was paid to the directors and senior officers named in the Claim (or their personal holding companies, as applicable) from the net proceeds of approximately $64 million realized by Look on the sale of its spectrum license in 2009. The former officers and directors named in the Claim collectively resigned effective July 21, 2010. None of the allegations in the Claim have been proven before the Court. The defendants have filed statements of defence and Look has filed a reply.

On Friday, September 28, 2012, the Court dismissed applications and motions made by certain of Look's former officers and directors and personal service companies for interim advances to finance their costs of defending claims made against them by Look. An appeal of this order was heard on May 27 and 28, 2013 and the decision is currently under reserve.

Look continues to vigorously pursue its claims against the former directors and former officers named in the Claim (as well as their personal holding companies, as applicable) for payments, which Look believes were not in Look's or its shareholders' best interests.

On March 13, 2012, Look paid a distribution of an aggregate amount of $6,985,076.20 to the holders of its Multiple Voting Shares and Subordinate Voting Shares, on a *pro rata* basis, as a return of capital of $0.05 for each outstanding Multiple Voting Share and Subordinate Voting Share.

On December 24, 2012, Grant McCutcheon resigned as a director of Look, but remains the chief executive officer of Look.

To simplify reporting and reduce related costs, on December 28, 2012, Look's wholly-owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership and Delphi Supernet Inc. - were dissolved.

Other recent developments in the business of Look are discussed under "*The Transactions — Background to the Transactions*".

Selected Financial Information & Management's Discussion and Analysis

The following table presents selected financial information for Look for the periods indicated. This table should be read in conjunction with (i) the audited financial statements of Look for the years ended August 31, 2012 and 2011, (ii) the audited financial statements of Look for the years ended August 31, 2011 and 2010, and (iii) the unaudited interim financial statements of Look for the six months ended February 28, 2013 and February 29, 2012 and the respective notes thereto, which are attached in Schedule "F" to this Circular.

	As at and for the Six Months ended Feb. 28, 2013 ($)	**As at and for the Six Months ended Feb. 29, 2012 ($)**	**As at and for the Year ended Aug. 31, 2012 ($)**	**As at and for the Year ended Aug. 31, 2011 ($)**
Total Expenses	587	1,097	4,495	4,515
Amounts deferred in connection with the Transactions	—	—	—	—

Management's Discussion and Analysis of the financial condition and results of operations of Look for the fiscal years ended August 31, 2012 and 2011 and the six months ended February 28, 2013 and February 29, 2012 are included in Schedule "G" to this Circular.

Prior Sales

No Multiple Voting Shares, Subordinate Voting Shares or securities convertible into Multiple Voting Shares and Subordinate Voting Shares have been issued by Look during the 12-month period prior to the date of this Circular.

Description of Securities

The holders of Subordinate Voting Shares and Multiple Voting Shares are entitled to participate equally with each other as to dividends and Look shall pay dividends thereon, as and when declared by the Board out of monies properly applicable to the payment of dividends, in amounts per share and at the same time on all such Subordinate Voting Shares and Multiple Voting Shares at the time outstanding as the Board may from time-to-time determine. In the event of the liquidation, dissolution or winding-up of Look or other distribution of assets of Look among its Shareholders for the purpose of winding-up its affairs, all the property and assets of Look which remain after payment to the holders of any shares ranking in priority to the Subordinate Voting Shares, Class A non-voting shares and Multiple Voting Shares in respect of payment upon liquidation, dissolution or winding-up of all amounts attributed and properly payable to such holders of such other shares in the event of such liquidation, dissolution or winding-up or distribution, shall be paid and distributed equally, share for share, to the holders of the Subordinate Voting Shares and Multiple Voting Shares, without preference or distinction.

The holders of the Subordinate Voting Shares and the Multiple Voting Shares are entitled to receive notice of and to attend (in person or by proxy) and be heard at all meetings of the Shareholders of Look (other than separate meetings of the holders of shares of any other class of shares of Look or any other series of shares of such other class of shares) and to vote at all such meetings with each holder of Subordinate Voting Shares being entitled to one vote per Subordinate Voting Share held and each holder of Multiple Voting Shares entitled to 150 votes per Multiple Voting Share held at all such meetings.

None of the Multiple Voting Shares or the Subordinate Voting Shares may be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other classes are subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

For more information on the Multiple Voting Shares and Subordinate Voting Shares, see "*General Proxy Information — Voting Securities and Principal Holders Thereof*".

Stock Option Plan

Look has established the Option Plan, which may, in appropriate circumstances, be used to reward, retain and/or attract directors, employees, and consultants.

The Option Plan, as amended by the Board on January 13, 2005 and approved by shareholders on February 16, 2005, permits the Board, on the recommendation of the Compensation and Human Resources Committee, to grant stock options to directors, employees and consultants of Look. The maximum number of Subordinate Voting Shares reserved for issuance under the Option Plan is 17,460,912, representing approximately 12% of the outstanding shares of Look on a fully-diluted basis. The exercise price of stock options is determined by the Board at the time of grant but may not be less than the closing price of the Subordinate Voting Shares on the NEX Board of the TSX Venture Exchange on the day preceding the grant. At the time of granting stock options, the Board sets a vesting schedule. The maximum period during which a stock option may be exercised is ten years. Stock options under the Option Plan may be granted for the purchase of Subordinate Voting Shares only.

The Board determined to not grant any stock options during the fiscal years ended August 31, 2010, August 31, 2011 and August 31, 2012. There are currently no options issued under the Option Plan.

Upon Closing of the Transactions, it is anticipated that the Option Plan will be terminated and the Fixed Option Plan will be adopted by the board of directors of the Resulting Issuer.

Stock Exchange Price

The Multiple Voting Shares and Subordinate Voting Shares are currently listed on the NEX Board of the TSX-V under the symbols "LOK.H" and "LOK.K", respectively.

The closing price of Multiple Voting Shares and Subordinate Voting Shares on the NEX Board of the TSX-V on March 25, 2013, the day immediately prior to the announcement of the Transactions, was $0.10 each. The following table summarizes the high and low trading prices and volumes of the Multiple Voting Shares and Subordinate Voting Shares on the NEX Board of the TSX-V for each of the periods indicated:

	Multiple Voting Shares			Subordinate Voting Shares		
Month	**High ($)**	**Low ($)**	**Volume**	**High ($)**	**Low ($)**	**Volume**
June 1 – June 7, 2013(1)	N/A	N/A	N/A	N/A	N/A	N/A
May 1 – May 31, 2013(1)	N/A	N/A	N/A	N/A	N/A	N/A
April 2013(1)	N/A	N/A	N/A	N/A	N/A	N/A
March 2013	0.10	0.10	28,771	0.10	0.10	1,376
December 2012 – February 2013	0.115	0.08	673,690	0.13	0.085	466,089
September 2012 – November 2012	0.1	0.08	247,586	0.1	0.075	521,566
June 2012 – August 2012	0.12	0.075	271,728	0.09	0.075	569,907
March 2012 – May 2012	0.15	0.075	707,998	0.13	0.075	932,158
December 2011 – February 2012	0.15	0.11	235,728	0.15	0.11	248,808
September 2011 – November 2011	0.12	0.07	890,468	0.14	0.08	733,168
June 2011 – August 2011	0.15	0.09	1,153,207	0.14	0.1	1,360,333

(1) In accordance with the policies of the TSX-V, both the Multiple Voting Shares and Subordinate Voting Shares have been subject to a trading halt since March 25, 2013, the day the Transactions were announced.

Executive Compensation

Compensation Discussion and Analysis

The Compensation and Human Resources Committee is responsible for assisting the Board in its oversight of the compensation and assessment of Look's executives. The current members of the Compensation and Human Resources Committee are David Rattee (Chairman), Lawrence Silber, and Henry Eaton. For more information, see "*Information Concerning Look — Corporate Governance — Compensation*" below.

Look's executive compensation program serves the purpose of attracting, motivating and retaining the executives needed to achieve its corporate objectives. Look's compensation philosophy is to provide compensation that is appropriate in light of the current circumstances of Look. The primary objectives of the compensation program are to ensure that Look is able to attract and retain individuals that can assist the Board in pursuing the strategic goals of Look. These strategic goals currently include preserving its capital, maximizing the value of its remaining assets and assessing available options for maximizing returns to Shareholders.

Base salaries provide executives with fixed compensation that the Board believes is appropriate given the current circumstances of Look. These salaries are paid in accordance with formal agreements. The Compensation and Human Resources Committee also exercises discretion in determining whether to grant annual and/or long-term incentives to executives (and other employees) based on the work and accomplishments of the individual for the year under review.

In respect of the fiscal year ended August 31, 2012, the Board determined to not grant any incentive-based compensation to executives. Accordingly, Look's executives received only base salaries and other benefits that they were entitled to receive under their employment agreements. As of the date of this Circular, the Board has not granted any incentive-based compensation to executives.

Summary of Compensation

The following tables set out all annual and long-term compensation for services in all capacities to Look earned for the fiscal years ended August 31, 2010, August 31, 2011 and August 31, 2012 by the CEO and CFO of Look (collectively the "**Named Executive Officers**"). The table also includes all annual and long-term compensation for services in all capacities to Look earned for the six months ended February 28, 2013 by the Named Executive Officers. Look does not have any other "executive officers" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*).

Summary Compensation Table

Name and principal position	Year	Salary ($)	Share based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Grant McCutcheon Chief Executive Officer[1]	2013[2]	60,000	—	—	—	—	—	—	60,000
	2012	30,000[3]	—	—	—	—	—	—	30,000
	2011	—	—	—	—	—	—	—	—
	2010	—	—	—	—	—	—	—	—
C. Fraser Elliott Chief Financial Officer	2013[2]	37,500	—	—	—	—	—	7,221	44,721
	2012	75,000	—	—	—	—	—	—	75,000
	2011	43,269	—	—	—	—	—	—	43,269
	2010	—	—	—	—	—	—	—	—

(1) Grant McCutcheon served as acting Chief Financial Officer until C. Fraser Elliott was appointed Chief Financial Officer effective January 17, 2011.

(2) As of February 28, 2013.

(3) As a result of the termination of the management services agreement with Unique Broadband Systems Inc. on May 19, 2012, Grant McCutcheon's annual salary is now paid by Look in the amount of $120,000.

Termination and Change of Control Benefits

Effective January 17, 2011, C. Fraser Elliott was hired as Chief Financial Officer of Look. Look entered into a written employment agreement with Mr. Elliott on February 24, 2012. Pursuant to the terms of his employment contract, if Mr. Elliott is terminated for just cause he shall only be entitled to receive his basic salary and bonus which has accrued to the date of termination and remains unpaid. In the event that Mr. Elliott is terminated without just cause, then, in addition to his accrued and unpaid salary and bonus to the date of termination, he is entitled to a minimum of six months' written notice, or pay in lieu of such notice, subject to the execution of a release in favour of Look (if no release is executed, Mr. Elliott would only be entitled to the entitlements available to him under applicable employment legislation). Any options that may be held by Mr. Elliott will terminate 30 days after the date of termination. Assuming that Mr. Elliott had been terminated by Look without just cause on August 31, 2012, the incremental payments and other benefits that Mr. Elliott would have been entitled to receive are estimated to be $44,721.

Except as described above, Look is not currently a party to any contract or arrangement that provides payments to a Named Executive Officer following or in connection with any termination, resignation, retirement or a change of control of Look.

Directors' Compensation

All non-executive directors are entitled to receive annual compensation comprised of: (i) an annual flat fee of $25,000, payable quarterly (as well as a per diem fee of $500 for each meeting in excess of the eighth meeting in a fiscal year); and (ii) an annual flat fee of $2,000 payable quarterly for the Chairman of each committee of the Board.

Under Look's Option Plan, described above, directors may also be granted stock options from time to time by the Board on a discretionary basis.

David Rattee and Lawrence Silber each received $15,000 for their service as members of the Special Committee.

Compensation Paid to Directors during the Fiscal Year

The following table sets out the amounts earned as compensation to the directors for their services as directors during the fiscal year ended August 31, 2012 and for the sixth months ended February 28, 2013:

Name	Year	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Henry Eaton	2013[1]	6,250	—	—	—	—	—	6,250
	2012	29,000	—	—	—	—	—	29,000
David A. Rattee	2013[1]	7,250	—	—	—	—	15,000[2]	22,250
	2012	37,891	—	—	—	—	—	37,891
Lawrence Silber	2013[1]	6,250	—	—	—	—	15,000[2]	21,250
	2012	29,000	—	—	—	—	—	29,000

(1) As of February 28, 2013.

(2) Earned for their services as members of the Special Committee.

Securities Authorized For Issuance Under Equity Compensation Plans

The only equity compensation plan which Look has in place is the Option Plan. For more information on the Option Plan, see "*Information Concerning Look — Stock Option Plan*".

The following table sets out certain details as at the date hereof, with respect to compensation plans pursuant to which equity securities of Look are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by security holders	—	—	17,460,912
Equity compensation plans not approved by security holders	—	—	—
Total	—	—	17,460,912

Legal Proceedings

Other than as disclosed under "*Information Concerning Look — General Development of the Business*", Look is not aware of any material legal proceedings to which Look is a party or to which any of its property is subject, nor is Look aware that any such proceedings are contemplated.

Auditor, Transfer Agent and Registrar

Grant Thorton LLP, of Mississauga, Ontario is the auditor of Look. Computershare Investor Services at its office in the City of Toronto, Ontario, is the transfer agent and registrar for the Multiple Voting Shares and Subordinate Voting Shares.

Material Contracts

Except for contracts entered into in the ordinary course of business, the only material contracts to which Look is a party are the Purchase Agreement and Subscription Agreements, copies of which are available without charge under Look's SEDAR profile at www.sedar.com.

INFORMATION CONCERNING SUNWAVE

The following information describes the business of Sunwave and should be read together with the financial statements of Sunwave attached as Schedule "H" to this Circular.

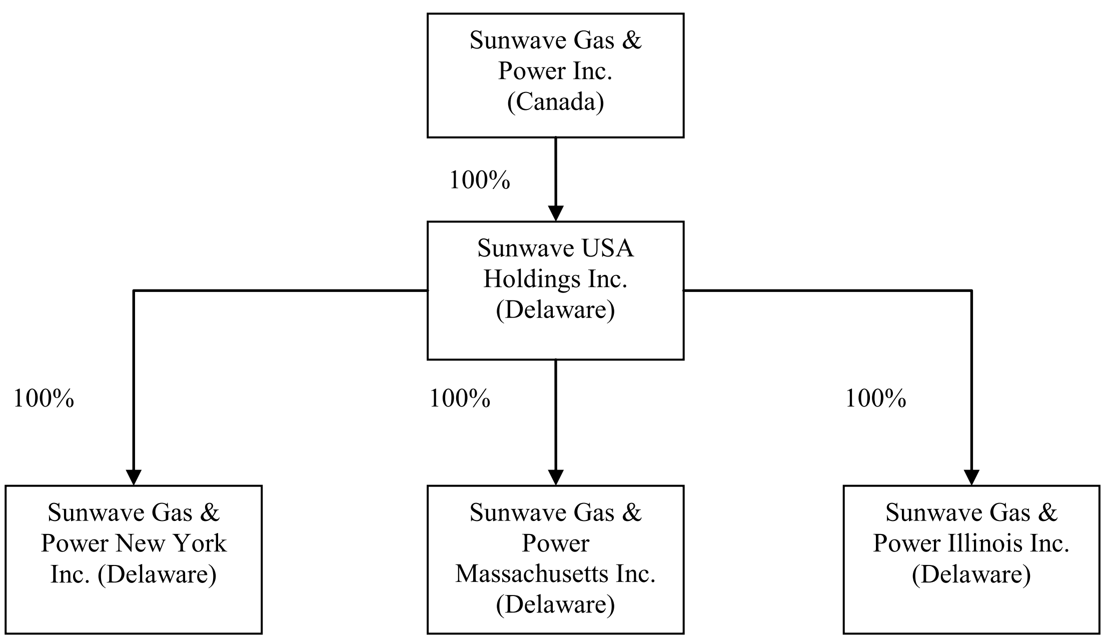
Name and Incorporation

Sunwave was incorporated under the CBCA on January 6, 2011 under the name Sunwave Gas Inc. Pursuant to articles of amendment dated September 22, 2011, Sunwave Gas Inc. changed its name to Sunwave Gas & Power Inc.

The head and registered office of Sunwave is 2225 Sheppard Avenue East, 16th Floor, Toronto, ON M2J 5C2.

Intercorporate Relationships

Sunwave has control or direction over the Sunwave Subsidiaries, being Sunwave USA Holdings Inc., Sunwave Gas & Power New York Inc., Sunwave Gas & Power Massachusetts Inc. and Sunwave Gas & Power Illinois. As of the date of this Circular, none of the Sunwave Subsidiaries have carried on or conducted any business. The diagram below outlines the ownership of the various Sunwave Subsidiaries, and the place of incorporation or continuance for each Sunwave Subsidiary.



General Development of the Business

Sunwave is a licensed retailer of energy commodity products to the residential and commercial customer market segments in Ontario.

Sunwave was incorporated on January 6, 2011. No active business was conducted by Sunwave prior to July 2011 when all of the outstanding shares of Sunwave were acquired by OCE.

In November 2011 Sunwave commenced natural gas commodity sales in Ontario to the large commercial customer segment.

In March 2012, Sunwave reorganized its internal operations and most of the then-current management team was terminated. New sales and operations personnel were recruited and new wholesale natural gas supply and electricity agreements were negotiated with BP Canada Energy Corp. ULC ("**BP**"), Access Gas Services (Ontario) Inc. ("**Access Gas**") and Shell Energy North America (Canada) Inc. ("**Shell**") (for more information, see "*Information Concerning Sunwave — Material Contracts*"). While Sunwave commenced natural gas commodity sales in November 2011, Sunwave did not begin supplying natural gas to the large commercial customer segment until May 2012. This delay was largely due to the time required to implement the wholesale supply agreements and to complete first enrolments with each of the respective LDCs.

In June 2012, the OEB granted Sunwave retail licenses for both natural gas, in the residential and small commercial consumer market segments, and electricity, in all market segments. The two OEB licenses held by Sunwave were granted for a period of five years commencing June 2012. In July 2012, Sunwave launched its electricity retail products to large commercial businesses.

Sunwave expanded its customer base to Ontario residential consumers in December 2012, launching its fixed rate unified gas and electric product, "Depend-a-Bill™".

Sunwave now serves customers in three distinct segments within the Ontario market: residential, small commercial and large commercial. There may be additional product launches that are driven by competition and/or market conditions, however, there will be no other segments served. Sunwave will continue to develop additional sales channels in 2013, which may include a referral program and affinity channel(s).

Sunwave expects to expand into one or two US markets in late 2013 and early 2014. It is currently anticipated that Sunwave will enter the Connecticut and New York markets as its first US market entries. The Connecticut and New York markets have been targeted by Sunwave for a variety of reasons, including the high level of retail energy adoption and switching by consumers and businesses, the fact that they are POR markets and that the relevant regulatory regimes favor retail energy competition. It is not currently anticipated that Sunwave will enter any additional Canadian markets.

Description of the Business

Principal Products

Sunwave's business can be divided into three customer segments: residential, small commercial and large commercial. Sunwave offers each customer segment both natural gas and electricity products. Sunwave will serve each of these segments in each market in which it intends to operate, although products will be tailored by market to address the specifics of each market such as customer preferences, competitive offerings, the levels of the local utility default rates and relevant regulatory requirements.

Residential

Sunwave's primary product in the Ontario residential market is sold under the brand name Depend-a-Bill™. Residential consumers pay a fixed price of $99 per month for both their natural gas and electricity supply, excluding transportation costs, regardless of consumption. Customers are required to provide historical consumption data to Sunwave before they enrol, and Sunwave has the option of declining applicants based on their consumption patterns. Sunwave currently offers the Depend-a-Bill™ on a five-year term.

Sunwave also offers its residential customers traditional fixed price contracts for natural gas and electricity products with terms from one to five years. Customers have the option to fix the price of the commodity for the selected term, which insulates customers from upward price movements common in traditional utility-supplied energy.

Sunwave launched its residential market in mid-December of 2012. Sunwave had no revenues from this segment in 2011 or 2012.

Small Commercial

Sunwave offers small commercial consumers indexed and fixed natural gas and electricity price programs with terms of one to five years with a contracted average of three to five years.

Sunwave launched its small commercial business coincident with its residential business in Mid-December of 2012. The small commercial customer segment is represented by those customers below the Ontario Consumer Protection thresholds of 150,000 kWh/year and 50,000 m^3/year respectively for electricity and natural gas. Sunwave had no revenues from this segment in 2011 or 2012.

Large commercial

Sunwave offers large commercial customers indexed and fixed natural gas and electricity price programs. These provide customers with budget certainty and flexibility. The terms of Sunwave's products range from one to five years. The fixed price products for customers with annual volumes in excess of 500,000 m^3 and 1,000,000 kWh per year are generally customized to the customer's specific load profile and size. Sunwave had $193,871 in revenues from this segment in 2012, and no revenues from this segment in 2011.

Operations

Contract Intake

All executed contracts are either scanned and submitted on the day of contract execution or physically delivered each Monday morning. The executed contracts are checked for completeness, scanned and then sent to a remote data entry clerk. All contracts are entered into the Sunwave customer management database.

Customer Communication

Sunwave engages in communications with its potential customers prior to finalizing the supply arrangement. Sunwave makes a welcome call to the potential customer within one-two Business Days of the contract execution date or, in cases where the contract is delivered to Sunwave, the date the contract is entered in the system. The welcome call provides Sunwave with an opportunity to: explain the contract processing steps to the customer, perform an initial screening of the customer and, where applicable, schedule a re-affirmation call, which is mandated by the OEB in respect of all customers (residential and commercial) with annual consumption below 50,000 m^3 and 150,000 kWh/ year respectively for electricity and natural gas. Only after a successful re-affirmation call is Sunwave permitted to enrol the customer contract for supply with the local utility.

A re-affirmation call cannot take place prior to the expiration of an OEB mandated ten day cooling off period. The re-affirmation call provides Sunwave with the opportunity to confirm the customer's desire to enrol in the program.

Where a customer affirms his/her desire to enrol during the re-affirmation call, Sunwave must submit enrollment requests with the applicable local distribution company ("**LDC**" or "**utility**"). Sunwave also requests historical usage information from the local utility to determine the contract annual volume. All communications with the LDCs are completed via an electronic hub. Enrollment with the LDC is required as Sunwave uses a utility billing service and does not bill directly. It can take the LDC anywhere from 45-90 days to enrol a Sunwave customer, and commence supply. In Sunwave's view, the utility billing system has advantages as the LDCs accept the accounts receivable risk, which reduces Sunwave's risk profile.

Back office and financial systems

Sunwave uses the Microsoft Dynamics platform for its customer relationship management/back office and financial systems. The Microsoft Dynamics platform is used to:

- Track all customer interactions from initial data input through e-mail communications and recording of all customer calls in the form of .WAV files (in compliance with all applicable data privacy laws);
- Track sales volumes;
- Generate and track agent commissions payable; and
- Produce accurate financial results for Sunwave including on a monthly, quarterly and annual basis.

Sunwave has retained Erth Corporation as its provider of electronic hub services. All electronic communications with utilities are completed through the hub. Erth also provides the billing engine for electric products, receiving the consumption data and calculating the bill amounts for submission to the relevant electric utilities.

Billing and Revenue Generation

Once energy has been delivered to a customer and billed through the LDC, Sunwave receives the revenue net of the wholesale cost of supply. In the case of electricity, Sunwave must settle with both the LDC and the wholesale supplier, as applicable. Sunwave receives the gross margin (fixed price less market spot price) from the LDC, and the settlement of wholesale supply hedges with the wholesale supplier (market spot price, less price of hedge) is netted plus/minus from the funds received from the LDC. In the case of natural gas sales, the revenue from billing is sent directly to Sunwave's applicable supplier, who nets off the applicable cost of supply and forwards the net proceeds (gross margin) to Sunwave. For more information on Sunwave's suppliers, see "*Information Concerning Sunwave — Description of the Business — Operations — Commodity Supply and Risk Management*" below.

Sunwave has executed service agreements with approximately 61 Ontario electric LDCs and the two major Ontario natural gas LDCs. The utility territories served by Sunwave encompass approximately 90% of Ontario's population.

Commodity Supply and Risk Management

Sunwave has wholesale agreements for the supply of natural gas with each of BP, Access Gas and Shell. The credit limits for these agreements are $500,000, $500,000 and $2,000,000, respectively. Sunwave has a wholesale agreement with Shell for the supply of electricity, and the credit limit for this agreement falls under the same credit limit as the natural gas supply detailed above. All wholesale commodity agreements are master supply agreements with transaction confirmations supporting each discrete commodity purchase.

Each of the BP and Shell supply agreements contain a minimum volumetric threshold, while there is no minimum volumetric threshold provision in the Access Gas supply agreement. To meet the volumetric thresholds in the BP and Shell agreements, Sunwave is required to aggregate customers representing a certain volume of commodity per order or, alternatively, to purchase commodity from the supplier for inventory and then sell to end customers from that inventory. The threshold requirement is driven by the standard functioning of the wholesale commodity markets and represents minimum trade lots. This minimum trade lot order volume placed by Sunwave with the commodity supplier represents the equivalent of roughly 200 RCEs. While volumetric order thresholds are common in the retail energy industry, should Sunwave be required to place an order for natural gas that is under the threshold requirements of either BP or Shell it has the flexibility to purchase from Access Gas. Sunwave expects to increasingly sell from inventory positions, which it believes to be prudent from a risk management perspective.

Sunwave does not bill customers directly for the energy it supplies. Sunwave customers are billed by a utility billing service, providing the advantage of covering the receivable risk associated with customer payment default.

In addition to wholesale supply agreements for natural gas and electricity, Sunwave is a party to a separate agreement with Shell for the purchase of renewable energy credits.

Market Fluctuation

Sunwave is generally not materially exposed to changes in market prices either upwards or downwards from a realized margin perspective. While a change in market price may impact customer buying behaviour, the price Sunwave offers to prospective customers reflects the then current market conditions and supply volumes are hedged to match sale obligations. Thus, Sunwave's only supply portfolio exposure is its net open position, which will generally be less than 10% of the customer's historical usage profile. However, Sunwave does take volume risk with respect to its Depend-a-Bill™ residential program and its commercial gas products and , in the case of both of these products, Sunwave accepts the consumption risk as compared to the prior 12 months historical usage. In the case of natural gas, the physical delivery system provides flexibility to balance and manage risk. In the case of the Depend-a-Bill™ product, Sunwave has the option to exit the contract should the product become unprofitable. In both cases, however, appropriate premiums are modelled into the price offered to customers to manage the seasonal consumption risk. In the event that there is an unexpected and significant change in law or regulation, Sunwave has provisions in all customer contracts that allow Sunwave to pass any negative impact through to its customers.

Specialized Skill and Knowledge

Specialized knowledge of the physical delivery and utility transaction management systems is required to process, enrol and invoice Sunwave's customers through the utility billed programs. The management of Sunwave's wholesale supply book is an essential task in the management of risk and the realization of gross margin as compared to the as-priced margin of customer contracts. Custom built pricing and portfolio models are utilized to develop Sunwave's price and margin models. Sunwave's aggregated supply obligation is modelled and monitored for seasonal variations and variations in weather. Sunwave will generally seek to hedge, on a seasonally shaped basis, at least 90% of the aggregated historical profile of its customer base.

Regulatory Environments

The Ontario retail energy market is regulated by the Ontario Energy Board (the "**OEB**"). Most deregulated retail energy markets in Canada and the US, including Ontario, are well established and enjoy a level of regulatory stability.

The OEB requires retailer licensing for both natural gas and electricity sales to the residential market, and for sales of electricity to all other customer segments. The OEB does not impose any restrictions or license requirements to supply natural gas to large commercial consumers.

Retail market participants in all electricity market segments, and the small commercial and the residential natural gas market segments, are subject to a number of OEB regulatory requirements. In addition to re-affirmation calls, a retailer must present two documents to a prospective customer: a disclosure document and a price comparison document. Both the content and form of these documents is regulated by the OEB. The sales agent must also present a business card to the prospective customer. All sales agents that sell to consumer protected market segments must be trained, pass a test and wear a badge. The form of badge is regulated by the OEB.

The OEB has the right to monitor and approve the sales channels of a retailer, for example, direct sales, internet sales or web-based sales. However, the OEB does not impose any product restrictions.

In addition to the OEB imposed requirements regarding sales agents, Sunwave completes a thorough background check on all commissioned sales agents.

Markets in the US are regulated at the state level, generally by the state department of energy or a public utilities commission. The specific regulatory requirements for energy retailers vary by state, but in general the licensing of retailers to serve residential and some or all commercial segments for both natural gas and electricity is required. Some states, including Connecticut, also require the posting of security in the form of a bond or letter of credit with the regulator to protect against any possible default of the supplier, violation of regulations, etc. Regulators generally have the ability to impose fines and other penalties, including the revocation of licenses, for the violation of the relevant rules and regulations in a state. Similar to the Ontario market, most states include various consumer protection measures including customer disclosure requirements and reaffirmation calls, to help ensure that consumers are making educated buying decisions.

Office

Sunwave operates out of offices at 2225 Sheppard Ave. East, Toronto, Ontario under a verbal sub-lease arrangement with OCE, a related party of Sunwave. OCE charged Sunwave approximately 50% of the head lease rent, which amounted to approximately $300,000 in 2012. A formal sub-lease for the space used by Sunwave for its operations will be entered into concurrently with the Closing of the Transactions.

The office space accommodates operations, sales, marketing, training, general management as well as a call centre for customer service and sales.

Employees

Sunwave currently has 12 non-sales staff, including executive management, operations, customer service and portfolio management. There are four full time sales distributors who manage an outside commissioned sales team of approximately 70 sales agents. Such sales distributors and agents are not employees of Sunwave.

Sunwave expects to hire a further 15-20 non-sales employees to support growth of the business in Ontario and the US over the next 18 months. Further, it is expected that an additional 125-150 sales agents will be added to Sunwave's sales force over the next 18 months. These additional employees and sales agents will support the growth initiatives of the business both in Ontario and as part of Sunwave's entry into the Connecticut and New York markets.

Market Conditions

As of today, Sunwave provides energy commodity products to residential and commercial end users in Ontario, Canada. As noted above under the heading "*Information Concerning Sunwave — General Development of the Business*", Sunwave plans to expand into Connecticut and New York. Entry into these markets will be subject to, among other things, the successful application for and receipt of the relevant regulatory licenses to operate in these jurisdictions.

The deregulation of North American retail energy markets began in the early 1980's, when large industrial customers were granted access to competitive retail market programs. The first residential natural gas choice programs started in 1991, with the majority of state programs commencing in 1996 or later. Ontario implemented natural gas choice for large industrial consumers in 1987. Similarly, Ontario deregulated its retail electricity market in 2003.

Electricity Markets

There are approximately 140 million Residential Customer Equivalents ("RCEs") eligible for competitive retail market programs in North America. An RCE is an industry-accepted unit of measurement equal to 2,815 m^3 per year of natural gas consumption and 10,000 kWh per year of electricity consumption, which represents the approximate amount of gas and electricity respectively used by a typical household. Overall switch rates for electricity consumers from utility to non-utility suppliers for the deregulated markets remain relatively low creating growth opportunities in many markets in North America. Based on Sunwave's management's estimate, there are 2.8 million electric consumers in Ontario and while 100% are eligible to switch to a non-utility supplier, only about 20% have switched. According to Sunwave's management, switch rates in Ontario have been even higher historically.

Providers of electricity commodity products to residential and small commercial consumer market segments in Ontario must be licensed by the OEB. For more information, see "*Information Concerning Sunwave — Description of the Business — Operations — Regulatory Environment*".

Natural Gas Markets

In Ontario, there are approximately 3.3 million natural gas consumers eligible for competitive retail market programs. According to Sunwave management's estimate, natural gas switch rates are approximately 20%.

Providers of natural gas commodity products to residential and small commercial consumer market segments in Ontario must be licensed by the OEB. For more information, see "*Information Concerning Sunwave — Description of the Business — Operations — Regulatory Environment*".

Marketing Plans and Strategies

Sunwave seeks to differentiate itself in the energy marketing business through: (1) innovation of both products and how they are sold; and (2) the integrity of its sales process. The launch of the Depend-a-Bill™ is an example of the innovative products Sunwave intends to offer consumers.

Sunwave's marketing programs include direct sales and consultants and brokers. Sunwave also is currently investing in an online sales process and expects to launch a sales portal in the near future.

Direct sales

Sunwave utilizes in-person sales methods involving professionally screened agents who undergo a customized training program. Sunwave believes this sales strategy differs from the traditional model used by energy retailers, whereby agents with limited training employ high-pressure sales tactics at the consumer's home with little success. Sunwave believes its approach differs from the traditional tactics for the following reasons: (1) Sunwave's agents are fully trained in-house to a high standard; and (2) Sunwave utilizes innovative sales methods including animated sales videos to present Sunwave's product and value proposition, thereby controlling the message to the consumer and ensuring consistency and reliability of how Sunwave communicates with its customers. Sunwave has a zero tolerance policy regarding the integrity of the sales process and the Company does not tolerate overly aggressive sales tactics or unprofessional behaviour by agents. Sunwave's agents show the consumer the animated sales video using a convenient tablet device.

Sunwave operates a 100% commission sales force for all customer segments. There are four sales distributors that manage a trained sales force of approximately 70 agents. Each sales distributor recruits, trains and runs its own sales organization on an exclusive and full-time basis for Sunwave; 100% of a sales distributor's compensation is derived from commission. Sales agents, including sales distributors, are independent and not employees of Sunwave. The majority of the sales team is dedicated to residential sales. Residential sales commissions are generally paid up front to agents upon enrolment of a new customer, with no residual component. A small commission is paid upon the submission of contracts with 50% of the total commission being paid upon Sunwave's re-affirmation of the customer contract and/or confirmation of enrollment with the LDC. The remaining 50% of the commission is paid 45 days after the first day of supply under the customer contract. Sunwave plans to pay off the customer acquisition costs within 10-12 months of initiating supply under the customer contract.

The OEB imposes specific regulatory requirements on Sunwave in the context of in-person sales, including an obligation on the Company to provide a re-affirmation call to enrolling consumers. For more information, see "*Information Concerning Sunwave — Description of the Business — Operations — Customer Communication*" and "*Information Concerning Sunwave — Description of the Business — Operations — Regulatory Environment*".

The direct sales force can be readily scaled due to the variable nature of its compensation, and the ability to provide training in-house.

Brokers and consultants

In addition to direct sales, Sunwave utilizes brokers and consultants for its large commercial segment. There are two well established independent brokerages representing Sunwave's products in the market.

Future marketing programs

As of May 2013, Sunwave has offered both residential and commercial consumers on-line enrolment in its commodity program. This channel provides a low cost method of customer acquisition, and decreases regulatory risk as the customer is self-selecting, which would exempt Sunwave from the OEB requirement to undertake re-affirmation calls for those self-enrolled customers.

Sunwave believes an online sales channel is compatible with its existing commercial clients by providing an easy mechanism to register personal accounts and to support the offering of programs to employees.

Marketing Costs

Marketing costs have been limited to-date. It is Sunwave's view that the direct sales channel does not require extensive purchase marketing such as radio and television commercials, or direct mail to be successful. Sunwave does not expect to experience a large increase in marketing expenses to support its on-line sales model. Sunwave does intend to undertake targeted online marketing to increase the number and rate of acquisition of customers on-line.

Competitive Conditions

There are a number of established competitors in the Ontario market that have been in operation for over 10 years. Sunwave's principal competitors in Ontario are as follows: Just Energy, Direct Energy, Summitt Energy and Active Energy. Sunwave regularly reviews its competitors' offers and marketing approaches to ensure its products have a competitive value proposition to maintain and enhance its positioning in the market.

Sunwave does not view LDCs as competitors. LDCs are the default supplier for customers who have not made an active decision to switch to a competitive energy retailer, or have previously received service from an energy retailer but have switched back to the LDC.

In general, LDCs do not actively seek to obtain or retain customers as, per Provincial regulations, they are prohibited from profiting from the supply of electricity or natural gas to a customer. Rather, LDCs are responsible for delivering energy to customers (and thereby earning a regulated rate of return) regardless of whether the customer has an energy supply contract with an energy retailer. To the extent that Sunwave is successful through its marketing programs in educating customers, it believes that it can be successful in switching LDC customers to Sunwave contracts.

Sunwave views regulated utility pricing, referred to as the "price to compare" set by utilities, as the competitive benchmark in Ontario. Where possible, Sunwave strives to supply products to customers that offer a competitive value proposition relative to the price to compare, such as the Depend-a-Bill™ product. The degree of market penetration by energy retailers is generally correlated with the length of time the market has been deregulated and the regulatory framework within that market. This trend has been observed across both natural gas and electricity markets as well as across both residential and commercial and industrial customer segments.

Future competition, from other than new entrant retailers, may come from aggregation pools run by municipalities or other quasi-government bodies or associations. While these types of aggregations are not active in Canada, they are emerging in U.S. markets. Notwithstanding that Sunwave could be a supplier to this type of aggregation pool, it represents competition to direct sales activities.

The most significant source of new competition in deregulated energy markets is likely to come from other, new start-up energy retailers. Product innovation is critical to success in competitive energy markets, and new competition generally comes from new retailers bringing innovation to a market or markets.

In markets that Sunwave expects to enter in the near future, the competitive situation has many similarities to the Ontario market, but also a number of important differences. Sunwave's management believes that deregulated US markets have, in general, enjoyed a higher level of consumer and commercial/industrial switching to competitive energy retailers. According to Sunwave's management, there are a variety of reasons for this, including the fact that the utility default rate in these markets has historically been higher than the price offered by competitive energy suppliers (known as "headroom") and the fact that US energy retailers have offered more diverse products including, among others, free night or weekend commodity, points in loyalty programs and cash-back programs. A significant similarity between the US and Ontario markets are well-developed regulatory frameworks. Sunwave's management believes that utilities in the US have more readily accepted and promoted their roles in the newly competitive markets and there is a more persistent effort by lawmakers to create sustainable competitive markets, the combination of the two has resulted in strong growth and market stability.

In Connecticut, major competitors include Public Power, North American Power, Dominion Energy, Direct Energy and Viridian. Connecticut is an attractive market with a high degree of consumer acceptance of competitive retail energy suppliers, as evidenced by residential switch rates of 48% and commercial switch rates of greater than 80% as at December 31, 2012 as per the Public Utilities Regulatory Authority of the Connecticut Department of Energy and Environmental Protection. The Connecticut Department of Energy and Environmental Protection operates a consumer website to educate Connecticut residents about retail energy providers and to assist them in researching and selecting their own competitive supplier. This website can be found at http://ctenergyinfo.com/choose_entry.htm.

Major competitors in the New York market include Direct Energy, Ambit Energy, Hess Energy, Just Energy and others. Switch rates to competitive energy suppliers in New York, while not as high as Connecticut, are still attractive at 22.7% of residential customers and 64.4% of small non-residential customers as at March 31, 2012 as per the New York State Public Service Commission. These rates also vary by utility territory, and residential switch rates approach 40% in certain territories. Sunwave expects to serve only a portion of the six major electric utility territories in New York state. The New York State Public Service Commission operates a retail energy consumer education website similar to that of Connecticut's at http://www3.dps.ny.gov/W/PSCWeb.nsf/All/E49B23F98BB39EAF85257687006F3ACF?OpenDocument.

Selected Financial Information

The following table presents selected financial information for Sunwave for the periods indicated. This table should be read in conjunction with the audited consolidated financial statements of Sunwave for the year ended December 31, 2012, and the unaudited consolidated interim financial statements of Sunwave for the three months ended March 31, 2013 and the respective notes thereto, which are attached in Schedule "H" to this Circular.

	As at and for the Year ended Dec. 31, 2012 ($)	**As at and for the period ended Dec. 31, 2011 ($)**	**As at and for the Three Months ended March 31, 2013 ($)**	**As at and for the Three Months ended March 31, 2012 ($)**
Total revenue	193,871	-	341,068	-
Net loss	(2,027,815)	(822,645)	(807,078)	(891,757)
Total assets	4,172,362	971,557	4,062,124	3,442,068
Total long-term liabilities	5,184,392	-	5,268,869	3,530,648
Total future income tax liability	-	-	-	-
Cash dividends declared	-	-	-	-

Management's Discussion and Analysis of the financial condition and results of operations of Sunwave for the fiscal year ended December 31, 2012 and the three months ended March 31, 2013 are included in Schedule "I" to this Circular.

Share and Loan Capitalization

The following table represents the share and loan capitalization of Sunwave, as at March 31, 2013 and as at the date of this Circular.

Designation	Amount Authorized or to be Authorized	Amount Outstanding at March 31, 2013	Amount Outstanding at the Date Hereof
Class A Shares	unlimited number	1,500,010	1,500,010
Class B Shares	unlimited number	Nil	Nil
Long-term Debt	$10,000,000	$5,206,631	$5,206,631(1)

(1) Concurrently with Closing of the Transactions, Sunwave will repay all amounts owing under the Credit Facility with OZZ Electric Inc., a related party to Sunwave. See "*Information Concerning Sunwave — Non-Arm's Length Transactions*" for more information.

As at March 31, 2013, Sunwave's deficit was $3,657,538.

Prior Sales

There were no Sunwave Shares or securities convertible into Sunwave Shares that were issued by Sunwave during the 12-month period prior to the date of this Circular.

None of the securities in the capital of Sunwave are listed on any Canadian stock exchange or are traded on a Canadian or foreign market.

Directors

The following table contains certain information about the sole director of Sunwave.

Name	Position	Municipality	Country of Residence	Principal Occupation
Steven Muzzo	Director	Vaughan, Ontario	Canada	President of OZZ Electric Inc.

Mr. Muzzo will resign his position as director of Sunwave upon Closing of the Transactions.

Executive Compensation

As of the Closing of the Transactions, the current directors and executive officers of Sunwave will not receive any compensation from Sunwave on a going forward basis. The directors and executive officers of the Resulting Issuer will be responsible for managing and overseeing the business of Sunwave and will be exclusively compensated for such activities by the Resulting Issuer. The significant elements of the compensation anticipated to be paid or awarded to the Resulting Issuers' executive officers and directors are discussed below in the section entitled "*Information Concerning the Resulting Issuer — Executive Compensation*".

Set forth below is Sunwave's statement of executive compensation, which contains information about the compensation paid to, or earned by, Sunwave's Chief Executive Officer (or individual acting in a similar capacity), Chief Financial Officer (or individual acting in a similar capacity), and three most highest paid executive officers (collectively, the "**Sunwave Named Executive Officers**") during the: (i) fiscal year ended December 31, 2012; and (ii) the fiscal period ended March 31, 2013. Based on the foregoing, the Sunwave Named Executive Officers as at March 31, 2013 were: (i) Mark Lewis, Chief Executive Officer of OCE; (ii) Robert Weir, President of Sunwave; and (iii) Ray de Ocampo, Corporate Controller of OCE.

Summary Compensation Table

The following table outlines all compensation paid to each of the Sunwave Named Executive Officers for: (i) the period from January 1, 2012 ended December 31, 2012; and (ii) the period from January 1, 2013 ended March 31, 2013.

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Mark Lewis Chief Executive Officer, Ozz Clean Energy Inc.(2)	2013(1)	—	—	—	—	—	—	—	—
	2012	—	—	—	—	—	—	—	—
Robert Weir President, Sunwave Gas & Power Inc.	2013(1)	40,385	—	—	—	—	—	—	40,385
	2012(3)	147,155	—	—	—	—	—	—	147,155
Ray de Ocampo(4) Corporate Controller, Ozz Clean Energy Inc.	2013(1)	—	—	—	—	—	—	—	—
	2012	—	—	—	—	—	—	—	—

(1) As of March 31, 2013.
(2) Mr. Lewis in his capacity of Chief Executive Officer of OCE, parent company to Sunwave, provided services to Sunwave and acted in a capacity akin to being a Chief Executive Officer. Mr. Lewis did not receive any compensation from Sunwave.
(3) Mr. Weir commenced employment with Sunwave on January 2, 2012 as Senior Vice-President of Marketing, and was appointed president on March 19, 2012.
(4) Mr. de Ocampo in his capacity of Corporate Controller of OCE, parent company to Sunwave, provided services to Sunwave and acted in a capacity akin to being a Chief Financial Officer. Mr. de Ocampo did not receive any compensation from Sunwave.

Employment Agreements

Mr. Weir entered into an employment agreement with Sunwave on December 8, 2011, with his employment commencing on January 2, 2012. Mr. Weir is entitled to $150,000 in annual base salary. Neither Mr. Lewis nor Mr. de Ocampo are employed by Sunwave nor have they executed employment agreements with Sunwave.

Termination and Change of Control

If terminated without cause, Mr. Weir is entitled to an amount equal to six (6) months base salary for up to six (6) years of continuous employment. For each additional completed year of continuous full-time employment, Mr. Weir is entitled to an additional one (1) month of base salary. Mr. Weir is not entitled to any additional compensation upon the occurrence of a change of control.

Director Compensation

The director of Sunwave is not currently paid any fees for his services as director. During the period ended March 31, 2013, no fees were paid to the director of Sunwave.

Non-Arm's Length Transactions

On December 15, 2011, Sunwave entered into a credit facility agreement with OZZ Electric Inc., a corporation controlled by an officer and director of Sunwave, for which the maximum principal amounts available for advances is $10,000,000 (the "**Credit Facility**"). The outstanding principal and accrued interest is due on November 30, 2016. The facility bears interest at bank prime rate plus 4% per annum, calculated semi-annually and is payable at maturity. Sunwave drew its first advance of $3,000,000 on February 17, 2012. A debt arrangement fee of $100,000 was paid on October 31, 2012 to OZZ Electric Inc. The balance as at March 31, 2013 was $5,206,631.

During 2012, Sunwave advanced funds to OCE, its sole shareholder (the "**OCE Loan**"). The advances are unsecured, carry no interest rate and are repayable on demand. On March 31, 2013, the balance due from OCE was $3,838,955.

During 2011, Sunwave received advances from OCE totaling $1,725,068, of which $1,500,000 was subsequently applied against a share subscription in 2011. As at December 31, 2011, the balance outstanding was $225,068, which was repaid during 2012. Sunwave received further advances from OCE in 2013, of which the March 31, 2013 balance was $375,070.

Prior to the Closing of the Acquisition, Sunwave will undergo an inter-company reorganization, following which Sunwave will settle its outstanding debt with OZZ Electric Inc. The steps of the inter-company reorganization are as follows:

- OCE will enter into an agreement with OZZ Electric Inc. to borrow an amount equal to the amounts owing under the Credit Facility. This amount is estimated to be $5.3 million.
- OCE will repay amounts owing to Sunwave pursuant to the OCE Loan. This amount is estimated to be $3.8 million.
- OCE will advance sufficient funds to Sunwave (the "**Operating Advances**") to allow Sunwave to repay the Credit Facility, after taking into account the repayment of the OCE Loan. This amount is estimated to be $1.5 million.
- Sunwave will repay the Credit Facility. This amount is estimated to be $5.3 million.
- OCE will forgive any Operating Advances made to Sunwave. This amount is estimated to be approximately $2.3 million.

On March 25, 2013, Sunwave entered into a services agreement (the "**RiteRate Services Agreement**") with Canadian RiteRate Energy Corp. ("**RiteRate**"), a corporation controlled by Steven Muzzo, the sole director of Sunwave. Pursuant to the RiteRate Services Agreement, Sunwave will provide financial services, customer management services, supply procurement and management services, compliance services and general operational services to RiteRate, for a term of two years. RiteRate will compensate Sunwave for the services Sunwave provides to RiteRate under the RiteRate Services Agreement under a fixed fee per RCE per month according to the number of active RiteRate customers at the end of each such monthly period.

While Sunwave provides a variety of "back office" services to RiteRate under the RiteRate Services Agreement, all of the customer-facing sales operations of RiteRate are either customer initiated or, in the case of commercial market sales, handled by RiteRate staff unaffiliated with or employed by Sunwave. In the opinion of the management of Sunwave, the differing sales approaches of RiteRate and Sunwave mitigates potential conflicts regarding Sunwave's provision of services to RiteRate. Further, in the opinion of the management of both Sunwave and Look, to the extent that any conflicts do arise in the future between the Resulting Issuer and RiteRate, there are a number of factors that will mitigate such conflicts:

- The Resulting Issuer will have a board of directors composed entirely of independent directors, none of whom has any affiliation with RiteRate, and can protect the interests of the Resulting Issuer in the event that any conflicts of interest arise.
- Under the RiteRate Services Agreement, each party has an independent representative to attempt to resolve all matters of concern to either party concerning the services.
- The Resulting Issuer does not owe any fiduciary or similar duties to RiteRate under the RiteRate agreement.
- The RiteRate Agreement is only for an initial term of two years (subject to a six month extension).

Legal Proceedings

Sunwave is not aware of any legal proceedings to which Sunwave is a party or to which any of its property is subject, nor is Sunwave aware that any such proceedings are contemplated.

Material Contracts

Except for contracts entered into in the ordinary course of business, the only material contracts to which Sunwave or any of the Sunwave Subsidiaries are a party are as follows:

1. the Purchase Agreement.

2. Base Contract for Sale and Purchase of Natural Gas – On May 1, 2012 Sunwave entered into an agreement with BP pursuant for the supply of natural gas from BP to Sunwave as more particularly described under the heading "*Information Concerning Sunwave — Description of the Business — Operations — Commodity Supply and Risk Management*".

3. Base Contract for Sale and Purchase of Natural Gas – On April 24, 2012 Sunwave entered into an agreement with Access Gas pursuant for the supply of natural gas from Access Gas to Sunwave as more particularly described under the heading "*Information Concerning Sunwave — Description of the Business — Operations — Commodity Supply and Risk Management*".

4. Base Contract for Sale and Purchase of Natural Gas and Electricity– On April 1, 2012 Sunwave entered into an agreement with Shell for the supply of natural gas and electricity from Shell to Sunwave as more particularly described under the heading "*Information Concerning Sunwave — Description of the Business — Operations — Commodity Supply and Risk Management*".

Copies of all material contracts may be inspected, without charge, at the offices of Sunwave, 2225 Sheppard Avenue East, 16th Floor, Toronto, ON M2J 5C2, during normal business hours until 30 days after the Closing.

INFORMATION CONCERNING THE RESULTING ISSUER

The following describes the proposed business of the Resulting Issuer and should be read together with the unaudited *pro forma* balance sheet of Look attached as Schedule "J" to this Circular, as well as other documents which are available on SEDAR at www.sedar.com.

Name and Incorporation

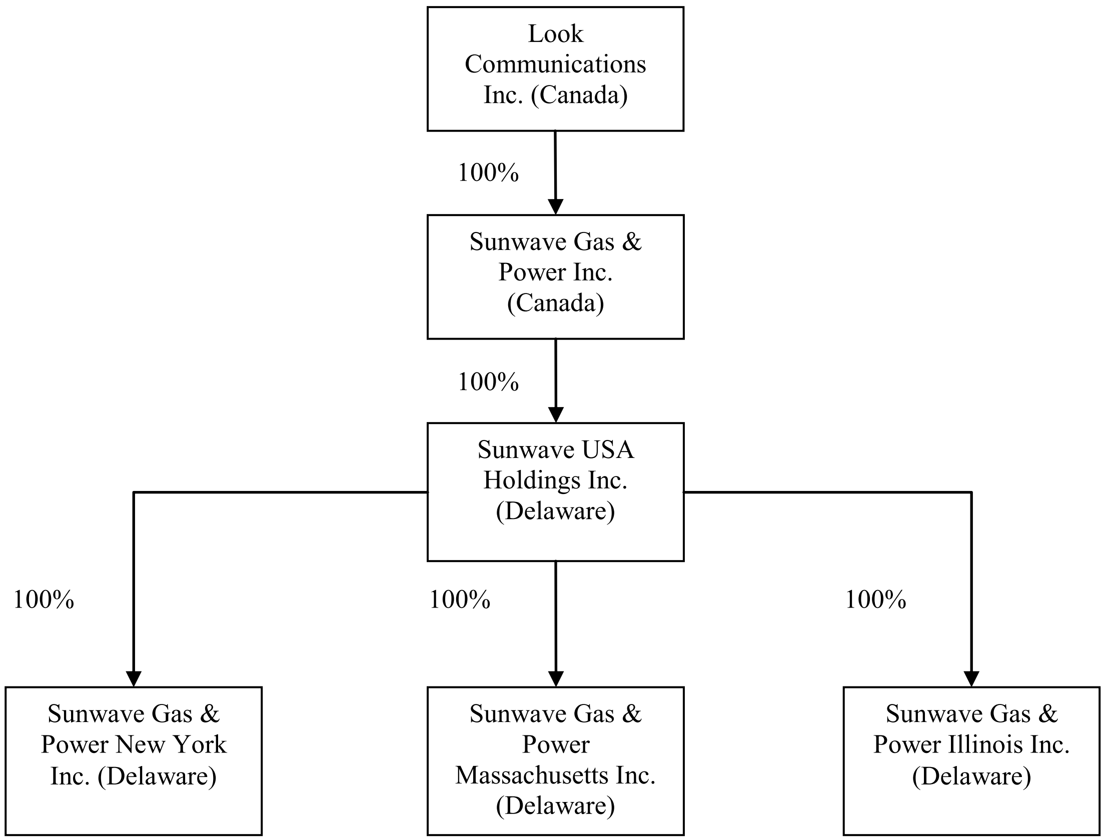
Immediately following Closing, Look will continue to be governed by the CBCA. Look and OCE have agreed, subject to the approval of the Name Change Resolution by the Shareholders, to change the name of Look to "ONEnergy Inc.". Provided that the Shareholders adopt the Name Change Resolution, the Resulting Issuer intends to use the following logo for its business:

ONEnergy™ Inc.

The head and registered office of ONEnergy Inc. will be 2225 Sheppard Avenue East, 16th Floor, Toronto, ON M2J 5C2.

Intercorporate Relationships

As of Closing, Sunwave will be a wholly-owned direct subsidiary of the Resulting Issuer and the Sunwave Subsidiaries will be wholly-owned indirect subsidiaries of the Resulting Issuer. The diagram below illustrates the corporate structure of the Resulting Issuer after giving effect to the Transactions.



Description of the Business

Following completion of the Transactions, the Resulting Issuer's business, on a going forward basis, will be that of Sunwave's. See "*Information Concerning Sunwave*".

In addition, Look intends to continue to vigorously pursue recovery of the approximately $20 million of sale awards paid in 2009 pursuant to the statement of claim issued by Look in July 2011 and CBCA motion materials filed in August 2011. For more information regarding the claims, see "*Information Concerning Look — General Development of the Business*".

Stated Business Objectives

The Resulting Issuer's business objectives after completion of the Acquisition will be that of Sunwave, namely the supply of competitive retail natural gas and electricity to residential and commercial customers. See "Information Concerning Sunwave — Description of the Business".

The Resulting Issuer's business objectives are as follows:

1. Growing its customer base to at least 20,000 RCEs in the Ontario market;

2. Entry into at least two US markets;

3. Entry into a North American commodity supply agreement with a major commodity supplier;

4. The addition of new products and services such as hot water tank and heating/air conditioning equipment rental and leasing;

5. Pursuit of strategic acquisitions in selected markets to enhance growth and improve base cost absorption; and

6. Achievement of positive free cash flow from operations excluding acquisitions.

Milestones

In order to accomplish the above-noted business objectives in 2013-2014, the following milestones will need to be achieved:

Objective	Milestone	Scheduled Completion Date	Estimated Cost/Investment Required
Acquisition of at least 20,000 RCEs in Ontario	Addition of 75-100 sales agents	October 2013	$2,700,000
Entry into at least two U.S. markets	Addition of back office and billing solution for expansion into U.S. markets	September 2013	$125,000
	Submission and approval of applications to two U.S. jurisdictions	October 2013	Nominal, although security bonds of up to $250,000 in the aggregate may be required
	Recruitment, screening and training of sales agents in selected U.S. jurisdictions	November 2013	$100,000
Launch of hot water tank rentals in Ontario	Successful negotiation and procurement of third party debt financing	December 2013	Nominal
Entry into a North American commodity supply agreement with a major commodity supplier	Successful negotiation of an acceptable supply agreement to cover the majority of the Resulting Issuer's North American commodity supply requirements	August 2013	Nominal
Selectively pursue strategic acquisitions in Canada and the United States	Identification of suitable targets and negotiation of an acceptable Purchase and Sale agreement	Next 12-24 months	Unknown, dependent upon target
Achievement of positive free cash flow from operations excluding acquisitions	No specific milestone. Instead, the Resulting Issuer will focus on execution of its sales strategy	November 2014	Included in the above amounts

Description of the Securities and Dividend Policy

Except for the Capital Reorganization (assuming the Capital Reorganization Resolution is approved and implemented), there will be no change to the existing share capital of the Resulting Issuer upon completion of the Transactions.

There will be no change to the dividend policy of the Resulting Issuer upon completion of the Transactions.

For more information, see "*Information Concerning Look — Description of Securities*".

***Pro Forma* Consolidated Capitalization and Fully Diluted Share Capital**

The following table sets out the *pro forma* share capital of the Resulting Issuer, on a consolidated basis after giving effect to the Transactions:

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Transactions
Multiple Voting Shares	Unlimited number of Multiple Voting Shares	99,994,671
Subordinate Voting Shares	Unlimited number of Subordinate Voting Shares	111,135,424
Class A non-voting shares	Unlimited number of Class A non-voting shares	Nil
Long-term Debt	N/A	Nil

If the Capital Reorganization is implemented, the following table sets out the *pro forma* share capital of the Resulting Issuer, on a consolidated basis after giving effect to the Transactions:

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Transactions
Common Shares	Unlimited number of Common Shares	211,130,095
Long-term Debt	N/A	Nil

As at February 28, 2013, Look's pro forma deficit was $11,172,000.

Available Funds and Principal Purposes

The following tables set out information respecting the Resulting Issuer's sources of cash and intended uses of such cash for the 18 months following completion of the Transactions. The amounts shown in the table are estimates only and are based upon the information available to Look and Sunwave as of the date hereof. The intended uses of such cash and/or the Resulting Issuer's development capital needs may vary based upon a number of factors.

Sources	Amount
Cash on Look balance sheet	$17,250,000
Proceeds from Private Placement	$9,000,000
Total Available Funds	$26,250,000

Anticipated use of Funds	Amount
Transaction costs associated with the Acquisition	$750,000
Estimated Sales Commissions(1)	$5,310,000
General and Administrative Costs	$4,644,000
Costs associated with U.S. Expansion	$230,000
Security deposits required by local distribution companies	$250,000
Unallocated working capital and potential acquisitions	$15,070,000

(1) Includes estimated commission to be paid to sales agents and sales distributors that the Resulting Issuer anticipates on contracting in order to achieve an increase in RCEs as set out in "*Information Concerning the Resulting Issuer — Description of the Business — Stated Business Objectives*".

Principal Securityholders

To the knowledge of the directors and officers of the Resulting Issuer, upon completion of the Transactions, the following are the only persons who will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Multiple Voting Shares or Subordinate Voting Shares of the Resulting Issuer Shares:

Name	Number of Multiple Voting Shares	Percentage of Class	Number of Subordinate Voting Shares	Percentage of Class	Number of Issued Shares	Percentage of Total Issued Shares
UBS Wireless Services Inc.(1) Toronto, Ontario	12,434,478	12.4%	15,291,308	13.8%	27,725,786	13.1%
Canyon Creek Management Services Inc.(1) (2)	12,430,000	12.4%	14,630,000	13.2%	27,060,000	12.8%
Arthur Silber(1)	13,045,633	13.0%	14,656,510	13.2%	27,702,143	13.1%

(1) Based on publicly available filings.

(2) A corporation controlled by Mr. Andrew Kim.

If the Capital Reorganization is implemented, the following are the only persons who will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Common Shares of the Resulting Issuer:

Name	Number of Common Shares	Percentage of Class
UBS Wireless Services Inc.(1) Toronto, Ontario	27,725,786	13.1%
Canyon Creek Management Services Inc.(1) (2)	27,060,000	12.8%
Arthur Silber(1)	27,702,143	13.1%

(1) Based on publicly available filings.

(2) A corporation controlled by Mr. Andrew Kim.

Directors, Officers and Promoters

The following table provides details regarding the proposed directors and officers of the Resulting Issuer following completion of the Transactions. Management does not anticipate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Resulting Issuer or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the articles of the Resulting Issuer, or with the provisions of the CBCA.

Nominee Name, Position and Place of Residence	Principal Occupation for the Past Five Years(1)(2)(3)	Period as a Director of the Resulting Issuer	Period as a Director of Sunwave	Shares Beneficially Owned Directly or Indirectly(1)(4)
Stanley H. Hartt(5)(6) Director Toronto, ON	▪ Counsel, Norton Rose Fulbright Canada LLP ▪ Chairman, Macquarie Capital Markets Canada Ltd.	N/A	N/A	N/A
Stephen J.J. Letwin(6) Director Toronto, ON	▪ President and CEO, IAMGOLD Corp. ▪ Executive Vice President, Gas Transportation & International, Enbridge Inc.	N/A	N/A	▪ 3,382,974 Multiple Voting Shares ▪ 3,759,883 Subordinate Voting Shares
Lawrence Silber(6) Director Ottawa, ON	▪ Lawyer, Kelly Santini LLP	N/A	N/A	▪ 172,900 Multiple Voting Shares ▪ 125,000 Subordinate Voting Shares
David A. Rattee(5) Director Toronto, ON	▪ Chairman, President and Chief Executive Officer, CIGL Holdings Ltd.	N/A	N/A	N/A
Mark Lewis Chief Executive Officer Toronto, ON	▪ President and CEO, OZZ Clean Energy Inc. ▪ Managing Director, MissionPoint Capital Partners LLP	N/A	N/A	N/A
C. Fraser Elliott Chief Financial Officer Toronto, ON	▪ Chief Financial Officer of Look ▪ Chief Financial Officer of Unique Broadband Systems, Inc. ▪ President of CFE Financial Inc. ▪ Executive Chairman of Gowest Gold Ltd. ▪ Director and Officer of Tangarine Payment Solutions Corp.	N/A	N/A	▪ 845,744 Multiple Voting Shares ▪ 939,971 Subordinate Voting Shares
Robert Weir Chief Operating Officer Toronto, ON(7)	▪ President of Sunwave Gas & Power Inc. ▪ President of Zoom Energy	N/A	N/A	N/A

(1) The information as to residency, principal occupation, and the shares of the Resulting Issuer beneficially owned is not within the knowledge of the management of the Resulting Issuer and has been furnished by the respective nominees.

(2) To the knowledge of the respective director or officer, all of the named companies are still in business.

(3) To the knowledge of the respective director or officer, all of the named companies are still in business.

(4) Includes shares of the Resulting Issuer to be issued upon completion of the Transactions.

(5) Proposed member of the Compensation and Human Resources Committee.

(6) Proposed member of the Audit Committee.

(7) Robert Weir is the current president of Sunwave and Steven Muzzo is the sole director of Sunwave. Mr. Muzzo will resign his position as director of Sunwave upon Closing of the Transactions.

As of Closing, it is expected that the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over 4,401,618 (4.4%) Multiple Voting Shares and 4,824,854 (4.3%) Subordinate Voting Shares of the Resulting Issuer. If the Capital Reorganization is implemented, it is expected that the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over 9,226,472 (4.4%) Common Shares of the Resulting Issuer.

There are no promoters of either Sunwave or the Resulting Issuer.

Directors and Management

The following is a brief description of the proposed key members of management of the Resulting Issuer.

Stanley H. Hartt, age 75, Director

Mr. Hartt is Counsel at Norton Rose Fulbright Canada LLP and has decades of leadership experience in business, law and public policy. Immediately prior to joining Norton Rose in 2013, Mr. Hartt was chairman of Macquarie Capital Markets Canada Ltd. Called to the Quebec Bar in 1965, he worked for Stikeman Elliott for 20 years and from 1985 to 1988, was Deputy Minister of the Department of Finance, Canada. From 1989 to 1990, Mr. Hartt was Chief of Staff in the Office of Prime Minister Brian Mulroney and from 1990 to 1996 he was Chairman, President and CEO of Campeau Corporation. In 1996, Mr. Hartt became Chairman of Salomon Brothers Canada Inc., later renamed Citigroup Global Markets Canada Inc., until 2008. He continued his public service as Chair of the Advisory Committee on Financing, established by the Minister of Finance during the Global Financial Crisis. He was also a member of the Canadian Task Force on Social Finance which reported in December 2010. Mr. Hartt has a great deal of US cross-border and international experience and participated actively in negotiating the Canada-US Free Trade Agreement (he was one of eight Canadians in the room when the agreement was signed).

Mr. Hartt has served as a Director of a number of public companies including O&Y Properties Corporation (Chairman), Sun Life Financial Inc., Gulf Canada Resources Ltd. , Ultramar Corporation, Abitibi Price Inc. and Oshawa Group Limited. He was also a Director of a number of closely held companies including Hong Kong Bank of Canada (now HSBC Bank Canada), Citibank Canada, Quaker Oats Co. Canada and Beatrice Foods Inc.

Mr. Hartt will devote the time necessary to perform the work required in connection with acting as a director of the Resulting Issuer. Management of the Resulting Issuer does not anticipate that Mr. Hartt will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

Stephen J.J. Letwin, age 56, Director

One of Canada's premier business leaders, Mr. Letwin is President and Chief Executive Officer of IAMGOLD Corporation, a multi-billion dollar senior gold producer listed on the TSX. Specializing in corporate finance, operational management, and merger and acquisitions, Mr. Letwin brings over 30 years of experience from the highly competitive resource sector. Mr. Letwin was previously with Enbridge Inc. in Houston, Texas, as Executive Vice President, Gas Transportation & International. He was responsible for natural gas operations including overall responsibility for Enbridge Energy Partners as Managing Director. In 1999, Mr. Letwin joined Enbridge as President and COO, Energy Services, based in Toronto, Canada. Before Enbridge, he was President & CEO of TransCanada Energy and CFO, TransCanada Pipelines, Numac (Westcoast Energy) and Encor Energy. Mr. Letwin holds an MBA from the University of Windsor, is a Certified General Accountant, a graduate of McMaster University (B.Sc., Honours), and a graduate of the Harvard Advanced Management Program.

Mr. Letwin will devote the time necessary to perform the work required in connection with acting as a director of the Resulting Issuer. Management of the Resulting Issuer does not anticipate that Mr. Letwin will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

Lawrence Silber, age 56, Director

Mr. Silber is a corporate/commercial lawyer and partner practicing with the law firm Kelly Santini LLP in Ottawa. Mr. Silber specializes in corporate/commercial law with particular expertise in income tax, estate and succession planning. He advises clients on a broad range of business matters and practices residential and commercial real estate, including purchases, sales and refinancing. Mr. Silber deals extensively with families in business together in order to provide a comprehensive solution to difficulties that arise in family businesses trying to balance family and business. He has been an instructor in the Business Law section of the Ontario Bar Admission Course. He currently teaches real property law for the Ontario Real Estate Association and lectures frequently on wills and estate matters. Mr. Silber was honoured as the 2006 recipient of the Ben Karp Soloway Jewish Community Centre Volunteer Award. He volunteers his time with several community organizations, and has served on several boards, including, Habitat for Humanity - National Capital Region, Canadian Mothercraft of Ottawa-Carleton and the Canadian Tulip Festival. Mr. Silber is a member of the Society of Trust and Estate Practitioners; Ottawa Estate Planning Council; Board of Directors, Canadian Association of Family Enterprises; and Co-Chair of the Carleton County Law Association Solicitors Conference.

Mr. Silber will devote the time necessary to perform the work required in connection with acting as a director of the Resulting Issuer. Management of the Resulting Issuer does not anticipate that Mr. Silber will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

David A. Rattee, age 71, Director

Mr. Rattee has been the Chairman, President and Chief Executive Officer of CIGL Holdings, a private investment holding company, since 1992. During his career, Mr. Rattee has served as the Chief Executive Officer, Chief Financial Officer, a director and chair of the audit committee of a number of public companies in Canada and the United States. Mr. Rattee served a director of Northstar Aerospace, Inc. from 1985 until 2012. He is a Graduate of the BCom Program from McGill University in Montreal and earned a Chartered Accountant designation from the Quebec Institute, and received an MBA from the Richard Ivey School of Business at the University of Western Ontario.

Mark Lewis, age 48, Chief Executive Officer

Mr. Lewis brings more than 20 years of executive leadership and management experience in the energy industry in both operating and investing roles, and he is currently the President and CEO of OCE, the parent company of Sunwave. Prior to joining OCE, Mr. Lewis was a Partner and Managing Director with MissionPoint Capital Partners, a private investment firm investing in the transition to a lower carbon economy. Mr. Lewis co-led the firm's overall investment strategy and was a member of the investment committee. Previously, Mr. Lewis was with GE in a number of roles in Europe and North America, including leading the global business development activities of GE's largest industrial business, GE Energy. Mr. Lewis began his career with Credit Suisse in their energy and M&A advisory businesses. He also serves on the boards of Trilliant Inc., a global smart grid solutions provider, and UpWind Solutions Inc., a large independent provider of operations and maintenance services to the North American wind energy industry.

Mr. Lewis will be paid for his services as a salaried employee of the Resulting Issuer. He will devote 100% of his working time to the affairs of the Resulting Issuer. The Resulting Issuer anticipates that Mr. Lewis will enter into an employment agreement with the Resulting Issuer. Mr. Lewis will either enter into a standalone non-competition / non-disclosure agreement or similar clauses will be included in his employment agreement.

C. Fraser Elliott, age 56, Chief Financial Officer and Corporate Secretary

Mr. Elliott has over 20 years of executive management and venture capital experience. In 2011 Mr. Elliott was appointed Chief Financial Officer of Look and UBS, two publically listed corporations. Since 1987 Mr. Elliott has been the President of CFE Financial Inc., consulting for and investing in small to medium sized business. From January 1, 2005 to March 23, 2009, Mr. Elliott was a director and officer of Tangarine Payment Solutions Corp., a venture issuer marketing electronic financial payment solutions to small and medium sized retail businesses across Canada. From March 2009, Mr. Elliott was Executive Chairman of Gowest Gold Ltd., a public Canadian gold exploration and development company focused on advancing its Frankfield gold project near Timmins, Ontario.

Mr. Elliott will be paid for his services as a salaried employee of the Resulting Issuer. He will devote 100% of his working time to the affairs of the Resulting Issuer. The Resulting Issuer anticipates that Mr. Elliott will enter into an employment agreement with the Resulting Issuer. Mr. Elliott will either enter into a standalone non-competition / non-disclosure agreement or similar clauses will be included in his employment agreement.

Robert Weir, age 49, Chief Operating Officer

Mr. Weir has more than 20 years of international and domestic business development and executive management experience in the energy sector. Mr. Weir is currently the President of Sunwave and is responsible for all operations of the business. Prior to joining Sunwave, Mr. Weir was President of Zoom Energy, a private energy advisory and consulting company. His previous experience includes large scale cogeneration development in Australia and Canada. He led the launch of Constellation New Energy's electric retail business in Ontario and subsequently moved on to manage Constellation New Energy's commodity retail businesses in New York and New Jersey, based out of New York City.

Mr. Weir will be paid for his services as a salaried employee of the Resulting Issuer. He will devote 100% of his working time to the affairs of the Resulting Issuer. The Resulting Issuer anticipates that Mr. Weir will enter into an employment agreement with the Resulting Issuer. Mr. Weir will either enter into a standalone non-competition / non-disclosure agreement or similar clauses will be included in his employment agreement.

Corporate Cease Trade Orders and Bankruptcies

Other than as set forth below, no proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has been, within 10 years before the date of this Circular, a director, officer or promoter of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Hollinger Inc. was the subject matter of a TSX cease trade order dated June 1, 2004, as amended and extended, resulting from its failure to file financial statements. After the initial cease trade order was issued, David A. Rattee was asked to join the Hollinger Inc. board of directors in August 2005, as part of a new board of directors charged with regularizing the affairs of Hollinger Inc. The cease trade order was revoked on April 10, 2007. Mr. Rattee resigned from the Hollinger Inc. board of directors in July 2008. Hollinger Inc. was delisted from the TSX in August 2008.

David A. Rattee was a director of Hollinger Inc., a TSX public company, which obtained orders under the CCAA and under Chapter 15 of the U.S. Bankruptcy Code on August 1, 2007 to operate under a court-supervised restructuring.

David A. Rattee was a director of Loring Ward International Ltd., formerly a TSX public company, when it filed for protection under the CCAA in July of 2008. On the day the company filed for protection under the CCAA, Mr. Rattee along with the other directors of Loring Ward International Ltd resigned.

On June 14, 2012, Northstar Aerospace, Inc. and certain of its Canadian subsidiaries applied for an initial order from the Court under the CCAA to effectuate a going concern sale of its business. Mr. Rattee was a director of Northstar Aerospace, Inc. until June 14, 2012.

On July 5, 2011, UBS announced that it and its wholly-owned subsidiary, UBS Wireless, had commenced proceedings under the CCAA. Henry Eaton served as a director of UBS from July 5, 2010 until he resigned his position on July 13, 2012.

Penalties or Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transactions.

Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

Conflicts of Interest

To the knowledge of management of both Sunwave and Look, and other than as disclosed in the following paragraphs, there are no known existing or potential material conflicts of interest among the Resulting Issuer and a proposed director, officer or promoter of the Resulting Issuer or a subsidiary of the resulting Issuer.

Certain of the directors and officers currently serve as directors and officers of other private and public companies (including energy commodity product retailers). Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers may be serving another corporation with interests that are in direct competition with the Resulting Issuer. In the event of any conflicts of interest, such conflicts must be disclosed to the Resulting Issuer and dealt with in accordance with the provisions of the CBCA.

Each of Stephen J.J. Letwin, Stanley Hartt and Mark Lewis resigned as directors of OCE on April 25, 2013. Mark Lewis serves as the Chief Executive of OCE, which, upon completion of the Transactions, will own 3.4% of the Multiple Voting Shares and 3.4% of the Subordinate Voting Shares. Mr. Lewis will resign his position with OCE upon completion of the Transactions. In addition, C. Fraser Elliott serves as the Chief Financial Officer of UBS, which, upon completion of the Transactions, will own 12.4% of the Multiple Voting Shares and 13.8% of the Subordinate Voting Shares.

Other Reporting Issuer Experience

The following table sets out the proposed directors and officers of the Resulting Issuer who are, or have been within the last five years, a director, officer or promoter of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	Period Served
Stephen J.J. Letwin	IAMGOLD Corporation (Canada)	TSX – IMG NYSE – IAG	President and Chief Executive Officer	November 1, 2010 to present
	Precision Drilling Corporation(Canada)	TSX – PD	Director	December 2006 to present
	Enbridge Inc. (Canada)	TSX – ENB NYSE – ENB	Executive Vice President, Gas Transportation & International	September 2003 to October 30, 2010
David A. Rattee	Northstar Aerospace, Inc. (Canada)	TSX – NAS	Director	1985 to 2012
C. Fraser Elliott	Unique Broadband Systems, Inc. (Canada)	TSX-V - UBS	Chief Financial Officer	January 2011 to present
	Tangarine Payment Solutions Corp. (Canada)	TSX-V - TAN	Director and Chief Financial Officer	January 2005 to March 2009
	Gowest Gold Ltd. (Canada)	TSX-V - GWA	Executive Chairman	March 2009 to present
	Sylogist Inc. (Canada)	TSX-V - SYZ	Director	2008 to present
	Vital Retirement Living Inc. (Alberta)	TSX-V ASE	Director	May 1998 to present

Executive Compensation

During the l2-month period following completion of the Transactions, it is anticipated that the Resulting Issuer will pay the following amounts to its executive officers as a base salary:

Name	Position	Compensation
Mark Lewis	Chief Executive Officer	$425,000
C. Fraser Elliott	Chief Financial Officer	$200,000
Robert Weir	Chief Operating Officer	$225,000

It is anticipated that Mark Lewis will receive an annual bonus initially in an amount up to $200,000 based on performance objectives to be established by the board of directors of the Resulting Issuer. In addition, it is anticipated that Mr. Lewis will be entitled to 12 month's salary and bonus in the event that his employment is terminated by the Resulting Issuer without just cause. Finally, it is anticipated that promptly following Closing, the board of directors of the Resulting Issuer will grant Mr. Lewis 10,556,504 options under the Fixed Option Plan, representing 5% of the issued and outstanding shares of the Resulting Issuer after giving effect to the Transactions. Subject to the policies of the TSX-V, it is anticipated that such options will have a 10 year term, an exercise price of $0.14 and will vest monthly in equal amounts such that the options will be fully vested on the fifth anniversary of the date such options are granted to Mr. Lewis.

The Resulting Issuer anticipates entering into written employment agreements at or following Closing that may provide compensation to its executive officers in addition to that described above. However, as of the date of this Circular, no formal arrangements, agreements or understandings have been reached with respect to any additional compensation.

Resulting Issuer Option Plan

It is anticipated that the Resulting Issuer will adopt a fixed stock option plan (the "**Fixed Option Plan**"), whereby the number of shares which may be issued pursuant to options granted under the Fixed Option Plan may not exceed 21,113,009 Option Shares (on a non-diluted basis), being 10% of the issued and outstanding shares of the Resulting Issuer at the time of Closing of the Transactions and after giving effect to the Transactions. In accordance with the terms and conditions of the Fixed Option Plan, Look's current Option Plan will terminate automatically when the Resulting Issuer adopts the Fixed Option Plan.

The Fixed Option Plan is intended to advance the interests of the Resulting Issuer and its subsidiaries and affiliates by encouraging the directors, officers, employees and consultants of the Resulting Issuer, or any of its subsidiaries or affiliates, to acquire shares of the Resulting Issuer thereby increasing their proprietary interest in the Resulting Issuer, encouraging them to remain with the Resulting Issuer, or its subsidiaries or affiliates, and providing them with additional incentive in the conduct of their affairs for and on behalf of the Resulting Issuer, its subsidiaries and affiliates.

Details of the Fixed Option Plan

The following is a summary of some of the key provisions of the Fixed Option Plan:

(a) The aggregate number of Option Shares of the Resulting Issuer reserved for issuance under the Fixed Option Plan shall not exceed 21,113,009 Option Shares (on a non-diluted basis), being 10% of the issued and outstanding shares of the Resulting Issuer at the time of Closing of the Transactions and after giving effect to the Transactions. The Option Shares of the Resulting Issuer in respect of which options under the Fixed Option Plan are not exercised shall be available for subsequent option grants under the Fixed Option Plan. No fractional shares may be purchased or issued thereunder;

(b) the aggregate number of Options Shares reserved for issuance under the Fixed Option Plan and granted to any one person within a 12 month period may not exceed 5% of the outstanding Option Shares determined at the date of the grant;

(c) the aggregate number of Options Shares reserved for issuance to any one Consultant (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) pursuant to the Fixed Option Plan within a one year period may not exceed 2% of the outstanding Option Shares determined at the date of the grant; and

(d) the aggregate number of Options Shares reserved for issuance to persons employed to provide Investor Relations Activities (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) for the Resulting Issuer within a one year period may not exceed an aggregate of 2% of the outstanding Option Shares determined at the date of the grant. Options issued to Persons performing Investor Relations Activities (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) must vest as determined by the board of directors in stages over twelve (12) months, with no more than one quarter (¼) of the options vesting in any three (3) month period.

In the event a participant ceases to be a director, officer, employee or consultant of the Resulting Issuer or its subsidiaries for any reason other than for cause or death, such participant may, but only within one year (or such shorter period not less than ninety (90) days as the board of directors may determine) after such participant's ceasing to be a director, officer, employee or consultant (or thirty (30) days in the case of a participant conducting Investor Relations Activities (as such term is defined in the TSX –V Corporate Finance Manual)) or prior to the expiry time of an option, whichever is earlier, exercise any option held by such participant, but only to the extent that such participant was entitled to exercise the option at the date of such cessation.

In the event of the death of a participant on or prior to the expiry time of an option, such option, if vested, may be exercised as to such Option Shares of the Resulting Issuer in respect of which such option has not previously been exercised (including in respect of the right to purchase Option Shares of the Resulting Issuer not otherwise vested at such time), by the legal personal representatives of the participant at any time up to and including (but not after) a date within one (1) year following the date of death of the participant or the expiry time of such option, whichever occurs first.

Subject to certain conditions set forth in the Fixed Option Plan, the expiry time of an option or any other expiry date for the exercise of an option imposed by the Fixed Option Plan for the exercise of an option shall automatically be extended if such expiry date falls within a period during which the Resulting Issuer prohibits an optionholder from exercising options for a period of ten Business Days after the expiry of such restricted period.

The board of directors of the Resulting Issuer may at any time and from time to time designate those person who are to be granted an option pursuant to the Fixed Option Plan and grant options to such persons. Subject to the policies of the TSX-V and the limitations contained in the Fixed Option Plan, the Fixed Option Plan authorizes the board of directors to provide for the grant and exercise of options on such terms (which may vary between optionholders) as it shall determine. No option may be granted to any person except upon recommendation of the board of directors. A person who has been granted an option may, if he or she is otherwise eligible and if permitted by the TSX-V policies, be granted additional options if the board of directors so determines.

The exercise price of options granted under the Fixed Option Plan will be determined by the board of directors of the Resulting Issuer at the time of grant but may not be less than the closing price of the Option Shares on the TSX-V on the day preceding the grant (less any permissible discount under TSX-V policies).

The Fixed Option Plan will be administered by the board of directors of the Resulting Issuer. The board of directors will have full and final discretion to interpret the provisions of the Fixed Option Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. A written agreement will be entered into between the Resulting Issuer and each person to whom an option is granted under the Fixed Option Plan, which agreement will set out the number of Option Shares subject to option, the exercise price and any other terms and conditions approved by the board of directors, all in accordance with the provisions of the Fixed Option Plan.

In order to give effect to any relevant changes in the capitalization of the Resulting Issuer, appropriate adjustments will be made to the number of Option Shares covered by individual grants and the total number of Option Shares authorized to be issued under the Fixed Option Plan.

Resale Restrictions

In accordance with applicable securities laws, each of the Private Placement Shares will be subject to a hold period expiring four months and one day after Closing of the Transactions.

Escrowed Securities

Upon completion of the Transactions, to the knowledge of the Resulting Issuer, as of the date of this Circular, 7,784,592 Multiple Voting Shares and 8,584,737 Subordinate Voting Shares (collectively, the "**Escrowed Shares**") of the Resulting Issuer will be subject to an escrow agreement among the Resulting Issuer, the escrow agent and each of the holders of the Escrowed Shares. If the Capital Reorganization is implemented, 16,369,329 Common Shares will be subject to the escrow agreement.

The following table contains certain information regarding the Escrowed Shares and the holders thereof assuming the Capital Reorganization is not implemented.

	Prior to Giving Effect to the Transactions		After Giving Effect to the Transactions	
Name of Holder and Municipality of Residence	**No. of Securities held in Escrow**	**Percentage of Class**	**No. of Securities to be Held in Escrow**	**Percentage of Class**
Lawrence Silber Ottawa, ON	N/A	N/A	• 172,900 Multiple Voting Shares • 125,000 Subordinate Voting Shares	• 0.1% Multiple Voting Shares • 0.1% Subordinate Voting Shares
C. Fraser Elliott Toronto, ON	N/A	N/A	• 845,744 Multiple Voting Shares • 939,971 Subordinate Voting Shares	• 0.8% Multiple Voting Shares • 0.8% Subordinate Voting Shares
OZZ Clean Energy Inc.	N/A	N/A	• 3,382,974 Multiple Voting Shares • 3,759,883 Subordinate Voting Shares	• 3.3% Multiple Voting Shares • 3.3% Subordinate Voting Shares

The following table contains certain information regarding the Escrowed Shares and the holders thereof assuming the Capital Reorganization is implemented.

	Prior to Giving Effect to the Transactions		After Giving Effect to the Transactions	
Name and Municipality of Residence	**No. of Securities held in Escrow**	**Percentage of Class**	**No. of Securities to be Held in Escrow**	**Percentage of Class**
Lawrence Silber Ottawa, ON	N/A	N/A	297,900 Common Shares	0.1% Common Shares
C. Fraser Elliott Toronto, ON	N/A	N/A	1,785,715 Common Shares	0.8% Common Shares
OZZ Clean Energy Inc.	N/A	N/A	7,142,587 Common Shares	3.3% Common Shares

In accordance with the policies of the TSX-V, Look will, prior to Closing, engage an escrow agent to act as escrow agent for the Escrowed Securities. The Escrowed Shares will be released from escrow on the following schedule: 25% will be released on Closing and an additional 25% will be released on each of the dates that are 6, 12 and 18 months thereafter.

The Escrowed Shares may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except as provided for by the escrow agreement, subject to receiving TSX-V approval. Securities may be transferred within escrow to an individual who is a director or senior officer of the Resulting Issuer or a material operating subsidiary of the Resulting Issuer, provided that the approval of the TSX- V is obtained and certain requirements of the TSX- V are met, including that the transferee agrees to be bound by the terms of the agreement.

Escrowed Shares may be transferred within escrow to RRSP or RRIF provided that the TSX-V receives proper notice of the same, the beneficiaries of the RRSP or RRIF are limited to the security holder and the spouse, children and parents of such holder, and the trustee of the RRSP or RRIF agrees to be bound by the terms of the escrow agreement. In the event of the death of a security holder, the shares held in escrow shall be released to the legal representatives of the deceased security holder subject to compliance with the procedural requirements in the applicable escrow agreement. Escrowed shareholders who are not individuals will provide undertakings to the TSX-V that they will not issue securities of their own issue or effect or permit a transfer of ownership of securities of their own issue that would have the effect of changing the beneficial ownership of, or control or direction over, the Escrowed Shares.

Auditor, Transfer Agent and Registrar

Grant Thorton LLP, of Mississauga, Ontario will continue to be the auditor of the Resulting Issuer. Computershare Investor Services at its office in the City of Toronto, Ontario, will continue to be the transfer agent and registrar for the Multiple Voting Shares and Subordinate Voting Shares (or the Common Shares if the Capital Reorganization is implemented).

RISK FACTORS

In assessing the Transactions, Shareholders should carefully consider the risks described below, together with the other information contained in this Circular. Additional risks and uncertainties, including those currently unknown to Look or considered to be not material by Look, may also adversely affect the business of the Resulting Issuer or any of Look, Sunwave and the Resulting Issuer. The Transactions and the operations of the Resulting Issuer are subject to certain risks including the following:

Risks Related to the Transactions

Completion of the Transactions are subject to several conditions that must be satisfied or waived

There are a number of conditions precedent to the Transactions which are outside the control of Look, OCE, Sunwave and the Look Investors, including, but not limited to, Shareholder approval and required satisfaction of the other conditions to Closing. For more information, see "*The Transactions — Purchase Agreement*".

If for any reason the conditions to the Transactions are not satisfied or waived and the Transactions are not completed, the market price of Multiple Voting Shares and Subordinate Voting Shares may be adversely affected.

The Purchase Agreement may be terminated by Look or OCE in certain circumstances

Each of Look and OCE has the right to terminate the Purchase Agreement in certain circumstances. Accordingly, there is no certainty that the Purchase Agreement will not be terminated by either Look or OCE before the completion of the Acquisition. For example, each of Look and Sunwave has the right to terminate the Purchase Agreement if either party is in breach of certain representations, warranties and/or covenants contained in the Purchase Agreement. There is no assurance that such a breach will not occur before the Closing, in which case Look or OCE, as the case may be, could elect to terminate the Purchase Agreement and the Transactions would not proceed.

Failure to complete the Transactions could negatively impact the trading price of the shares

If, for any reason, the Transactions are not completed or their completion is materially delayed, the trading price of the Multiple Voting Shares and Subordinate Voting Shares may be materially adversely affected.

There may not be another attractive transaction

If the Transactions are not completed, there can be no assurance that Look will be able to find another party or parties willing to enter into an agreement with Look that values the Multiple Voting Shares and Subordinate Voting Shares at $014 per share or higher and bring $9 million in new growth equity capital.

Costs of the Acquisition and non-solicitation

There are certain costs related to the Transactions, such as legal, accounting and regulatory fees, that must be paid even if the Transactions are not completed. Furthermore, Look has agreed to certain non-solicitation covenants in the Purchase agreement which prevents Look from engaging in certain activities relating to the issuance or transfer of any of Multiple Voting Shares, Subordinate Voting Shares or the issuance or transfer of any other equity or debt securities of Look.

The Consideration Shares and Private Placement Shares may adversely affect the market for, and the market price of, the Multiple Voting Shares and Subordinate Voting Shares

A significant number of additional shares of the Resulting Issuer will be issued and will become available for trading in the public market after release from applicable resale restrictions. The increase in the number of shares of the Resulting Issuer may lead to sales of such shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, the shares.

Risks Related to Look

Whether or not the Transactions are completed, Look will continue to face many of the risks that it currently faces. Certain of these risk factors have been disclosed in Look's Management's Discussion and Analysis for the 6 months ended February 28, 2013 under the heading "Operating Risks and Uncertainties". A copy of Look's Management's Discussion and Analysis for the 6 months ended February 28, 2013 is included in Schedule "G" to this Circular

Risks Related to the Resulting Issuer

Upon completion of the Transactions, there will be a number of risk factors that will be associated with the Resulting Issuer and its business. An investment in the securities of the Resulting Issuer will be speculative and involve a high degree of risk. Investors should carefully consider each of the risks described below and all of the information in this Circular before investing in securities of the Resulting Issuer. An investment in the securities of the Resulting Issuer is suitable only to those investors who are willing to risk the loss of their entire investment. For risk factors associated with the Transactions, see "*Risk Factors — Risks Related to the Transactions*".

The risks and uncertainties anticipated below are not the only ones that the Resulting Issuer will face upon completion of the Transactions. Additional risks and uncertainties not presently known to Look, Sunwave and the Resulting Issuer or that they currently consider immaterial may also impair the Resulting Issuer's business operations and cause the price of the Resulting Issuer's securities to decline. If any of the following risks actually occur, the Resulting Issuer's business may be harmed and its financial condition may suffer significantly. In such event, the trading price of the Resulting Issuer's securities could decline and purchasers of the Resulting Issuer's securities may lose all or part of their investment.

References to the products of the Resulting Issuer below are referring to the products provided by Sunwave as described in "*Information Concerning Sunwave — General Development of Business*".

Risks Relating to the Commodity Market, Credit Market and Other Markets

Significant and prolonged increases in the wholesale price of natural gas and electricity could negatively affect operating margins and the Resulting Issuer's financial performance.

In Ontario and certain jurisdictions in which the Resulting Issuer may expand operations in the future, the Resulting Issuer will be exposed to market risk in the event of significant and prolonged increases in the price of natural gas and electricity. If energy prices are significantly above the utility service rate over a prolonged period of time, the Resulting Issuer's pricing strategy may not be competitive. In jurisdictions such as Ontario where the utility service rate is set through the procurement of energy over a period of months or years, the Resulting Issuer may be required to reduce its operating margins in order to price more competitively with the utility service rate and may experience increased customer attrition, as some customers may switch to the utility service offer from the utility. While the utility service rate will eventually reflect the increased wholesale natural gas and electricity prices, the procurement of energy over a period of months or years will cause the utility service rate to lag behind the market conditions.

The Resulting Issuer will be exposed to commodity price and volumetric risks in the ordinary course of business activities.

The Resulting Issuer will be subject to the risks associated with electricity and natural gas procurement activities including price and volumetric risk. The Resulting Issuer may enter into hedging transactions in order to mitigate price and volumetric risks. The Resulting Issuer may be at risk of either under or over-hedging, to the extent the consumption quantity of its customers deviates from the amount hedged by the futures contracts. If the customers' energy consumption level is significantly higher than the hedged quantity, for example, as a result of extreme weather conditions or other factors, the Resulting Issuer could be under-hedged relative to its load obligation and must purchase energy in the open market to serve its customers. If the spot price exceeds the contracted price paid by customers, the Resulting Issuer may supply energy at a loss to its customers. Conversely, where customer consumption is lower than expected, the Resulting Issuer may face the risk of being over-hedged and having to sell surplus in the spot market or sell it financially at a price below its long-term contract price. In addition, the effectiveness of the Resulting Issuer' hedging activities will be dependent on accurate energy load forecasting. The Resulting Issuer may use third party energy demand forecasting services that utilize, among other factors, customer load profiles, customer usage factors and weather data, to forecast the Resulting Issuer's energy load.

Hedging arrangements will also expose the Resulting Issuer to the risk of financial loss in situations where the wholesale party to the hedging contract defaults on its contract or, in the case of exchange-traded contracts, where there is a change in the expected differential between the underlying price in the hedging agreement and the actual prices paid or received by the Resulting Issuer. Hedging activities can themselves result in losses when a position is purchased in a declining market or a position is sold in a rising market. The Resulting Issuer may experience hedging losses in the future.

The Resulting Issuer will be exposed to credit risk in the ordinary course of its business activities.

The Resulting Issuer will be exposed to credit risk in Ontario, and any markets in which it operates in the future. In purchase of receivable ("**POR**") markets, such as Ontario, the Resulting Issuer will be exposed to credit risk from the LDCs. If in the future the Resulting Issuer enters into non-POR markets, the Resulting Issuer will be exposed to credit risk from the end-use customer.

In Ontario, and any other POR markets in which the Resulting Issuer may expand operations in the future, the Resulting Issuer will be exposed to payment default from LDCs for the customer receivables they have collected on behalf of the Resulting Issuer. The Resulting Issuer will monitor the credit rating of the LDCs with POR programs to ensure credit exposure is actively managed and limited. If an LDC defaults on payment obligations to the Resulting Issuer, it could have a material adverse effect on the results of operations and cash flows of the Resulting Issuer.

In non-POR markets in which the Resulting Issuer may operate, prior to entry into such markets robust credit review processes will be implemented to manage the Resulting Issuer's customer credit risk. The Resulting Issuer expects to obtain credit scores from all new customers in non-POR markets as part of its screening process. The credit screening process utilizes credit report models and industry specific risk models to determine creditworthiness and balance bad debt targets through credit scores. These models may provide an inaccurate prediction of actual customer default and bad debt experienced by the Resulting Issuer. If customers default on their payments and bad debts are significantly higher than anticipated, it could have a material adverse effect on the results of operations and cash flow of the Resulting Issuer. As the Resulting Issuer operations expand into new, non-POR markets, the Resulting Issuer bad debt profile may change.

The Resulting Issuer may have insufficient financial liquidity to carry on its business.

The Resulting Issuer's business will require it to maintain sufficient financial liquidity to absorb the impact of seasonal energy consumption, volatile wholesale energy prices or other significant events. The seasonality of customer energy consumption and/or volatility in wholesale energy prices may create increased liquidity requirements as a result of the potential difference between energy payables and receivables. Similarly, the Resulting Issuer may be required to post collateral in connection with some energy supply contracts, license obligations and obligations owed to certain LDCs, which may change over time as a result of unforeseen market events. Management of the Resulting Issuer expects that the Resulting Issuer's principal source of liquidity following the Transactions will be cash generated from its operating activities, the assets of Look to be retained by the Resulting Issuer and proceeds of the Private Placement. The Resulting Issuer may require additional equity or debt financing to meet its financial requirements or undertake acquisitions. There can be no assurance that additional equity or debt financing will be available when required or available on commercially favourable terms or on terms that are otherwise satisfactory to the Resulting Issuer, in which event the financial condition of the Resulting Issuer may be materially adversely affected.

The Resulting Issuer will be dependent on contracts with Shell, BP and Access Gas, and each suppliers' inability to perform its obligations under the contracts could adversely affect the Resulting Issuer's existing and future business and margins.

The Resulting Issuer's business model will be based on contracting for supply of natural gas and electricity, through physical and financial Transactions, to fixed margins. If any of Shell, BP or Access Gas experience financial difficulties or is otherwise unable to perform its obligations to the Resulting Issuer, the Resulting Issuer may suffer losses, including as a result of being unable to secure energy supply on a timely basis. As a result, the Resulting Issuer's ability to earn margins on electricity and natural gas sales could be affected. If the Resulting Issuer cannot identify an alternative supply of natural gas and electricity in a timely manner, its business will be adversely affected as the Resulting Issuer may not be able to meet its obligations to its customers.

The Resulting Issuer may not be able to meet minimum volume thresholds in its wholesale supply agreements.

The Resulting Issuer will rely on various wholesale suppliers to provide the Resulting Issuer with energy, which in turn will be sold to the Resulting Issuer's customers. The Resulting Issuer will procure such energy supply pursuant to wholesale supply agreements. Currently, Sunwave is a party to two wholesale supply agreements with each of Shell and BP, and such agreements will be assumed by the Resulting Issuer following completion of the Transactions. Each wholesale supply agreement requires the Resulting Issuer to purchase commodity in minimum size blocks equivalent to approximately 200 RCEs. The wholesale supplier will not supply commodity until the Resulting Issuer is purchasing natural gas or electricity at a volume at least equal to this threshold of 200 RCEs. The Resulting Issuer may not meet such volumetric threshold in the future, in which case each of Shell and BP may refuse to supply, absent an increase in volumes or other negotiated agreement. If the Resulting Issuer cannot purchase the required volumes from Access Gas (in the case of natural gas supply) or identify and procure an alternative supply of natural gas and electricity in a timely manner, its business will be adversely affected as the Resulting Issuer may not be able to meet its obligations to its customers.

A default under any of the wholesale commodity agreements could adversely affect the Resulting Issuer's business.

The wholesale commodity agreements contain numerous covenants by Sunwave, which will become covenants by the Resulting Issuer following the Closing of the Transactions, including covenants relating to the operation and conduct of its business, ownership and maintenance of assets, regulatory approvals and licenses, compliance with laws, delivery of financial information, the incurrence of indebtedness, its risk management policy, the maintenance of certain financial ratios, and restrictions on undertaking certain transactions without the respective suppliers' consent. A breach of any of the covenants in the wholesale commodity agreement may constitute an event of default, subject to cure periods in limited circumstances. Additional events of default include the revocation of certain licenses, exceeding certain exposure limits, the loss of key employees, the termination of material contracts and change of control. Upon an event of default, a supplier is entitled to suspend its performance under or terminate the wholesale commodity agreement, including the supply of energy to the Resulting Issuer under the wholesale commodity agreement. In addition, suppliers may elect not to enter into any further transactions under the wholesale commodity agreements unless the representations and warranties contained in the wholesale commodity agreements are true and correct and there has not been a material adverse change (as defined in the applicable wholesale commodity agreements). Any such termination or election not to enter into further transactions by a supplier would likely have an adverse economic impact on the business of the Resulting Issuer.

The Resulting Issuer may suffer economic losses where commodity supply management policy and programs do not work as planned.

The Resulting Issuer's commodity supply management programs may not work as planned. For example, actual electricity and natural gas prices may be significantly different or more volatile than the historical trends and assumptions upon which the Resulting Issuer based its risk management calculations. In addition, unforeseen market disruptions could decrease market depth and liquidity, negatively impacting the Resulting Issuer's ability to enter into new transactions. The Resulting Issuer may enter into financial contracts to hedge commodity basis risk, and as a result may be exposed to the risk that the correlation between delivery points could change with actual physical delivery. Similarly, interest rates or foreign currency exchange rates could change in significant ways that the Resulting Issuer's commodity supply management procedures were not designed to address. As a result, the Resulting Issuer may not always be able to predict the impact that its risk management decisions may have on its business if actual events result in greater losses or costs than predicted by the Resulting Issuer's risk models, or if there is greater than expected volatility in the Resulting Issuer's results of operations.

In addition, the Resulting Issuer's trading, marketing and hedging activities may become exposed to counterparty credit risk and market liquidity risk. If counterparties fail to perform, the risk of which has increased due to the economic downturn, the Resulting Issuer may be forced to enter into alternative arrangements at then-current market prices. In that event, the Resulting Issuer's results of operations are likely to be adversely affected.

The Resulting Issuer's business will be reliant on the services provided by LDCs, and any disruptions to these services could adversely impact its results of operations and cash flow.

LDCs will provide many essential services to the Resulting Issuer, including energy delivery, billing and collections and meter reading. The Resulting Issuer will be reliant on LDCs to deliver the electricity and natural gas that it sells to customers. LDCs are reliant upon the continuing availability of existing distribution infrastructure. Any disruptions in this infrastructure could result in the Resulting Issuer invoking force majeure clauses in its contracts. Under such severe circumstances there would be no revenue or gross margin to report for the affected areas as the Resulting Issuer would have no alternative way to deliver energy to its customers.

The Resulting Issuer will be reliant on LDCs to perform billing and collection services in POR markets, which includes paying the Resulting Issuer for its energy service delivered to customers. If LDCs cease to perform these services, the Resulting Issuer would have to seek a third party billing provider or develop internal systems and processes to perform these functions, which may require a significant capital expenditure and increased operating expenses to support the internal billing and collections functions.

The Resulting Issuer will be reliant on LDCs to measure and record customer electricity and natural gas meter usage rates, which is used to calculate commodity charges billed to the customer. If the LDCs do not accurately measure or record customer usage rates and the customer is under-billed relative to its actual usage rates, the Resulting Issuer may not receive full payment for energy that has been supplied to its customers.

There can be no assurance that the practices or policies of LDCs in the future will not limit the growth or profitability of the Resulting Issuer.

The global economy has not fully recovered and unforeseen events may negatively impact the Resulting Issuer's financial condition.

Market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, caused significant volatility to commodity prices over the last few years. These conditions have resulted in a loss of confidence in the broader global credit and financial markets, resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers, and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. These factors have negatively impacted public entity valuations and continue to impact the performance of the global economy going forward.

If the global economic climate generally deteriorates further, demand for energy products could diminish further, which could adversely impact its results of operations, liquidity and financial condition.

Risk Relating to the Retail Energy Industry

The Resulting Issuer will operate in a highly competitive market and customers may switch to another energy retailer.

A number of energy retailers will be in competition with the Resulting Issuer in the residential and commercial markets. It is possible that the existing competition and additional new entrants may compete directly for the customer base that the Resulting Issuer targets, slowing growth or reducing its market share. It is also possible that new entrants may be better capitalized, or their existing customer bases will provide them with a competitive advantage over the Resulting Issuer. Changes in customer behaviour, government regulation or increased competition may affect (potentially adversely) attrition and retention rates in the future, and these changes could adversely impact the future cash flow or margin of the Resulting Issuer.

Revenues and results from operations may fluctuate on a seasonal and quarterly basis if the Resulting Issuer obtains a high concentration of residential customers.

If the Resulting Issuer obtains a high concentration of residential customers, revenues and results of operations may fluctuate significantly on a seasonal basis depending on the demand for electricity and natural gas. Generally demand for electricity peaks in winter and summer months while demand for natural gas peaks in the winter months for residential customers. The impact may be exaggerated as a result of extreme weather conditions, resulting in variances in forecasted electricity and natural gas consumption. Depending on prevailing market prices for electricity and natural gas, these and other unexpected circumstances may reduce its revenues and results of operations.

Customers may not widely accept energy retailers as their energy supplier.

Both Sunwave and Look believe that the Resulting Issuer's profitability and growth will depend upon the broad acceptance of energy retailers in Ontario and, if the Resulting Issuer expands, in other provinces and in the United States. There can be no assurance that customers will widely accept energy retailers as their energy supplier. The acceptance of the Resulting Issuer's products may be adversely affected by the Resulting Issuer's ability to offer a competitive value proposition, concerns relating to delivery reliability, general resistance to change, and the price of alternative methods of supply (e.g., residential and commercial solar programs). Unfavourable publicity involving customer experiences with other energy retailers could also adversely affect the ability to sell products to both residential and commercial customers. Market acceptance could also be affected by regulatory developments including additional regulatory disclosure requirements and limitations on marketing channels.

The Resulting Issuer will continue to be required to be licensed by the OEB to operate in Ontario, and may require a license for any jurisdiction to which it expands, and the denial of a new license or revocation of an existing license may impact the Resulting Issuer's financial results.

In Ontario, the Resulting Issuer will be required to be licensed by the OEB to operate in the retail electricity market and the residential and small commercial consumer segments of the natural gas markets. Sunwave is currently licensed by the OEB, such license to be assumed by the Resulting Issuer upon Closing of the Transactions. Similar or more demanding licenses may be required from the relevant provincial or state regulatory body in any jurisdiction into which the Resulting Issuer expands. The Resulting Issuer's expansion strategy will be dependent on continuing to be licensed in existing markets and receiving approval for additional licenses in new and existing markets. If the Resulting Issuer is denied a license, has a license revoked or is not granted renewal of a license, the Resulting Issuer's financial results may be negatively impacted.

Changes by regulators to the utility service rate may affect the Resulting Issuer's ability to remain competitive.

Sunwave considers the utility default service rate in each jurisdiction to be the competitive benchmark for its products and such products to be offered by the Resulting Issuer following completion of the Transactions. The utility service rate in each jurisdiction is regulated by the applicable regulatory body. From time to time, utilities and government agencies propose changes to the utility service rate structure, in addition to annual, bi-annual, quarterly or monthly price adjustments, which may impact the Resulting Issuer's ability to offer a competitive value proposition to customers, which may increase customer attrition and negatively impact the Resulting Issuer's financial performance.

Risks Relating to the Operations of the Resulting Issuer

Sunwave has limited historical data that can be utilized to assess the performance of Sunwave and the Resulting Issuer.

Sunwave was incorporated in January 2011. In July 2011 all of the outstanding shares of Sunwave were acquired by OCE. In November 2011 Sunwave commenced retail operations.

The Resulting Issuer's prospects must be considered in light of the risks and uncertainties encountered by an early stage company, and in rapidly evolving markets such as the retail electricity and natural gas markets. Some of these risks relate to the Resulting Issuer's potential inability to: effectively manage its business and operations; recruit and retain key personnel; successfully maintain a low-cost structure as it expands the scale of its business; manage rapid growth in personnel and operations; develop new products that complement its existing business; and successfully address the other risks it faces, as described throughout this prospectus.

If the Resulting Issuer cannot successfully address these risks, its business, future results of operations and financial condition may be materially adversely affected.

The Resulting Issuer's management may not successfully manage the Resulting Issuer's plans for rapid growth.

The Resulting Issuer's success will depend on its ability to expand and manage its rapid growth. The Resulting Issuer's growth and expansion may result in, new and increased responsibilities for management and additional demands on management, operating and financial systems and resources. The Resulting Issuer's ability to continue to expand is dependent upon factors such as its ability to: hire and train new staff, managerial personnel and independent agents; expand the Resulting Issuer's infrastructure; and adapt or amend the Resulting Issuer's structure to comply with present or future state legal requirements. Any failure or inability to successfully implement these and other factors may have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. There can be no assurance that the Resulting Issuer will be able to successfully integrate, manage and retain the customer accounts it acquires. If management is unable to successfully implement its growth strategy or manage growth effectively, the Resulting Issuer's business, financial condition and results of operations could be materially adversely affected.

Historical performance of Sunwave operations may not be indicative of the Resulting Issuer's future performance.

Sunwave's historical growth rate may not be indicative of the Resulting Issuer's future growth rate. Accordingly, there can be no assurance that the Resulting Issuer's future customer acquisition rate will be consistent with Sunwave's historical performance. Furthermore, Sunwave's current results of operations, including payback periods and customer acquisition costs in its marketing channels, may not be indicative of future performance. The Resulting Issuer's performance may change as a result of several factors including, but not limited to, wholesale market conditions and competitive considerations.

The Resulting Issuer's business will be dependent on information systems to support business operations, and any failures or disruptions in the Resulting Issuer's information systems could have a material adverse effect on its results of operations.

The Resulting Issuer will be dependent on third party information systems to track, monitor and correct or otherwise verify a high volume of data to ensure the accuracy of its sales, financial, accounting and other data. The Resulting Issuer will assume Sunwave's arrangements with various third parties to provide support for its energy load forecasting, electronic data interchange services, billing services and various marketing channels. Management of the Resulting Issuer will rely on information systems to provide the Resulting Issuer's independent contractors with updated marketing and compensation information and record each customer interaction. The Resulting Issuer's business and results of operations could be materially adversely affected if any of its information systems fail or have other significant shortcomings. The Resulting Issuer may also be subject to disruptions of its informational systems arising from events that are wholly or partially beyond its control (such as natural disasters, acts of terrorism, epidemics, computer viruses and telecommunications outages). Third party systems on which the Resulting Issuer may rely could also suffer disruptions. Any failure of the information systems on which the Resulting Issuer relies or its failure to maintain and upgrade its information systems could have a material adverse effect on its business and results of operations.

In the future, the Resulting Issuer may be unable to achieve growth through strategic acquisition opportunities.

The Resulting Issuer may seek to expand via acquisition. Such expansion will be dependent on the Resulting Issuer's ability to identify suitable acquisition opportunities. The Resulting Issuer will face competition for acquisitions primarily from other energy retailers, many of which are substantially larger and have greater financial, technical and marketing resources than are available to the Resulting Issuer. Some of these competitors may also have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of acquisitions. The ability to consummate acquisitions will be dependent on capital being available at an acceptable cost.

As a result of competitive pressures, the Resulting Issuer may not be able to identify and make acquisitions that are consistent with its objectives. The Resulting Issuer may lose acquisition opportunities in the future if it does not match prices, structures and terms offered by competitors, or if it is unable to access sources of capital at attractive rates. Alternatively, it may experience decreased rates of return and increased risks of loss if it matches prices, structures and terms offered by competitors. Although management of the Resulting Issuer believes there is significant opportunity for strategic acquisitions as a result of fragmentation and consolidation in the current retail energy market, there is no assurance that acquisition opportunities will continue to exist in the future, which could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

The Resulting Issuer's expansion strategy involves numerous risks that could impact its viability and harm its business.

Sunwave and Look plan for the Resulting Issuer to grow its business by expansion in new and existing deregulated markets through organic growth and acquisitions. The Resulting Issuer's expansion strategy will likely involve numerous risks, which could harm the Resulting Issuer's business and results of operations, including: difficulties in integrating, supporting and transitioning customers' accounts; difficulties in realizing value from the expansion of new and existing products and marketing channels; assets of the target company may exceed the value the Resulting Issuer realizes, or the value it could have realized if it had allocated the purchase price or other resources to another opportunity; risks of entering new markets or customer segments in which the Resulting Issuer has limited or no experience or are outside its core competencies; and inability to generate sufficient revenue to offset acquisition or expansion costs.

The Resulting Issuer may require additional financing should an appropriate acquisition be identified and it may not have access to the funding required for the expansion of its business or such funding may not be available to the Resulting Issuer on acceptable terms. Future acquisitions or expansion could result in the incurrence of additional debt and related interest expense, as well as unforeseen liabilities, all of which could have a material adverse effect on business, results of operations and financial condition. The failure to successfully evaluate and execute acquisitions or otherwise adequately address the risks associated with acquisitions could have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition. There can be no assurance that the Resulting Issuer will determine to pursue any acquisition or that such an opportunity, if pursued, will be successful.

The Resulting Issuers' success will depend upon the continued involvement of its proposed management.

The Resulting Issuer's success will depend upon the continued involvement of its proposed management, who will be in charge of the Resulting Issuer's strategic planning and operations. In particular, Messrs. Lewis, Weir and Elliott will form part of the management of the Resulting Issuer. The loss to the Resulting Issuer of any of these individuals could have a material adverse impact on the operations of the Resulting Issuer. The Resulting Issuer may need to attract and retain additional talented individuals in order to carry out its business objectives. The competition for such persons could be intense and the Resulting Issuer may be unable to recruit the people it needs.

The Resulting Issuer will incur costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers.

As a public issuer, the Resulting Issuer will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Resulting Issuer's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase its legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on the Resulting Issuer's personnel, systems and resources, which could adversely affect its business and financial condition.

If the Resulting Issuer is unable to maintain relationships with certain agents it may lose customers and other agents, resulting in adverse financial consequences to the Resulting Issuer.

The Resulting Issuer will rely on independent agents to market and sell its products. Within the Resulting Issuer's proposed marketing program, distributors create networks, encompassing both independent agents and customers. If the Resulting Issuer is unable to retain key distributors, it may lose a significant number of customers and agents, which could result in adverse financial consequences to the Resulting Issuer.

The Resulting Issuer's sales and marketing efforts may be contingent upon the availability and effectiveness of its independent agents.

The Resulting Issuer's independent agents will be essential to its sales activities. The Resulting Issuer's ability to increase revenues in the future will depend significantly on the services of its independent agents. If the Resulting Issuer is unable to attract new independent agents and retain existing independent agents, the Resulting Issuer's growth may be materially reduced. There can be no assurance that competitive conditions will allow these independent contractors, who will not be employees of the Resulting Issuer, to continue to successfully sign up new customers or independent contractors. Further, if the Resulting Issuer's products are not attractive to, or do not generate sufficient revenue for, its independent agents, the Resulting Issuer may lose its existing relationships, which would have a material adverse effect on its business, revenues, results of operations and financial condition.

The Resulting Issuer's independent agents may expose it to risks.

The Resulting Issuer will be subject to reputational risks that may arise from the actions of its independent agents that are wholly or partially beyond its control, such as violations of its marketing policies and procedures as well as any failure to comply with applicable laws and regulations. If the Resulting Issuer's independent contractors engage in marketing practices that are not in compliance with local laws and regulations, the Resulting Issuer may be in breach of applicable laws and regulations which may result in regulatory proceedings, financial penalties and/or the revocation of its applicable retail licenses, which would materially impact the results of its operations.

Risks Relating to the Legal and Regulatory Environment

The Resulting Issuer will operate in the highly regulated natural gas and electricity retail sales industry in Ontario, and in any jurisdiction to which it expands. It must comply with the legislation and regulations in these jurisdictions in order to maintain its licensed status and to continue its operations. There is continual potential for change to this legislation and these regulatory measures that may, favourably or unfavourably, impact the Resulting Issuer's business model. As part of undertaking direct consumer marketing activities the Resulting Issuer may receive complaints from consumers which may involve sanctions from regulatory and legal authorities including those which issue marketing licenses. Similarly, changes to consumer protection legislation in Ontario, and those provinces and states where the Resulting Issuer expands in the future and markets to non-commercial consumers therein, may, favourably or unfavourably, impact the Resulting business model.

The Resulting Issuer will be exposed to the risk of future legal proceedings that could harm its interests.

The Resulting Issuer may in the future be subject to litigation and other actions, including those arising in relation to its customer contracts and marketing practices. Such litigation could be time consuming and expensive and could distract the Resulting Issuer's management team from the conduct of its business. The adverse resolution or reputational damage of any specific lawsuit could have a material adverse effect on the Resulting Issuer's ability to favourably resolve other lawsuits and on the Resulting Issuer's financial condition and liquidity.

Forward-looking information, projections, estimates, and assumptions may prove inaccurate.

Numerous statements containing forward-looking information are contained in this Circular. Such statements and information are subject to risks and uncertainties and involve certain assumptions, some, but not all, of which are discussed elsewhere in this document. The occurrence or non-occurrence, as the case may be, of any of the events described in such risks could cause actual results to differ materially from those expressed in the forward-looking information.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary, as of the date hereof, fairly represents the principal Canadian federal income tax considerations relating to the Capital Reorganization that generally are applicable to holders of Subordinate Voting Shares and Multiple Voting Shares that, at all relevant times, for purposes of the Tax Act, hold their Subordinate Voting Shares or Multiple Voting Shares, and will hold the Common Shares received in exchange for Multiple Voting Shares or into which Subordinate Voting Shares will be reclassified pursuant to the Capital Reorganization, as capital property and deal at arm's length with and are not affiliated with Look (each, a "**Holder**"). Generally, a Subordinate Voting Share, Multiple Voting Share or Common Share will be considered to be capital property to a Holder provided the Holder has not acquired or does not hold such share in the course of carrying on business or as part of an adventure or concern in the nature of trade. Certain holders whose Subordinate Voting Shares, Multiple Voting Shares or Common Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election in the circumstances permitted by subsection 39(4) of the Tax Act to deem such securities (and all other Canadian securities owned by the Holder) to be capital property. Holders considering making such an election should consult their own tax advisors.

This summary is not applicable to a Holder of Subordinate Voting Shares or Multiple Voting Shares (i) that is a "financial institution" or "specified financial institution", (ii) an interest in which is a "tax shelter investment" or (iii) that reports its "Canadian tax results" in a currency other than Canadian currency, each as defined in the Tax Act. Such holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel's understanding of the current administrative policies and assessing practices of Canada Revenue Agency ("**CRA**") published in writing prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not anticipate any changes in the relevant laws, whether by judicial, governmental or legislative action or decision, nor any changes in the administrative policies or assessing practices of CRA, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder of Subordinate Voting Shares or Multiple Voting Shares, and no representations with respect to the income tax consequences to any particular Holder of Subordinate Voting Shares or Multiple Voting Shares are made. Accordingly, holders of Subordinate Voting Shares or Multiple Voting Shares should consult their own tax advisors for advice with respect to the tax consequences to them of the Capital Reorganization Resolution, including the exercise of any dissent rights.

Holders Resident in Canada

The following portion of this summary applies generally to a Holder that, at all relevant times for the purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**").

Re-designation of Subordinate Voting Shares to Common Shares

The re-designation of the Subordinate Voting Shares to Common Shares pursuant to the Capital Reorganization Resolution does not constitute a substantial change to the attributes of the Subordinate Voting Shares and accordingly should not result, in and of itself, in a disposition of the Subordinate Voting Shares by Resident Holders for purposes of the Tax Act.

Exchange of Multiple Voting Shares for Common Shares

As provided in section 86 of the Tax Act, holders of Multiple Voting Shares will not be required to recognize any capital gain or loss when such shares are exchanged for Common Shares pursuant to the Capital Reorganization Resolution. Resident Holders are not required to file any election with CRA in order to obtain rollover treatment under section 86 of the Tax Act. A Resident Holder's aggregate adjusted cost base of the Multiple Voting Shares immediately before the exchange will become the aggregate adjusted cost base to such Resident Holder of the Common Shares received.

Dissenting Resident Holders

A Resident Holder that, as a result of exercising its dissent rights, disposes of Multiple Voting Shares to Look in consideration for a cash payment will be deemed to receive a dividend equal to the amount, if any, by which the amount received (other than in respect of interest awarded by a court, if any) exceeds the paid-up capital of the dissenting Resident Holder's Multiple Voting Shares. In the case of a Resident Holder that is an individual (including certain trusts), this deemed dividend will be subject to the normal gross-up and dividend tax credit rules under the Tax Act. The dissenting Resident Holder will also be considered to have disposed of its Multiple Voting Shares for proceeds of disposition equal to the amount received (less the deemed dividend referred to above and less also any interest awarded by a court). The dissenting Resident Holder will realize a capital gain (or capital loss) to the extent that such adjusted proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder's Multiple Voting Shares disposed of.

One-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year will be included in the Resident Holder's income for the year. One-half of any capital loss (an "**allowable capital loss**") realized by the Resident Holder in a year must be deducted against taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back up to three taxation years or carried forward indefinitely and deducted against net taxable capital gains in those other years, to the extent and in the circumstances specified in the Tax Act.

In the case of a Resident Holder that is a corporation, the amount of any capital loss arising from a disposition or deemed disposition of a share may be reduced by the amount of certain dividends received or deemed to be received by the corporation on the share, to the extent and in the circumstances specified in the Tax Act. Similar rules may apply where the corporation is a member of a partnership or a beneficiary of a trust that owns shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns shares.

Capital gains realized by a Resident Holder who is an individual (including certain trusts) may be subject to alternative minimum tax under the Tax Act.

Interest awarded by a court to a dissenting Resident Holder will be included in the Holder's income for purposes of the Tax Act.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including amounts in respect of taxable capital gains and interest. This tax will generally be refundable to the corporation at the rate of $1 for every $3 of taxable dividends paid.

Dissenting Resident Holders should consult their own tax advisors for specific advice with respect to exercising their dissent rights.

Non-Resident Holders

The following portion of this summary applies generally to a Holder that (i) at all relevant times, for the purposes of the Tax Act and any relevant tax treaty, is not resident or deemed to be resident in Canada, and (ii) does not and will not use or hold, and is not and will not be deemed to use or hold, Subordinate Voting Shares, Multiple Voting Shares or Common Shares in connection with carrying on a business in Canada (each, a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere.

Re-designation of Subordinate Voting Shares to Common Shares

The re-designation of the Subordinate Voting Shares to Common Shares pursuant to the Capital Reorganization Resolution does not constitute a substantial change to the attributes of the Subordinate Voting Shares and accordingly should not result, in and of itself, in a disposition of the Subordinate Voting Shares by Non-Resident Holders for purposes of the Tax Act.

Exchange of Multiple Voting Shares for Common Shares

As provided in section 86 of the Tax Act, holders of Multiple Voting Shares will not be required to recognize any capital gain or loss when such shares are exchanged for Common Shares pursuant to the Capital Reorganization Resolution. Non-Resident Holders are not required to file any election with CRA in order to obtain rollover treatment under section 86 of the Tax Act. A Non-Resident Holder's aggregate adjusted cost base of the Multiple Voting Shares immediately before the exchange will become the aggregate adjusted cost base to such Non-Resident Holder of the Common Shares received.

Dissenting Non-Resident Holders

A Non-Resident Holder that, as a result of exercising their dissent rights, disposes of Multiple Voting Shares to Look in consideration for a cash payment will be deemed to receive a dividend equal to the amount, if any, by which the amount received (other than in respect of interest awarded by a court, if any) exceeds the paid-up capital of the dissenting Non-Resident Holder's Multiple Voting Shares. Any such deemed dividend will be subject to Canadian withholding tax at a rate of 25% (or a lesser rate under an applicable income tax convention).

The dissenting Non-Resident Holder will also be considered to have disposed of its Multiple Voting Shares for proceeds of disposition equal to the amount received (less the deemed dividend referred to above and less also any interest awarded by a court). Any capital gain realized by such dissenting Non-Resident will not be subject to tax in Canada unless the Multiple Voting Shares constitute "taxable Canadian property" to such holder and no exemption is available under an applicable income tax convention.

Provided that the Multiple Voting Shares are listed on a designated stock exchange (as defined in the Tax Act, which includes the TSX-V) at the time of disposition, the Multiple Voting Shares generally will not constitute "taxable Canadian property" to a Non-Resident Holder at the time of such disposition, unless at any time during the 60-month period immediately preceding the disposition of such shares both of the following conditions were met: (i) the Non-Resident Holder, persons not dealing at arm's length with such Non-Resident Holder or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the capital stock of Look; and (ii) more than 50% of the fair market value of the Multiple Voting Shares was derived, directly or indirectly, from one or a combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act), or any option in respect of, or interest in, or for civil law, rights in any of the foregoing whether or not the property exists. Multiple Voting Shares may also be deemed to be taxable Canadian property in certain circumstances as set out in the Tax Act. Non-Resident Holders whose Multiple Voting Shares are taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances.

An amount paid in respect of interest awarded by a court to a dissenting Non-Resident Holder will not be subject to Canadian withholding tax except to the extent such interest is "participating debt interest", as defined in the Tax Act.

Non-Resident Holders should consult their own tax advisors with respect to the Canadian tax consequences of exercising their dissent rights in respect of such shares.

DISSENT RIGHTS

Section 176 of the CBCA provides that holders of shares of a class are entitled to vote separately as a class on any proposal to amend a corporation's articles to redesignate, change and divide the authorized share capital of Look. Section 190(1) provides that any holder of shares of a class entitled to vote under Section 176 may dissent if Look resolves to amend its articles in such a manner. Such a Shareholder (a "**dissenting shareholder**") may send Look a written objection (a "**notice of dissent**") to the Capital Reorganization Resolution.

In addition to any other right such a Shareholder may have, a Shareholder who complies with the dissent procedure of Section 190 of the CBCA is entitled to be paid by Look the fair value of the shares held by him determined as at the close of business on the day before the Capital Reorganization Resolution was passed. A dissenting shareholder may claim under Section 190 of the CBCA only with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in his name. A Shareholder who wishes to invoke the provisions of Section 190 of the CBCA must send written notice of his dissent to the registered office of Look, to the attention of the Secretary on or before July 4, 2013. The filing of a notice of dissent does not deprive a Shareholder of his right to vote on the Capital Reorganization Resolutions and a vote against the Exchange does not constitute notice of dissent.

Within ten (10) days after the passing of the Capital Reorganization Resolution, Look is required to notify in writing each dissenting shareholder that the Capital Reorganization Resolution has been adopted. A dissenting shareholder shall within twenty (20) days after he, she or it receives notice of adoption of the Capital Reorganization Resolution, send Look a written notice (the "**demand for payment**") containing his name and address, the number of shares in respect of which he, she or it dissents and a demand for payment of the fair value of the shares of Look held. Within thirty (30) days of the sending of the demand for payment, the dissenting shareholder shall send the certificates representing the shares in respect of which the dissenting shareholder dissents to Look at the above address. Look shall endorse on them notice that the Shareholder is a dissenting shareholder and immediately return the share certificates to the dissenting shareholder. After sending a demand for payment a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares of Look held by him, unless the dissenting shareholder withdraws his demand for payment before Look makes an offer to pay (the "**Offer to Pay**") or Look fails to make an offer to pay and the dissenting shareholder withdraws his notice, or the directors revoke the resolution to amend the articles of Look, in which case his rights as a Shareholder are reinstated as of the date he sent the notice referred to above. Not later than seven (7) days after the day Look receives a demand for payment, Look shall send each dissenting shareholder who has sent a demand for payment an Offer to Pay for the shares of the dissenting shareholder in an amount considered by the directors of Look to be their fair value, accompanied by a statement showing how the fair value was determined. Every Offer to pay for shares held by dissenting shareholders shall be on the same terms. Any Offer to Pay accepted by a dissenting shareholder shall be paid by Look within ten (10) days of the acceptance but an Offer to Pay lapses if Look has not received an acceptance within thirty (30) days of the making of the Offer to Pay. If an Offer to Pay is not made by Look or if a dissenting shareholder fails to accept an Offer to Pay, Look may within fifty (50) days after the action approved by the resolution is effective, or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder. If Look fails to apply to a court under the above provision, a dissenting shareholder may apply to a court for the same purpose within a further period of twenty (20) days or such further period as the court may allow. Any such application shall be made to a court having jurisdiction in the Province of Ontario or in the province where the dissenting shareholder resides if Look carries on business in that province.

A dissenting shareholder is not required to give security for costs in application to a court, and all dissenting shareholders whose shares have not been purchased by Look shall be joined as parties and bound by the decision of the court. Look shall notify each affected dissenting shareholder of the date, place and consequences of an application and of the right of a dissenting shareholder to appear and be heard in person or by counsel. The court shall fix a fair value for the shares of all dissenting shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date of the creation of the Common Shares to the date of payment.

If both the Capital Reorganization Resolution and the Ratification Resolution are approved, it is currently anticipated that Look will proceed with the Capital Reorganization. However, the Capital Reorganization Resolution authorizes the Board, without further notice to or approval of the Shareholders, subject to the terms of the Purchase Agreement and the Subscription Agreements, to elect to not proceed with the Capital Reorganization. The Board reserves the right, in the event that both the Capital Reorganization Resolution and the Ratification Resolution are approved, to not proceed with the Capital Reorganization. The Board will make its final determination based on all relevant factors, including the number of Multiple Voting Shares and Subordinate Voting Shares, if any, in respect of which dissent rights are exercised in connection with the Capital Reorganization Resolution. If the Shareholders adopt both the Capital Reorganization Resolution and the Ratification Resolution, Look will issue a press release as soon as practicable following the Meeting to inform the Shareholders whether or not the Capital Reorganization will be implemented. If the Board exercises its discretion to not proceed with the Capital Reorganization, Shareholders will not be entitled to exercise dissent rights, even if the Capital Reorganization Resolution is approved by Shareholders.

SPONSORSHIP

Pursuant to an agreement dated April 10, 2013, Brant Securities Limited, of 220 Bay Street, Suite 300, Toronto, Ontario M5J 2W4, has agreed to sponsor Look with respect to the Transactions. In consideration therefor, the Sponsor will receive a fee of $25,000 and will be reimbursed its reasonable expenses (including legal costs which will be a maximum of $14,500 before taxes and disbursements). As at the date of this Circular, Look has advanced to the Sponsor $12,500 plus taxes, representing partial payment of the sponsorship fee and a retainer for expenses, and $7,500 plus taxes, representing partial payment of the Sponsor's legal fees. The Sponsor is at arm's length to Look and Sunwave, and holds no securities in either Look or Sunwave.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as described in the paragraph below, none of Look's directors or executive officers, nor any person who has held such a position since the beginning of the last completed financial year, nor any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Upon Closing of the Transactions, Lawrence Silber and David A. Rattee, two of the current independent directors of Look, will be appointed as directors of the Resulting Issuer and C. Fraser Elliott, the current Chief Financial Officer of Look, will be appointed as Chief Financial Officer and Corporate Secretary of the Resulting Issuer. Lawrence Silber also holds Multiple Voting Shares and Subordinate Voting Shares and, as such, he has an interest in the Transactions that is identical to all Shareholders of Look. In addition, C. Fraser Elliott is participating in the Private Placement by subscribing for 845,744 Multiple Voting Shares and 939,971 Subordinate Voting Shares.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "informed person" means: (i) a director or executive officer of Look; (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of Look; (iii) any person or company who beneficially owns, directly or indirectly, voting securities of Look or who exercises control or direction over voting securities of Look or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of Look, other than voting securities held by the person or company as underwriter in the course of a distribution; and (iv) Look, if it has purchased, redeemed, or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as described elsewhere in this Circular, to the best of Look's knowledge, no informed person of Look, and no associate or affiliate of the foregoing persons, at any time since the beginning of its last completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its last completed financial year that has materially affected Look, or in any proposed transaction that could materially affect Look.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The directors and officers of Look are covered for liability incurred by them in such capacity by a directors' and officers' liability insurance policy. Look's insurance policy provides coverage for all claims with the exception that for any claim in which Look is not permitted to reimburse the insured persons, either by law or otherwise.

INTERESTS OF EXPERTS

The audited financial statements of Look for August 31, 2012, 2011 and 2010 have been incorporated in this Circular in reliance upon the reports of Grant Thornton LLP, independent chartered accountants, and upon the authority of such firm as experts in accounting and auditing. Grant Thornton LLP is independent of Look and Sunwave within the meaning of the applicable rules of professional conduct in Canada.

The audited financial statements of Sunwave as at December 31, 2012 and for the period then ended, have been incorporated in this Circular in reliance upon the reports of BDO Canada LLP, independent chartered accountants, and upon the authority of such firm as experts in accounting and auditing. BDO Canada LLP is independent of Look and Sunwave within the meaning of the applicable rules of professional conduct in Canada.

OTHER MATERIAL FACTS

There are no material facts relating to Look, Sunwave or the Transactions other than as disclosed herein.

BOARD APPROVAL

The delivery of this Notice of Meeting and Circular to the Shareholders has been approved by the Board.

SCHEDULE A
TRANSACTION RESOLUTION

BE IT RESOLVED THAT:

1. The terms of the securities purchase agreement dated March 26, 2013 (the "**Purchase Agreement**") among Look Communication Inc. ("**Look**"), Sunwave Gas & Power Inc. ("**Sunwave**") and OZZ Clean Energy Inc. ("**OCE**"), providing for, among other things, the acquisition (the "**Acquisition**") of all of the issued and outstanding shares of Sunwave by Look from OCE in exchange for the issuance of an aggregate of 3,382,974 multiple voting shares and 3,759,883 subordinate voting shares in the capital of Look to OCE at a deemed price of $0.14 per share, is hereby confirmed, ratified and approved.

2. The terms of the subscription agreements (the "**Subscription Agreements**") among Look and certain investors (the "**Look Investors**") providing for, among other things, the issuance of 30,446,767 multiple voting shares and 33,838,947 subordinate voting shares in the capital of Look, on a private placement basis (the "**Private Placement**" and together with the Acquisition, the "**Transactions**"), to the Look Investors at a price of $0.14 per share is hereby confirmed, ratified and approved.

3. Subject to the approval of the TSX Venture Exchange ("**TSX-V**"), the completion of the Transactions on such terms and conditions as the board of directors of Look (the "**Board**") may determine in its sole discretion, and all matters related and transactions ancillary thereto are hereby authorized and approved.

4. Notwithstanding the approval of this resolution by the shareholders of Look, or the approval of the Transactions by the TSX-V, the Board is hereby authorized and empowered without further notice to, or approval of, the shareholders (but subject to the terms of the Purchase Agreement) to not proceed with the Transactions and related transactions at any time prior to the closing of the Transactions.

5. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look, to execute and deliver all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE B
RATIFICATION RESOLUTION

BE IT RESOLVED THAT:

1. The current capital structure of Look Communications Inc. ("**Look**"), as set forth in articles of amalgamation of Look dated January 1, 2006, is hereby confirmed and ratified.

2. The issuance of the multiple voting shares and the subordinate voting shares in the capital of Look pursuant to (i) the securities purchase agreement dated March 26, 2013 among Look, Sunwave Gas & Power Inc. and OZZ Clean Energy Inc. and (ii) the subscription agreements among Look and certain investors is hereby authorized and approved.

3. Notwithstanding the approval of this resolution by the shareholders of Look, the board of directors of Look is hereby authorized and empowered without further notice to, or approval of, the shareholders to abandon the issuance of the multiple voting shares and the subordinate voting shares contemplated in the forgoing resolutions.

4. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look, to execute and deliver all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE C
CAPITAL REORGANIZATION RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. An amendment to the articles of Look Communications Inc. ("**Look**") providing for the following amendments is hereby authorized and approved:

    (a) the subordinate voting shares in the capital of Look be redesignated as common shares ("**Common Shares**");

    (b) each issued and outstanding multiple voting share in the capital of Look be exchanged on a one-for-one basis into Common Shares; and

    (c) Schedule I to the articles of amalgamation of Look dated January 1, 2006 be replaced in its entirety with Schedule "E" to the Management Information Circular of Look dated June 7, 2013.

2. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look, to file articles of amendment or any such variation thereof as may be required and do all other things and execute such other documents necessary in order to give effect to the foregoing.

3. Notwithstanding the approval of this special resolution by the shareholders of Look, the board of directors of Look is hereby authorized and empowered without further notice to, or approval of, the shareholders to abandon the proposed amendment to the articles of Look contemplated in the forgoing resolutions.

4. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look, to execute and deliver all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE D
NAME CHANGE RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The name of Look Communications Inc. ("**Look**") be changed to "ONEnergy Inc.", or such other name as may be approved by the board of directors of Look and the regulatory authorities.

2. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look and at such times and on such dates as may be determined by such director or officer, to file articles of amendment or any such variation thereof as may be required and do all other things and execute such other documents necessary in order to give effect to the foregoing.

3. Notwithstanding the approval of this special resolution by the shareholders of Look, the board of directors of Look is hereby authorized and empowered without further notice to, or approval of, the shareholders to abandon the proposed amendment to the articles of Look contemplated in the forgoing resolutions.

4. Any director or officer of Look is hereby authorized and directed, for and on behalf of Look, to execute and deliver all such documents and to do all such other acts or things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

SCHEDULE E
SHARE PROVISIONS

COMMON SHARES

The common shares (the "**Common Shares**") shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Payment of Dividends

Subject to any preference as to the payment of dividends provided to any shares ranking in priority to the Common Shares, the holders of Common Shares shall, except as otherwise hereinafter provided, be entitled to participate equally with each other as to dividends and the Corporation shall pay dividends thereon, as and when declared by the Board of Directors of the Corporation out of moneys properly applicable to the payment of dividends, in amounts per share and at the same time on all such Common Shares at the time outstanding as the Board of Directors may from time to time determine.

2. Liquidation, Dissolution or Winding-up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, all of the property and assets of the Corporation which remain after payment to the holders of any shares ranking in priority to the Common Shares in respect of payment upon liquidation, dissolution or winding-up of all amounts attributed and properly payable to such holders of such other shares in the event of such liquidation, dissolution, winding-up or distribution, shall be paid or distributed equally, share for share, to the holders of the Common Shares, without preference or distinction.

3. Voting

The holders of the Common Shares shall be entitled to receive notice of and attend (in person or by proxy) and be heard at all meetings of the shareholders of the Corporation (other than separate meetings of the holders of shares of any other class of shares of the Corporation or any series of shares of such other class of shares) and to vote at all such meetings with each holder of Common Shares, being entitled to one vote per Common Share.

PREFERENCE SHARES

The preference shares (the "**Preference Shares**") shall, as a class, have attached thereto the following rights, privileges, conditions and restrictions:

(a) The Preference Shares may at any time and from time to time be issued in one or more series.

(b) The Directors of the Corporation may, by resolution and before the issue of shares of any particular series, amend the articles of the Corporation to:

    (i) fix the number of shares in and to determine the designation of the shares of each series; and

    (ii) subject to subclauses (c) and (d) hereof, create, define and attach the rights, privileges, conditions and restrictions attaching to the shares of each series including, but without in any way limiting or restricting the generality of the foregoing, the rate or amount of dividends, whether cumulative, non-cumulative or partially cumulative, the dates, places and currencies of payment thereof, the consideration therefor, and the terms and conditions of any purchase for cancellation or redemption thereof, including redemption after a fixed term or at a premium, conversion or exchange rights, restrictions respecting payment of dividends on, or the repayment of capital in respect of, any other shares of the Corporation and voting rights and restrictions.

(c) Holders of Preference Shares shall be entitled, on the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or on any distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, to receive before any distribution shall be made to holders of Common Shares or any other shares of the Corporation ranking junior to the Preference Shares with respect to repayment of capital, the amount paid up with respect to each Preference Share held by them together with the fixed premium, if any, all accrued and unpaid cumulative dividends (if any and if preferential) thereon which for such purpose shall be calculated as if such dividends were accruing on a day-to-day basis up to the date of such distributions, whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any and if preferential) thereon. After payment to the holders of Common Shares of the amounts so payable to them, they shall not be entitled to share in any further distribution of the property or assets of the Corporation except as specifically provided in the rights, privileges, conditions and restrictions attached to any particular series.

(d) Except for such rights relating to the election of Directors on a default in payment of dividends as may be attached to any series of the Preference Shares by the Directors, holders of Preference Shares shall not be entitled as such to receive notice of, or to attend or vote at any meeting of the shareholders of the Corporation.

SCHEDULE F
FINANCIAL STATEMENTS OF LOOK

(See attached.)

Consolidated Financial Statements of

LOOK COMMUNICATIONS INC.

For the years ended August 31, 2012 and 2011

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Look Communications Inc. (the "Corporation") and its subsidiaries and all the information in Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. The consolidated financial statements include certain amounts that are based on the best estimates and judgments of management and in their opinion present fairly, in all material respects, the Corporation's financial position, results of operations and cash flows. Management has prepared the financial information presented elsewhere in Management's Discussion and Analysis and has ensured that it is consistent with the consolidated financial statements.

Management of the Corporation is responsible for the internal controls that provide reasonable assurance that transactions are properly authorized and recorded, financial records are reliable and form a proper basis for the preparation of consolidated financial statements and that the Corporation's assets are properly accounted for and safeguarded.

The Board of Directors is responsible for overseeing management's responsibility for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility through its Audit and Corporate Governance Committee (the "Audit Committee").

The Audit Committee meets periodically with management, as well as with external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues; to satisfy itself that each party is properly discharging its responsibilities; and to review Management's Discussion and Analysis, the consolidated financial statements and the external auditors' report. The Audit Committee reports its findings to the Board of Directors for consideration when approving the consolidated financial statements for issuance to the shareholders. The Audit Committee also considers, for review by the Board of Directors and approval by the shareholders, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by Grant Thornton LLP, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of the shareholders. Grant Thornton LLP has full and free access to the Audit Committee.

(Signed) - *Grant McCutcheon*

Grant McCutcheon
Chief Executive Officer

(Signed) – *C. Fraser Elliott*

C. Fraser Elliott
Chief Financial Officer

November 22, 2012

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of Look Communications Inc.

We have audited the accompanying consolidated financial statements of Look Communications Inc., which comprise the consolidated statements of financial position as at August 31, 2012, August 31, 2011, and September 1, 2010, and the consolidated statements of loss and comprehensive loss, changes in shareholders equity, and cash flows for the years ended August 31, 2012 and 2011, and a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Look Communications Inc. as at August 31, 2012, August 31, 2011, and September 1, 2010, and the results of its operations and its cash flows for the years ended August 31, 2012 and 2011 in accordance with International Financial Reporting Standards.

Chartered Accountants, Licensed Public Accountants
Mississauga, Canada

November 22, 2012

LOOK COMMUNICATIONS INC.

Consolidated Statements of Financial Position
(In thousands of Canadian dollars)

As at

	August 31, 2012	August 31, 2011	September 1, 2010
Assets			
Current assets			
Cash and cash equivalents (note 4)	**$ 147**	$ 236	$ 2,118
Short-term investments (note 4)	**18,009**	27,280	25,143
Accounts receivable and other receivables (note 5)	**628**	481	259
Prepaid expenses and deposits (note 6)	**21**	2,409	3,985
	18,805	30,406	31,505
Property and equipment (note 7)	**-**	-	1,738
	$ 18,805	$ 30,406	$ 33,243
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable	**$ 547**	$ 732	$ 124
Accrued restructuring liabilities (note 8)	**189**	189	194
Accrued liabilities	**179**	389	872
	915	1,310	1,190
Shareholders' equity			
Share capital (note 9)	**27,499**	34,484	34,484
Deficit (note 17)	**(9,609)**	(5,388)	(2,431)
	17,890	29,096	32,053
	$ 18,805	$ 30,406	$ 33,243

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

Approved by the Board of Directors:

(Signed) - *David Rattee*

Director

(Signed) - *Grant McCutcheon*

Director

LOOK COMMUNICATIONS INC.

Consolidated Statements of Loss and Comprehensive Loss
(In thousands of Canadian dollars, except per share amounts)

For years ended August 31,

	2012	2011
Revenue	**$ -**	$ -
Expenses		
Compensation (note 11)	**171**	345
General and administrative (note 12)	**4,324**	3,989
Depreciation of property and equipment	**-**	107
Restructuring charges (note 8)	**-**	74
	4,495	4,515
Loss before the undernoted	**(4,495)**	(4,515)
Interest charges	**-**	(4)
Interest income	**274**	298
Gain on sale of property and equipment (note 7)	**-**	1,260
Gain on sale of other equipment (note 7)	**-**	4
Loss and comprehensive loss for the year	**$ (4,221)**	$ (2,957)
Loss per share		
Basic and diluted	**(0.030)**	(0.021)
Weighted average number of shares outstanding		
Basic and diluted	**139,702**	139,702

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

LOOK COMMUNICATIONS INC.

Consolidated Statements of Changes in Shareholders' Equity
(In thousands of Canadian dollars)

	Share Capital (Note 9) Shares	Amount	Deficit	Total Shareholders' Equity
Balance, September 1, 2010	139,702	$ 34,484	$ (2,431)	$ 32,053
Net loss and comprehensive loss for the year	-	-	(2,957)	(2,957)
Balance, August 31, 2011	139,702	$ 34,484	$ (5,388)	$ 29,096
Return of capital to shareholders (note 9(b))	-	(6,985)	-	(6,985)
Net loss and comprehensive loss for the year	-	-	(4,221)	(4,221)
Balance, August 31, 2012	**139,702**	**$ 27,499**	**$ (9,609)**	**$ 17,890**

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

LOOK COMMUNICATIONS INC.

Consolidated Statements of Cash Flows
(In thousands of Canadian dollars)

For the years ended August 31,

	2012	2011
Cash flows from operating activities		
Net loss for the year	**$ (4,221)**	$ (2,957)
Items not affecting cash		
Depreciation of property and equipment	**-**	107
Interest earned on short-term investments	**(274)**	(290)
Gain on sale of property and equipment (note 7)	**-**	(1,260)
Gain on sale of other property and equipment (note 7)	**-**	(4)
Change in non-cash operating assets and liabilities		
Accounts receivable and other receivables	**(147)**	(222)
Prepaid expenses and deposits	**2,388**	1,576
Accounts payable and accrued liabilities	**(395)**	125
Accrued restructuring liabilities	**-**	(5)
Cash used in operating activities	**(2,649)**	(2,930)
Financing activities		
Return of capital to shareholders (note 9(b))	**(6,985)**	-
Investing activities		
Proceeds on sale of property and equipment	**-**	3,050
Proceeds on sale of other property and equipment	**-**	4
Transaction costs on sale of property and equipment	**-**	(159)
(Purchase) / redemption of short-term investments	**9,188**	(2,000)
Interest received on short-term investments	**357**	153
Cash provided by investing activities	**9,545**	1,048
Decrease in cash and cash equivalents	**(89)**	(1,882)
Cash and cash equivalents, beginning of year	**236**	2,118
Cash and cash equivalents, end of year	**$ 147**	$ 236

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

1. Nature of operation

During fiscal 2009, the Corporation sold its spectrum and broadcast licence to Inukshuk Wireless Partnership ("Inukshuk") (a joint venture between Rogers Communications and Bell Canada). As a result of this sale, the Corporation has limited operations and continues to examine potential investment opportunities that could utilize the Corporation's cash and tax attributes in an effort to maximize shareholder value.

On February 3, 2011, the Corporation received notice from the TSX Venture Exchange (the "Exchange") that, in accordance with its Continued Listing Requirements outlined in Exchange Policy 2.5, the Corporation no longer meets the tests related to having a significant interest in a business or primary asset used to carry on business. Effective May 9, 2011, the Exchange issued a bulletin reclassifying the Corporation to Tier 2 and placed the Corporation on notice to transfer to NEX, subject to the Corporation making a submission that it meets all Tier 2 Continued Listing Requirements.

In accordance with TSX Venture Policy 2.5, the Corporation has not maintained the requirements for a TSX Venture Tier 2 company. Therefore, effective Friday, November 25, 2011, the Corporation's listing was transferred to NEX, the Corporation's Tier classification changed from Tier 2 to NEX, and the Filing and Service Office changed from Montreal to NEX.

As of November 25, 2011, the Corporation is subject to restrictions on share issuances and certain types of payments as set out in the NEX policies.

The trading symbol for the Corporation's multiple voting shares changed from LOK to LOK.H. The trading symbol for the Corporation's subordinate voting shares changed from LOK.A to LOK.K. There is no change in the Corporation's name, in its CUSIP number and consolidation of capital. The symbol extensions differentiate NEX symbols from Tier 1 or Tier 2 symbols within the TSX Venture market.

These consolidated financial statements were approved for issue by the Board of Directors on November 21, 2012.

2. Summary of significant accounting policies

(a) Statement of compliance

These are the Corporation's first consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). The accounting policies have been selected to be consistent with IFRS, as issued by the International Accounting Standards Board ("IASB"), as effective August 31, 2012. Previously, the Corporation prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

The adoption of IFRS resulted in changes to the accounting policies as compared with the most recent annual financial statements prepared under Canadian GAAP. The accounting policies set out below have been applied consistently to all periods presented. They were also applied in the preparation of an opening IFRS statement of financial position as at September 1, 2010, as required by IFRS 1, First Time Adoption of International Financial Reporting Standards ("IFRS 1"). The impact of the transition from Canadian GAAP to IFRS is explained in note 17.

(b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified as at fair value through profit or loss and designated as available-for-sale which are measured at fair value.

These consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiaries, Look Mobile Corporation, Look Communications LP and Delphi Supernet Inc. All inter-company transactions are eliminated on consolidation.

(c) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with banks and highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition.

2. Summary of significant accounting policies (continued)

(d) Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss (“FVTPL”), loans and receivables, held to maturity investments (“HTM”), or available for sale financial assets (“AFS”), as appropriate at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification is determined at initial recognition and depends on the nature and purpose of the financial asset. A financial asset is derecognized when its contractual rights to the asset’s cash flows expire or if substantially all the risks and rewards of the asset are transferred.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the consolidated statements of loss and comprehensive loss. Transaction costs are expensed as incurred. The Corporation has no assets at FVTPL.

Loans and receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivable. Accounts receivable are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost. The impairment loss, which is estimated in the determination of amortized costs, of receivables is based on a review of all outstanding amounts at period end. Bad debts are written off during the period in which they are identified. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the consolidated statements of loss and comprehensive loss when the receivables are derecognized or impaired, as well as through the amortization process. The Corporation has classified cash and cash equivalents, short-term investments, accounts receivable and other receivables as loans and receivables.

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

Impairment of financial assets

The Corporation assesses at the end of each reporting period whether a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate.

The carrying amount of all financial assets, excluding accounts receivable, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. Associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Corporation. Subsequent recoveries of amounts previously allowed for are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of loss and comprehensive loss. A provision for impairment is made in relation to accounts receivable, and an impairment loss is recognized in the consolidated statement of loss and comprehensive loss when there is objective evidence that the Corporation will not be able to collect all of the amounts due under the original terms.

Effective interest method

The effective interest method calculates the amortized cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts or disbursements over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income or expense is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate upon initial recognition. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. Subsequent to the initial recognition, other financial liabilities are measured at amortized cost using the effective interest method. The Corporation's other financial liabilities include accounts payables, accrued restructuring liabilities, and accrued liabilities.

Financial liabilities are classified as FVTPL if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments (including separated embedded derivatives) unless they are designated as effective hedging instruments. Gains or losses on liabilities classified as FVTPL are recognized in the consolidated statement of loss and comprehensive loss. The Corporation does not have any liabilities at FVTPL.

Financial instruments carried at fair value

Financial instruments carried at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(e) Property and equipment

Property and equipment is recorded at cost less accumulated depreciation and impairment charges. Depreciation on equipment is recorded on a straight-line basis over term of three to five years, and on a declining balance basis at a rate of 4% on property.

2. Summary of significant accounting policies (continued)

(f) Impairment of non-financial assets

At the end of each reporting period, the Corporation reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(g) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute deferred tax assets and liabilities are measured at future anticipated tax rates which have been enacted or substantively enacted at the reporting date. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

With certain exceptions, deferred tax assets and liabilities are provided on all qualifying temporary differences at the end of the reporting period between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are only recognized to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary difference can be utilized.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2. Summary of significant accounting policies (continued)

(h) Provisions and contingencies

Provisions are recognized when a legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense.

When a contingency substantiated by confirming events can be reliably measured and is likely to result in an economic outflow, a liability is recognized as the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the consolidated financial statements.

(i) Basic and diluted loss per share

Basic loss per share is computed by dividing the net loss applicable by the weighted average number of Multiple Voting shares and Subordinate Voting shares outstanding during the reporting period. Diluted earnings per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants.

(j) Share-based payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period based on the Corporation’s estimate of shares that will eventually vest. The number of forfeitures likely to occur is estimated on grant date. Any consideration paid by directors, officers and employees on exercise of equity-settled share-based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Compensation expense on stock options granted to non-employees is measured at the fair value of the goods and services on the date when the goods or services are received and is recorded as an expense in the same period as if the Corporation had paid cash for the goods or services received.

2. Summary of significant accounting policies (continued)

(j) Share-based payments (continued)

When the fair value of the goods or services received from non-employees in exchange for the share-based payment cannot be reliably estimated, the fair value of the shares issued is measured by use of a Black-Scholes option pricing model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. No share-based payments were made during fiscal 2012 and 2011.

(k) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable income together with future tax planning strategies. Factors considered in the assessment of the likelihood and value of the realizable deferred tax assets include the Corporation's forecast of the amount and timing of future net income before taxes, available tax planning strategies that could be implemented to realize the deferred tax assets and the remaining period of loss carry forwards.

3. Accounting standards issued but not yet effective

The Corporation has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Corporation:

IFRS 9 Financial Instruments (“IFRS 9”) was issued by the IASB on November 12, 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Corporation is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

IFRS 10 Consolidated Financial Statements (“IFRS 10”) establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 supersedes IAS 27 “Consolidated and Separate Financial Statements” and SIC-12 “Consolidated – Special Purpose Entities” and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 11 Joint Arrangements (“IFRS 11”) establishes principles for financial reporting by parties to a joint arrangement. IFRS 11 supersedes the current IAS 31 “Interests in Joint Ventures” and SIC-13 “Jointly Controlled Entities – Non-Monetary Contributions by Venturers” and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities (“IFRS 12”) applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

(In thousands of Canadian dollars, except per share amounts)

3. Accounting standards issued but not yet effective (continued)

IFRS 13 Fair Value Measurements ("IFRS 13") defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies to IFRS that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances. IFRS 13 is to be applied for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

4. Cash and cash equivalents and short-term investments

(a) Cash and cash equivalents

As at August 31, 2012, the Corporation held $147 of cash (August 31, 2011 - $236; September 1, 2010 - $2,118) and no cash equivalents.

(b) Short-term investments

As at August 31, 2012, the Corporation held $18,009 of short-term investments (August 31, 2011 - $27,280; September 1, 2010 - $25,143) which include variable rate guaranteed investment certificates ("GIC") with original maturities of less than 365 days.

As at August 31, 2012, the effective annual interest rate on the GICs was 1.21%. The fair value of short-term investments has been valued using Level 1 inputs.

5. Accounts receivable and other receivables

Accounts receivable and other receivables as at August 31, 2012, August 31, 2011 and September 1, 2010 are set out in the following table:

	August 31, 2012	August 31, 2011	September 1, 2010
GST/HST receivable	**$ 446**	$ 216	$ 249
Legal retainer in trust[(1)]	**164**	164	-
Restructuring charges receivable[(1)]	**-**	100	-
Other receivables	**18**	1	10
Total	**$ 628**	$ 481	$ 259

[(1)] In fiscal 2011, as a result of a settlement agreement executed between the Corporation and a former director, $164 in legal retainers was reallocated from prepayments and $100 was reversed from restructuring charges to Accounts Receivable. On August 2, 2012, $100 was received from a former director.

(In thousands of Canadian dollars, except per share amounts)

6. Prepaid expenses and deposits

	August 31, 2012	August 31, 2011	September 1, 2010
Management Service Agreement (note 12(a))	$ -	$ 1,244	$ 2,400
2010 legal advances[i]	-	1,143	1,511
Other	21	22	74
Total	$ 21	$ 2,409	$ 3,985

[i]During June, 2010 and July, 2010 the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,386 was drawn down up to August 31, 2012. $164 was moved to accounts receivable and other receivables as a result of a settlement agreement executed between the Corporation and a former director (note 5).

The Corporation is vigorously seeking recovery of these 2010 legal advances (note 12(d)).

7. Property and equipment

On June 3, 2011, the Corporation sold its land and building in Milton, Ontario for aggregate consideration of $3,050. During fiscal 2011, other equipment was sold for $4. There was no remaining property and equipment as at August 31, 2012 and 2011.

September 1, 2010	Cost	Accumulated amortization	Disposition	Net book value
Land	$ 195	$ -	-	$ 195
Building	1,432	549	-	883
Headend and network equipment	34,609	34,609	-	-
Customer connections	20,767	20,767	-	-
Computer hardware and software	19,554	19,413	-	141
Office equipment and other	2,456	1,937	-	519
	$ 79,013	$ 77,275	$ -	$ 1,738

August 31, 2011	Cost	Accumulated amortization	Disposition	Net book value
Land	$ 195	$ -	$ 195	$ -
Building	1,432	576	856	-
Headend and network equipment	34,609	34,609	-	-
Customer connections	20,767	20,767	-	-
Computer hardware and software	19,554	19,452	102	-
Office equipment and other	2,456	1,978	478	-
	$ 79,013	$ 77,382	$ 1,631	$ -

(In thousands of Canadian dollars, except per share amounts)

8. Restructuring

As a result of the sale of its spectrum and broadcast licence to Inukshuk (note 1) and the resulting restructuring of its business including, among other things, charges incurred in relation to the Plan of Arrangement (the "Arrangement") under the *Canada Business Corporations Act* (Section 192) initiated in 2009, the Corporation has recorded and paid restructuring costs as set out in the following table:

Accrued restructuring liabilities	Site restoration, contract termination and arrangement charges	Human resource restructuring charges	Total restructuring amounts
Balance as at September 1, 2010	$ 5	$ 189	$ 194
Expensed in fiscal 2011	174	-	174
Paid / reversed in fiscal 2011	(153)	-	(153)
Drawn down in fiscal 2011	(26)	-	(26)
Balance as at August 31, 2012 and 2011	$ -	$ 189	$ 189

From the commencement of the restructuring process through November 30, 2010, the amounts expensed included, among others, legal and consulting charges incurred in relation to the Arrangement, legal charges incurred related to former Director and former management indemnities, site restoration charges, contract termination charges, and estimated amounts due to government bodies. Additional charges may be incurred as the Corporation continues in its attempts to maximize shareholder value including the monetization of the remaining assets, the return of capital to shareholders, and legal charges incurred related to the recovery of advances made by former directors and former management to various law firms.

There were no restructuring expenses or payments during the year ended August 31, 2012.

During the year ended August 31, 2011, the Corporation reversed $100 of restructuring charges as a result of a settlement agreement executed between the Corporation and a former director. The amount is recorded in Paid / reversed in the table above.

The Corporation continues to pursue opportunities to realize the value of its remaining material non-cash asset of approximately $166,116 in tax attributes.

(In thousands of Canadian dollars, except per share amounts)

9. Share capital

(a) Authorized

Preference Shares - non-voting, issuable in series. The number of shares under each series, designation, privileges, restrictions and conditions attaching thereto to be determined by the Board of Directors prior to issue. No such shares are issued and outstanding.

Unlimited Multiple Voting Shares - voting, entitled to 150 votes per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Subordinate Voting Shares - voting, entitled to one vote per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Class A Non-Voting Shares - voting, entitled to one vote per share (except at meetings of other class shareholders), entitled to dividends, subject to the rights holders of any preference shares, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation. No such shares are issued and outstanding.

(b) Issued and outstanding

	Multiple Voting Shares		Subordinate Voting Shares		Total
Balance, September 1, 2010, and August 31, 2011	66,165	$ 16,499	73,537	$ 17,985	$ 34,484
Return of Capital[1]		(3,308)		(3,677)	(6,985)
Balance at August 31, 2012	66,165	$ 13,191	73,537	$ 14,308	$ 27,499

[1] On March 13, 2012, the Corporation announced that it paid a distribution of an aggregate amount of $6,985 to the holders of its multiple voting shares and subordinate voting shares, on a pro rata basis, as a return of capital equivalent to $0.05 for each outstanding multiple voting share and subordinate voting share.

(c) Stock option incentive plan

On March 25, 2002, the Board of Directors of the Corporation approved the 2002 Stock Option Incentive Plan (the "2002 Plan"). As a result of the Corporation's restructuring process, there were no options outstanding to acquire Subordinate Voting Shares of the Corporation as at August 31, 2012 and 2011, and September 1, 2010. The 2002 Plan remains in effect. No stock-based compensation expense was recorded during the years ended August 31, 2012 and 2011.

(In thousands of Canadian dollars, except per share amounts)

10. Segment disclosure

As a result of the sale of the Corporation's spectrum and broadcast licence, the Corporation has only one segment for the years ended August 31, 2012 and 2011.

11. Compensation

During the year ended August 31, 2012, the Corporation expensed $171 (2011 - $345) in compensation, which included $113 (2011 - $156) in key management compensation.

12. Related party transactions

Related party transactions and balances with Unique Broadband Systems, Inc. (the Corporation's former parent company which previously controlled the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries – collectively "UBS"), are as follows:

Year ended August 31,	**2012**	2011
Management fees expense	$ 1,244	$ 1,956
Rent revenue	(24)	(61)

(a) Management fees expense

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. In September 2007, the Corporation advanced $2,400, which was included in Prepaid expenses and deposits. On a 12-month rolling basis, the Corporation had maintained this pre-paid annual fee with the charge included in "general and administrative" operating expenses.

On April 22, 2010, the Corporation's former Board of Directors notified UBS that it would not be recommencing the MSA on May 19, 2010.

On December 3, 2010, the Corporation and UBS agreed that, with effect from January 1, 2011, the Corporation would no longer maintain the prepaid annual fee of $2,400 on a monthly basis and this amount was drawn down at approximately $145 per month over the remaining term of the MSA which expired on May 19, 2012. The cash flow impact of this amendment was a reduction of approximately $900 in fees from the Corporation to UBS.

(b) Rent revenue

During the year ended August 31, 2012, the Corporation subleased a portion of its premises to UBS for $24 (2011 - $61), which has been recorded as a reduction of general and administrative expenses. As at August 31, 2012, the lease was on a month-to-month basis.

(In thousands of Canadian dollars, except per share amounts)

12. Related party transactions (continued)

(c) 2009 payments

The Corporation accrued in fiscal 2009, and paid during the first quarter of fiscal 2010, amounts directly to, or to companies controlled by, the former Chairman of the Board of Directors of the Corporation, the former CEO and Vice-Chairman of the Board of Directors of the Corporation, the former Chief Technology Consultant to the Corporation, former senior management, and former directors. All 2009 contingent accruals were paid prior to the end of the first quarter of fiscal 2010 and were included in restructuring charges in 2009.

During the quarter ended February 28, 2011, the Corporation reversed $100 of restructuring charges to related parties as a result of a settlement agreement executed between the Corporation and a former director.

(d) 2010 legal advances

During June, 2010 and July, 2010 the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,386 was drawn down up to August 31, 2012. $164 was moved to accounts receivable and other receivables as a result of a settlement agreement executed between the Corporation and a former director (notes 5 and 6).

13. Income taxes

Income tax expense differs from the amount that would be computed by applying the federal and provincial statutory income tax rates to losses from continuing operations before income taxes. The reasons for the differences are as follows:

	2012	2011
Tax expense (recovery) at combined federal and provincial rates	$ (1,132)	$ (907)
Change in valuation allowance	2,653	(61,433)
Permanent differences	996	(40)
Impact of expired losses	-	46,076
Recognition of future tax asset on tax reorganization	-	13,904
Change in enacted tax rates	(2,517)	2,400
Income taxes recovery	$ -	$ -

The statutory income tax rate was 27.2% for 2012 compared to 30.7% for 2011. The decrease in the statutory rate was a result of reductions in the federal and provincial Canadian income tax rates.

(In thousands of Canadian dollars, except per share amounts)

13. Income taxes (continued)

In December 2007, the Corporation implemented the reorganization plan (the "Plan"), approved on October 10, 2007, by transferring certain assets of the Corporation to a 100% controlled entity. The purpose of the Plan is to utilize certain of the Corporation's non-capital losses, which would have expired, to reduce future taxable income.

Subsequent to the Plan, the Corporation had sufficient tax loss carry forwards to offset the income recognized on the sale of the web hosting and domain name business and on the sale of the Internet business.

As a result of the sale of the spectrum and broadcast licence and the restructuring of the Corporation's business (note 1), the cumulative eligible capital expenditure pool has been converted to a non-capital loss.

Due to the Canada Revenue Agency's ("CRA") current interpretation of the tax treatment with respect to the disposition of licenses, the Corporation conducted an independent study of its remaining federal non-capital income tax losses, amending the total amount to reflect greater certainty in their deductibility, which may be carried forward to reduce future years' taxable income. As part of this process, the Corporation filed a protective tax election to ensure that no tax liability could occur should the CRA challenge the Corporation's position with respect to the 2007 license disposition.

Deferred tax assets have not been recognized in respect of the Company's loss carry forwards. The Corporation has the following federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income. These losses will expire in the taxation years ending December 31 as follows:

2014	$ 12,588
2015	55
2026	403
2028	8,986
2029	115,571
2030	5,748
2031	19,993
2032	2,772
	$ 166,116

The Corporation's tax attributes may be utilized by the Corporation in its future operations, or may be utilized by a potential acquirer to offset income, provided certain tests are satisfied including those related to a change in control of the Corporation.

14. Commitments and contingencies

(a) Commitments

Under the original terms of the MSA, the Corporation had been required to pay an annual fee of $2,400 to UBS. On May 19, 2012, the MSA expired.

(b) Contingencies

(i) In the normal course of its operations, the Corporation may be subject to litigation and claims.

(ii) The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers.

15. Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly liquid cash accounts and short-term investments.

The Corporation currently does not use other sources of financing that require fixed payments of interest and principal, due to the lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital (note 9(b)).

(In thousands of Canadian dollars, except per share amounts)

16. Financial instruments and risk management

The Corporation's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Corporation's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

	August 31, 2012	August 31, 2011	September 1, 2010
Accounts and other receivables			
Currently due	**$ 108**	$ 30	$ 46
Past due by 90 days or less not impaired	**116**	82	47
Past due by greater than 90 days not impaired	**404**	369	166
	$ 628	$ 481	$ 259

All of the Corporation's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with this institution is not significant. The Corporation's maximum assessed exposure to credit risk, as at August 31, 2012 and 2011, and September 1, 2010, is the carrying value of its accounts receivable and other receivables.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described in note 15, in normal circumstances.

(In thousands of Canadian dollars, except per share amounts)

16. Financial instruments and risk management (continued)

The Corporation's financial liabilities, as at August 31, 2012 and 2011 and September 1, 2010, are comprised of its accounts payable, accrued restructuring liabilities and accrued liabilities, which are summarized as follows:

	August 31, 2012	August 31, 2011	September 1, 2010
Contractual maturities -			
Within 90 days or less	**$ 504**	$ 654	$ 256
In later than 90 days not later than one year	**411**	656	934
	$ 915	$ 1,310	$ 1,190

- Interest rate risk

The Corporation had no significant exposure, as at August 31, 2012 and 2011, and September 1, 2010, to interest rate risk through its financial instruments.

17. IFRS transition

The Corporation's consolidated financial statements for the year ended August 31, 2012 were the Corporation's first financial statements prepared in accordance with IFRS as issued by the IASB. The policies set out in note 2 "Summary of significant accounting policies" have been applied to all periods presented.

The Corporation has followed the recommendations in IFRS-1 First-time adoption of IFRS, in preparing its transitional statements.

(a) IFRS exemptions and choices

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment. The Corporation has not adopted any optional exemptions.

In preparing its opening IFRS statement of financial position, the Corporation has adjusted certain amounts reported previously in financial statements prepared in accordance with Canadian GAAP. An explanation of how the transition from Canadian GAAP to IFRS has affected the Corporation's financial position, financial performance and cash flows is set out in the following tables and the additional notes that accompany the tables.

(In thousands of Canadian dollars, except per share amounts)

17. IFRS transition (continued)

(a) IFRS exemptions and choices (continued)

Mandatory exceptions to retrospective application

Estimates: Hindsight was not used to create or revise estimates and, accordingly, the estimates previously made by the Corporation under Canadian GAAP are consistent with their application under IFRS.

(b) Reconciliation from Canadian GAAP to IFRS

The adoption of IFRS has had no material impact on the cash flows of the Corporation and, as such, no reconciliation of prior period cash flow statements has been presented.

(i) The reconciliation between Canadian GAAP and IFRS consolidated statement of financial position as at September 1, 2010 (date of transition to IFRS) is provided below:

September 1, 2010	Canadian GAAP	Effect of Transition	IFRS
Assets			
Current assets			
Cash and cash equivalents	$ 2,118	$ -	$ 2,118
Short-term investments	25,143	-	25,143
Accounts receivable and other receivables	259	-	259
Prepaid expenses and deposits	3,985	-	3,985
	31,505	-	31,505
Property and equipment	1,738	-	1,738
	$ 33,243	$ -	$ 33,243
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable	$ 124	$ -	$ 124
Accrued restructuring liabilities	194	-	194
Accrued liabilities	872	-	872
	1,190	-	1,190
Shareholders' equity			
Share capital	34,484	-	34,484
Contributed surplus[1]	11,934	(11,934)	-
Deficit	(14,365)	11,934	(2,431)
	32,053	-	32,053
	$ 33,243	$ -	$ 33,243

[1] On transition to IFRS the Corporation transferred the amount of contributed surplus arising from expired options to deficit.

(In thousands of Canadian dollars, except per share amounts)

17. IFRS transition (continued)

(b) Reconciliation from Canadian GAAP to IFRS (continued)

(ii) The reconciliation between Canadian GAAP and IFRS consolidated statement of financial position as at August 31, 2011 is provided below:

August 31, 2011	Canadian GAAP	Effect of Transition	IFRS
Assets			
Current assets			
Cash and cash equivalents	$ 236	$ -	$ 236
Short-term investments	27,280	-	27,280
Accounts receivable and other receivables	481	-	481
Prepaid expenses and deposits	2,409	-	2,409
	30,406	-	30,406
	$ 30,406	$ -	$ 30,406
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable	$ 732	$ -	$ 732
Accrued restructuring liabilities	189	-	189
Accrued liabilities	389	-	389
	1,310	-	1,310
Shareholders' equity			
Share capital	34,484	-	34,484
Contributed surplus[(1)]	11,934	(11,934)	-
Deficit	(17,322)	11,934	(5,388)
	29,096	-	29,096
	$ 30,406	$ -	$ 30,406

[(1)] On transition to IFRS the Corporation transferred the amount of contributed surplus arising from expired options to deficit.

(In thousands of Canadian dollars, except per share amounts)

17. IFRS transition (continued)

(b) Reconciliation from Canadian GAAP to IFRS (continued)

(iii) The reconciliation between Canadian GAAP and IFRS consolidated statement of loss and comprehensive loss for the year ended August 31, 2011 is provided below:

August 31, 2011	Canadian GAAP	Effect of Transition	IFRS
Revenue	$ -	$ -	$ -
Expenses			
Compensation[1]	-	345	345
General and administrative	4,334	(345)	3,989
Depreciation of property and equipment	107	-	107
Restructuring charges	74	-	74
	4,515	-	4,515
Loss before the undernoted	(4,515)	-	(4,515)
Interest and finance charges	(4)	-	(4)
Interest income	298	-	298
Gain on sale of property and equipment	1,260	-	1,260
Gain on sale of other equipment	4	-	4
	1,558	-	1,558
Loss and comprehensive loss for the year	$ (2,957)	$ -	$ (2,957)

[1] On conversion to IFRS, compensation was reclassified from General and administrative expenses to Compensation. During the year ended August 31, 2011, the Corporation expensed $345 in compensation, which included $145 in key management expense.

Consolidated Financial Statements of

LOOK COMMUNICATIONS INC.

Years ended August 31, 2011 and 2010

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Look Communications Inc. and its subsidiaries and all the information in Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The consolidated financial statements include certain amounts that are based on the best estimates and judgments of management and in their opinion present fairly, in all material respects, Look Communications Inc.'s financial position, results of operations and cash flows. Management has prepared the financial information presented elsewhere in Management's Discussion and Analysis and has ensured that it is consistent with the consolidated financial statements.

Management of Look Communications Inc. is responsible for the internal controls that provide reasonable assurance that transactions are properly authorized and recorded, financial records are reliable and form a proper basis for the preparation of consolidated financial statements and that Look Communications Inc.'s assets are properly accounted for and safeguarded.

The Board of Directors is responsible for overseeing management's responsibility for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility through its Audit Committee.

The Audit Committee meets periodically with management, as well as with external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues; to satisfy itself that each party is properly discharging its responsibilities; and to review Management's Discussion and Analysis, the consolidated financial statements and the external auditors' report. The Audit Committee reports its findings to the Board of Directors for consideration when approving the consolidated financial statements for issuance to the shareholders. The Committee also considers, for review by the Board of Directors and approval by the shareholders, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by Grant Thornton LLP, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of the shareholders. Grant Thornton LLP has full and free access to the Audit Committee.

(Signed) – *C. Fraser Elliott*

C. Fraser Elliott
Chief Financial Officer

November 29, 2011

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Look Communications Inc.

We have audited the accompanying consolidated financial statements of Look Communications Inc., which comprise the consolidated balance sheets as at August 31, 2011 and 2010, and the consolidated statements of operations, comprehensive income and deficit, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Look Communications Inc. as at August 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Chartered Accountants, Licensed Public Accountants
Mississauga, Canada

November 29, 2011

LOOK COMMUNICATIONS INC.

Consolidated Balance Sheets
(In thousands of dollars)

As at August 31, 2011 and 2010

	2011	2010
Assets		
Current assets:		
Cash and cash equivalents (note 5)	$ 236	$ 2,118
Short-term investments (note 5)	27,280	25,143
Accounts receivable and other receivables (note 6)	481	259
Prepaid expenses and deposits (note 7)	2,409	3,985
	30,406	31,505
Property and equipment (note 8)	-	1,738
	$ 30,406	$ 33,243
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 732	$ 124
Accrued restructuring liabilities (note 4)	189	194
Accrued liabilities and provisions	389	872
	1,310	1,190
Shareholders' equity:		
Share capital (note 10)	34,484	34,484
Contributed surplus (note 10)	11,934	11,934
Deficit	(17,322)	(14,365)
	29,096	32,053
Basis of presentation (note 1)		
Commitments and contingencies (note 14)		
Subsequent events (note 18)		
	$ 30,406	$ 33,243

See accompanying notes to consolidated financial statements.

On behalf of the Board of Directors:

(Signed) - *David Rattee*

Director

(Signed) - *Grant McCutcheon*

Director

LOOK COMMUNICATIONS INC.

Consolidated Statements of Operations, Comprehensive Income, and Deficit
(In thousands, except per share amounts)

Years ended August 31, 2011 and 2010

	2011	2010
Service and sales revenue (note 11)	$ -	$ 434
Carrier charges and cost of sales (note 11)	-	425
Gross margin from continuing operations	-	9
Expenses:		
Customer care	-	231
Engineering and operations	-	615
General and administrative (note 12)	4,334	4,831
Amortization of property and equipment	107	238
Restructuring charges (note 4)	74	2,232
	4,515	8,147
Loss from continuing operations before the undernoted	(4,515)	(8,138)
Accretion on liability component of convertible debentures (note 10)	-	(386)
Interest and finance charges	(4)	(101)
Interest income	298	201
Gain on sale of property and equipment (notes 3 and 8)	1,260	-
Gain on sale of other equipment (note 8)	4	10
Loss on sale of spectrum and broadcast licence	-	(61)
	1,558	(337)
Loss for the year from continuing operations before income taxes	(2,957)	(8,475)
Income taxes (note 13)	-	-
Loss for the year from continuing operations	(2,957)	(8,475)
Income for the year from discontinued operations (note 11)	-	78
Loss and comprehensive loss for the year	(2,957)	(8,397)
Deficit, beginning of year	(14,365)	(5,968)
Deficit, end of year	$ (17,322)	$ (14,365)
Continuing operations		
Basic and diluted loss per share	$(0.02)	$ (0.06)
Discontinued operations		
Basic and diluted loss per share	0.00	0.00
Loss per share		
Basic and diluted	(0.02)	(0.06)
Weighted average number of shares outstanding		
Basic and diluted	139,702	131,049

See accompanying notes to consolidated financial statements.

LOOK COMMUNICATIONS INC.

Consolidated Statements of Cash Flows
(In thousands of dollars)

Years ended August 31, 2011 and 2010

	2011	2010
Cash provided by (used in):		
Operating activities:		
Loss for the year	$ (2,957)	$ (8,397)
Less: Income for the year from discontinued operations	-	(78)
Items not affecting cash:		
Amortization of property and equipment	107	238
Interest and finance charges	-	11
Interest earned on short-term investments	(290)	(189)
Accretion on liability component of convertible debentures	-	386
Loss on sale of spectrum and broadcast licence	-	61
Gain on sale of property and equipment (notes 3 and 8)	(1,260)	-
Gain on sale of other property and equipment (note 8)	(4)	(10)
Change in non-cash operating assets and liabilities (note 15)	1,474	(23,935)
Cash used in continuing operations	(2,930)	(31,913)
Cash provided by discontinued operations	-	78
	(2,930)	(31,835)
Financing activities:		
Cash interest on debentures	-	(262)
Settlement and discharge of mortgage	-	(1,800)
Redemption of debentures (note 10)	-	(3,242)
	-	(5,304)
Investing activities:		
Purchase of property and equipment	-	(24)
Proceeds on sale of property and equipment (note 3)	3,050	53
Proceeds on sale of other property and equipment (note 8)	4	-
Proceeds on sale of spectrum and broadcast licence	-	50,000
Transaction costs on sale of spectrum and broadcast license	-	(61)
Transaction costs on sale of property and equipment (note 3)	(159)	-
Purchase of short-term investments	(2,000)	(25,000)
Interest received on short-term investments	153	35
Cash provided by continuing operations	1,048	25,003
Cash provided by discontinued operations	-	-
	(1,882)	25,003
Net cash used in continuing operations	(1,882)	(12,214)
Net cash provided by discontinued operations	-	78
Decrease in cash and cash equivalents	(1,882)	(12,136)
Cash and cash equivalents, beginning of year	2,118	14,254
Cash and cash equivalents, end of year	$ 236	$ 2,118

Supplemental cash flow information (note 15)

See accompanying notes to consolidated financial statements.

Introduction

On September 11, 2009, following the receipt of regulatory approval and pursuant to an Agreement of Purchase and Sale (the "Agreement") between the Corporation and Inukshuk Wireless Partnership ("Inukshuk") (a joint venture between Rogers Communications and Bell Canada) for the sale of its spectrum and broadcast licence, the Corporation received the final $50,000 of the full consideration of $80,000 due from Inukshuk. The Corporation has no further obligations with respect to the Agreement. As a result of the sale of its spectrum and broadcast licence to Inukshuk and the resulting restructuring of its business, the Corporation, as of November 15, 2009, is no longer providing any service to subscribers and as of December 31, 2009, had decommissioned its wireless network.

On May 25, 2010 the Corporation redeemed all of its outstanding 7% secured convertible debentures ("Debentures") for cash. The $3,000 of Debentures held by Unique Broadband Systems, Inc. (a company that has a 39.2% economic interest and a 37.6% voting interest in the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries – collectively "UBS") were among the $3,242 of Debentures redeemed (note 10).

Effective November 25, 2011, the Corporation's shares are listed on the NEX under the symbols "LOK.H" for Multiple Voting Shares and "LOK.K" for Subordinate Voting Shares (note 18).

1. Basis of presentation:

These consolidated financial statements have been prepared on a going concern basis, in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") with respect to the preparation of financial statements. The going concern basis of presentation assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2. Significant accounting policies:

(a) Principles of consolidation:

These consolidated financial statements include the accounts of the Corporation and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated upon consolidation.

(In thousands, except per share amounts)

2. Significant accounting policies (continued):

(b) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. Significant estimates are used in determining, among other things, prepaid expenses, tax attributes, income tax valuation allowances, accrued liabilities and provisions and contingent liabilities.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of all bank balances and highly liquid short-term investments with original maturities of periods less than 90 days. Cash equivalents held during the year have been classified as held-for-trading instruments. As at August 31, 2011 and 2010, the Corporation held no cash equivalents.

(d) Short-term investments:

Short-term investments include variable rate guaranteed investment certificates with original maturities of less than 365 days. Short-term investments held during the year have been classified as held-for-trading instruments.

(e) Property and equipment:

The Corporation sold its building, property and equipment on June 3, 2011.

Property and equipment was recorded at cost less accumulated amortization. Amortization was provided at rates and on bases designed to amortize the cost of the assets over their estimated useful lives as follows:

Asset	Basis	Rate
Building	Declining balance	4%
Headend and network equipment	Straight line	8 - 10 years
Customer connections	Straight line	5 - 10 years
Computer hardware	Declining balance	30%
Computer software	Straight line	Up to 1 year
Office equipment and other	Declining balance	20%

2. Significant accounting policies (continued):

(f) Impairment of long-lived assets:

The carrying amount of long-lived assets to be held and used was reviewed for impairment on an ongoing basis whenever events or changes in circumstances indicated that the carrying amount may not be recoverable. An impairment was recognized when the carrying amount of an asset to be held and used exceeded the projected undiscounted future net cash flows expected from its use and disposal, and was measured as the amount by which the carrying amount of the asset or related asset group exceeded its fair value.

(g) Revenue recognition:

As a result of the sale of the Corporation's spectrum and broadcast licence to Inukshuk, the Corporation terminated service to its remaining subscribers as of November 15, 2009.

Service revenue was comprised of fees received from subscribers in connection with Broadcast services provided by the Corporation. Broadcast Service revenue was earned from the provision of digital television services to residential and business subscribers and was presented net of discounts granted to new subscribers as incentives.

(h) Foreign currency translation:

Monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate in effect at the balance sheet date. Revenue and expense items are translated at the exchange rate in effect at the date of the transaction. Resulting exchange gains or losses are included in the income or loss for the year.

(i) Income taxes:

The Corporation uses the asset and liability method of accounting for income taxes. Under the asset and liability method of tax allocation, future income tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantively enacted tax rates and laws that are expected to be in effect in the years in which the future income tax assets or liabilities are expected to be settled or realized. A valuation allowance is provided to the extent that it is more likely than not that future income tax assets will not be realized.

2. Significant accounting policies (continued):

(j) Stock option incentive plan:

The Corporation has a stock option incentive plan, which is described in note 10. The Corporation accounted for all stock options to employees and non-employees using the fair value-based method. Under the fair value-based method, compensation cost attributable to awards to employees was measured at fair value at the grant date and recognized over the vesting period. Forfeitures were accounted for as they occurred. Consideration paid by employees and non-employees on the exercise of stock options was recorded as share capital.

For non-employee awards, the fair value of stock-based compensation was periodically re-measured until counterparty performance was complete, and any change therein was recognized over the vesting period of the option grant.

(k) Share appreciation rights plan:

The Corporation had a share appreciation rights ("SAR") plan ("SAR Plan"), which is described in note 10. The Corporation accounted for SAR units as a liability and compensation cost would have been recorded based on the intrinsic value of the award when it was considered likely that the terms and conditions of the SAR Plan that govern the awards would have been met.

On November 19, 2010, the Corporation's Board of Directors cancelled the SAR Plan (note 10).

(l) Financial instruments:

The Corporation's financial assets are classified as held-for-trading, held-to-maturity investments, loans and receivables, or available-for-sale. All financial liabilities must be classified as held-for-trading or other financial liabilities. These financial instruments are measured at their fair values, except for held-to-maturity investments, loans and receivables and other financial liabilities, which are measured at amortized cost using the effective interest method. The change in the fair value of a financial asset or financial liability classified as held-for-trading is included in operations in the period in which it arises, and the change in the fair value of available-for-sale financial assets is recognized in other comprehensive income until the financial asset is derecognized and any cumulative gain or loss is then recognized in operations.

2. Significant accounting policies (continued):

The Corporation has classified cash and cash equivalents, short-term investments, accounts receivable and other receivables as held-for-trading. Accounts payable, accrued restructuring liabilities and accrued liabilities have been classified as other financial liabilities. The Corporation has not classified any financial asset as available-for-sale or held-to-maturity.

All derivatives, including embedded derivatives, that must be separately accounted for, are measured at fair value with changes in fair value recorded in the consolidated statements of operations, comprehensive income, and deficit unless they are designated cash flow hedges.

(m) Basic and diluted income (loss) per share:

Basic income (loss) per share is calculated using the weighted average number of Multiple Voting and Subordinate Voting Shares outstanding during the year. Diluted income (loss) per share reflects the dilution that would have occurred if outstanding stock options were exercised into the Corporation's Subordinate Voting Shares using the treasury stock method.

(n) International Financial Reporting Standards ("IFRS"):

The Accounting Standards Board requires Canadian publically accountable enterprises to adopt IFRS for fiscal years beginning on or after January 1, 2011. The Corporation's first IFRS compliant financial statements will be for the first quarter of fiscal 2012.

The Corporation is in the process of finalizing its changeover plan and will execute the plan in the first quarter of fiscal 2012. The Corporation believes the most significant impact of the change over to IFRS on its financial statements will be to the note disclosures to the financial statements.

(In thousands, except per share amounts)

3. Sale of property and equipment:

On March 17, 2011, the Corporation announced that it had entered into an agreement to sell its land and building in Milton, Ontario. The transaction closed on June 3, 2011, as summarized in the following table:

Sale of property and equipment	Total
Aggregate consideration on property and equipment	3,050
Transaction costs	(159)
Book value of property and equipment	(1,631)
Net gain on sale of property and equipment	1,260

The Corporation continues to operate from the premises as a tenant on a month-to-month basis.

4. Restructuring:

As a result of the sale of its spectrum and broadcast licence to Inukshuk (Introduction) and the resulting restructuring of its business including, among other things, charges incurred in relation to the Plan of Arrangement (the "Arrangement") under the *Canada Business Corporations Act* (Section 192) initiated in 2009, the Corporation has recorded and paid restructuring costs as set out in the following table:

	Site restoration, contract termination and arrangement charges	Human resource restructuring charges	Total restructuring amounts
Accrued restructuring liabilities			
Balance at August 31, 2009	$ 204	$ 2,039	$ 2,243
Expensed in fiscal 2010	2,045	187	2,232
Paid in fiscal 2010	(2,244)	(2,037)	(4,281)
Balance at August 31, 2010	$ 5	189	$ 194
Expensed in fiscal 2011	174	-	174
Paid in fiscal 2011	(153)	-	(153)
Drawn down in fiscal 2011	(26)	-	(26)
Balance at August 31, 2011	$ -	$ 189	$ 189
Accrued restructuring liabilities due to related parties			
Balance at August 31, 2009	$ -	$ 17,224	$ 17,224
Paid in fiscal 2010	-	(17,224)	(17,224)
Balance at August 31, 2010	$ -	$ -	$ -

Effective December 1, 2010, the Corporation expenses all professional fees in general and administrative costs unless otherwise noted.

4. Restructuring (continued):

During the year ended August 31, 2011, the Corporation expensed $174, paid $153 and drew down $26 of restructuring charges due to unrelated parties as noted above (year ended August 31, 2010 – expensed $2,232 and paid $4,281 to unrelated parties).

As a result of a settlement agreement executed between the Corporation and a former director, $100 of restructuring charges to related parties was reversed to accounts receivable and other receivables (2010 - paid $17,224 of restructuring charges to related parties).

From the commencement of the restructuring process through November 30, 2010, the amounts expensed included, among others, legal and consulting charges incurred in relation to the Arrangement being pursued by the Corporation, legal charges incurred related to former Director and former management indemnities, site restoration charges, contract termination charges, and estimated amounts due to government bodies. Additional charges may be incurred as the Corporation continues in its attempts to maximize shareholder value including those in relation to monetization of the remaining assets, returning capital to shareholders, restructuring of the business, and legal charges incurred related to former Director and former management indemnities.

The Corporation continues to pursue opportunities to realize the value of its remaining material non-cash assets, which includes approximately $165,340 in tax attributes (note 13).

On March 17, 2011, Look announced that it had entered into an agreement to sell its land and building in Milton, Ontario. The transaction closed on June 3, 2011 for aggregate consideration of $3,050. The Corporation continues to operate from the premises as a tenant on a month-to-month basis (note 3).

5. Cash and short-term investments:

(a) Cash and cash equivalents:

At August 31, 2011, the Corporation held $236 of cash (August 31, 2010 - $2,118) and no cash equivalents (August 31, 2010 - nil).

(In thousands, except per share amounts)

5. Cash and short-term investments (continued):

(b) Short-term investments:

At August 31, 2011, the Corporation held $27,280 of short-term investments (August 31, 2010 - $25,143) which include variable rate guaranteed investment certificates ("GIC") with original maturities of less than 365 days. Certificates purchased on September 13, 2010 totalling $25,000 bear interest at the rate of prime minus 1.85%. On July 21, 2011, $2,000 was invested at a rate of prime minus 1.8%. The certificates are fully redeemable at any time by the Corporation at its discretion. At August 31, 2011, the effective annual interest rate on the GICs was 1.15%. Short-term investments held during the year have been classified as held-for-trading instruments. On September 12, 2011, the Corporation renewed $25,000 of maturing GICs at the rate of prime minus 1.8%.

6. Accounts receivable and other receivables:

Accounts receivable and other receivables balances at August 31, 2011 and 2010 are set out in the following table:

	2011	2010
GST/HST receivable	$ 216	$ 244
Legal retainer in trust	164	–
Restructuring charges receivable	100	–
Other receivables	1	15
Total	$ 481	$ 259

7. Prepaid expenses and deposits:

	2011	2010
UBS Management Service Agreement (note 14)	$ 1,244	$ 2,400
Indemnification retainers[(i)]	1,143	1,511
Other	22	74
Total	$ 2,409	$ 3,985

[(i)] During June, 2010 and July, 2010 the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future services for the then directors, officers and consultants. The Corporation estimates that approximately $243 was drawn down up to August 31, 2011 while $164 was moved to accounts receivable and other receivables as a result of a settlement agreement executed between the Corporation and a former director. As a result, approximately $1,143 remained in trust at August 31, 2011.

(In thousands, except per share amounts)

8. Property and equipment:

2011	Cost	Accumulated amortization	Disposition	Net book value
Land	$ 195	$ -	$ 195	$ -
Building	1,432	576	856	-
Headend and network equipment	34,609	34,609	-	-
Customer connections	20,767	20,767	-	-
Computer hardware and software	19,554	19,452	102	-
Office equipment and other	2,456	1,978	478	-
	$ 79,013	$ 77,382	$ 1,631	$ -

2010	Cost	Accumulated amortization	Disposition	Net book value
Land	$ 195	$ -	$ -	$ 195
Building	1,432	549	-	883
Headend and network equipment	34,609	34,609	-	-
Customer connections	20,767	20,767	-	-
Computer hardware and software	19,554	19,413	-	141
Office equipment and other	2,456	1,937	-	519
	$ 79,013	$ 77,275	$ -	$ 1,738

On June 3, 2011, the Milton facility was sold for aggregate consideration of $3,050 (note 3). The Corporation continues to operate from the premises as a tenant on a month-to-month basis.

During fiscal 2011, other equipment was sold for $4 (2010 - $10).

9. Long-term debt:

The mortgage payable which bore interest at the rate of 10.0% per annum was settled in full and discharged effective February 28, 2010.

(In thousands, except per share amounts)

10. Share capital:

(a) Authorized:

Preference Shares - issuable in series. No such shares are issued and outstanding.

Unlimited Multiple Voting Shares - voting, entitled to 150 votes per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Subordinate Voting Shares - voting, entitled to one vote per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Class A Non-Voting Shares - No such shares are issued and outstanding.

(b) Issued and outstanding:

	Multiple Voting Shares		Subordinate Voting Shares		Total
Balance, August 31, 2009	60,045	$16,040	67,416	$17,526	$33,566
Shares issued pursuant to debenture conversion	6,120	459	6,121	459	918
Balance, August 31, 2010 and 2011	66,165	$16,499	73,537	$17,985	$34,484

(c) Convertible debentures:

The Debentures were issued by the Corporation in February 2004 pursuant to a rights offering. The Debentures bore interest at a rate of 7% per annum. The Corporation paid interest on the Debentures, which were scheduled to mature on December 30, 2013, semi-annually in arrears on June 30 and December 30 of each year. The Debentures were bifurcated into their debt and equity components and have been convertible at the option of the holder into Multiple Voting and Subordinate Voting Shares of the Corporation in accordance with the terms and conditions of the Trust Indenture governing the Debentures at a conversion price of $0.075 per each Multiple Voting and Subordinate Voting Share, representing 7 Multiple Voting Shares and 7 Subordinate Voting Shares per $1 of Debenture. The Corporation had the option to settle its obligation to pay interest and repay the principal on the Debentures by issuing shares of the Corporation. The Debentures were direct obligations of the Corporation and ranked *pari passu* with all other subordinated, secured obligations of the Corporation.

(In thousands, except per share amounts)

10. Share capital (continued):

Since January 1, 2007, the Corporation had the right to redeem the Debentures. On April 22, 2010, the Corporation's former Board of Directors announced that it would redeem all of its principal amount of $4,158 of outstanding Debentures for cash on May 25, 2010. By the May 11, 2010 conversion deadline, Debenture-holders holding an aggregate of $916 of Debentures had elected to convert their Debentures into shares on May 25, 2010. The remaining $3,242 of Debentures, including $3,000 of Debentures previously held by UBS, were redeemed by the Corporation at a price equal to the principal amount of the Debentures plus accrued and unpaid interest to May 24, 2010. As a result of the redemption and conversion of the Debentures, on May 31, 2011, UBS has a 39.2% economic interest and a 37.6% voting interest in the Corporation.

(d) Contributed surplus:

Details of the Corporation's contributed surplus are as follows:

	2011	2010
Balance, beginning of year	$ 11,934	$ 11,151
Adjustment for debenture conversions and redemptions	-	783
Balance, end of year	$ 11,934	$ 11,934

(e) Stock option incentive plan:

On March 25, 2002, the Board of Directors of the Corporation approved the 2002 Stock Option Incentive Plan (the "2002 Plan"). As a result of the Corporation's restructuring process, there were no options to acquire Subordinate Voting Shares of the Corporation outstanding as at August 31, 2011 or 2010. The 2002 Plan remains in effect.

No stock-based compensation expense was recorded during the years ended August 31, 2011 or 2010.

(f) Share appreciation rights plan:

On February 22, 2005, the Board of Directors approved a share appreciation rights ("SAR") plan ("SAR Plan") for the Corporation. Pursuant to the SAR Plan, directors, employees and consultants were awarded units from time to time that were subject to conditions set by the Board of Directors. The value of a SAR unit was equivalent to the market value at the date when all the conditions attached to the SAR unit were met, less the market value at the date of the award of the unit.

(In thousands, except per share amounts)

10. Share capital (continued):

As a result of the Corporation's restructuring process, there were no SAR units outstanding as at August 31, 2010. On November 19, 2010 the Corporation's Board of Directors cancelled the SAR Plan. No unit payouts were made under the SAR Plan from inception to cancellation.

(g) Earnings per share:

In determining diluted earnings per share for the years ended August 31, 2011 and 2010, the weighted average number of shares outstanding was not increased for Debentures outstanding as the impact would have been anti-dilutive.

11. Segment disclosure:

The Corporation sold its web hosting and domain name business, spectrum and broadcast licence, and its Internet business during the first, third, and fourth quarters of fiscal 2009 respectively. In accordance with Section 3475 of the CICA Handbook, the operations and cash flows of the web hosting and domain name business are presented as discontinued operations while the broadcast, Internet, and certain other operations which do not meet the definition of discontinued operations are shown as continuing operations.

The revenue, carrier charges and cost of sales, and gross margin for fiscal 2011 and 2010 from continuing operations are as follows:

	2011			2010		
Service	Revenue	Carrier charges and cost of sales	Gross margin	Revenue	Carrier charges and cost of sales(1)	Gross margin
Broadcast	$ -	$ -	$ -	$ 434	$ 425	$ 9
Total	$ -	$ -	$ -	$ 434	$ 425	$ 9

All of the Corporation's revenue was generated in Canada and all of its assets are located in Canada.

There was no income from discontinued operations for the year ended August 31, 2011. The income from discontinued operations for the year ended August 31, 2010 was $78 and related to an adjustment to the gain on the sale of the web hosting and domain name business.

(In thousands, except per share amounts)

12. Related party transactions:

Related party transactions in the normal course of operations are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related party transactions not in the normal course of operations have been measured at the carrying amount which is the amount of an item transferred or the cost of services provided. Related party transactions and balances with UBS are as follows:

	2011	2010
Management fees expense	$ 1,956	$ 2,400
Interest expense	-	154
Rent revenue	(61)	(78)

(a) Management fees expense:

Under the terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 (“MSA”), the Corporation has been required to pay an annual fee of $2,400 to UBS. The Corporation paid, in September 2007, in advance, an annual fee of $2,400 which is included in the caption “prepaid expenses and deposits”. On a 12-month rolling basis, the Corporation has maintained this pre-paid annual fee with the charge included in “general and administrative” operating expenses.

On April 22, 2010, the Corporation’s former Board of Directors notified UBS that it would not be recommencing the MSA on May 19, 2010 such that the MSA expires at the end of its current term being May 19, 2012 or such earlier date that is mutually agreed to by the Corporation and UBS.

As a result of the sale of its spectrum and broadcast licence to Inukshuk and the resulting restructuring of its business, the Corporation no longer requires the same level of Chief Executive Officer (“CEO”) Services and Other Services from UBS, particularly as that relates to annual business planning and budgeting, human resources, engineering, updating of broadcast and information technology, the management of regulatory requirements, and managing the Corporation’s fixed and variable costs to maximize the Corporation’s profits. Accordingly, on December 3, 2010, the Corporation and UBS agreed that, with effect from January 1, 2011, the Corporation will no longer maintain the prepaid annual fee of $2,400 on a monthly basis and that this amount will be drawn down at approximately $145 per month over the remaining term of the MSA, being January 1, 2011 through May 19, 2012.

(In thousands, except per share amounts)

12. Related party transactions (continued):

UBS will continue to provide services to the Corporation, where still applicable, pursuant to the MSA and all other terms and conditions of the MSA will remain in effect until May 19, 2012. The cash flow impact of this amendment is a reduction of approximately $900 in fees from Look to UBS over the remaining term of the MSA.

(b) Interest expense:

On May 25, 2010 the Corporation redeemed the $3,000 of Debentures held by UBS for cash. As a result, as at August 31, 2011 and 2010, UBS has a 39.2% economic interest and a 37.6% voting interest in the Corporation (note 10).

As a result of the Debenture conversions and redemptions, during the year ended August 31, 2011, no interest expense was recorded by the Corporation on the Debentures previously held by UBS (year ended August 31, 2010 - $154).

(c) Rent revenue:

During the year ended August 31, 2011, the Corporation subleased a portion of its premises to UBS for $61 (2010 - $78), which has been recorded as a reduction of general and administrative expenses. The lease is currently on a month-to-month basis.

(d) 2009 contingent payments:

The Corporation accrued in fiscal 2009, and paid during the first quarter of fiscal 2010, to former senior management and former directors or to holding companies controlled by them, amounts as follows:

	Number of options relinquished	Number of SARs relinquished	Equity-related payment	Compensation-related payment	Total payments
First Fiscal Management Ltd.[1] / Michael Cytrynbaum	727	7,384	$1,746	$2,400	$ 4,146
Jolian Investments Ltd.[2] / Gerald McGoey	335	14,769	3,166	2,400	5,566
DOL Technologies Inc.[3] / Alex Dolgonos	–	7,384	1,551	2,400	3,951
Former Directors and Senior Management	4,325	3,194	1,585	1,976	3,561
Total	5,387	32,731	$8,048	$9,176	$17,224

[1] First Fiscal Management Ltd. is a company controlled by the former Chairman of the Board of Directors of the Corporation, Michael Cytrynbaum.
[2] Jolian Investments Ltd. is a company controlled by the former CEO and Vice-Chairman of the Board of Directors of the Corporation, Gerald McGoey.
[3] DOL Technologies Inc. is a company controlled by the former Chief Technology Consultant to the Corporation, Alex Dolgonos.

(In thousands, except per share amounts)

12. Related party transactions (continued):

All 2009 contingent accruals were paid prior to the end of the first quarter of fiscal 2010 and were included in restructuring charges in 2009. During the quarter ended February 28, 2011, the Corporation reversed $100 of restructuring charges to related parties as a result of a settlement agreement executed between the Corporation and a former director.

(e) Change in Executive Chairman's position:

Given the Executive Chairman's change in position to Chairman of the former Board of Directors effective February 23, 2010, the Corporation ended the Executive Chairman's employment agreement and the consulting agreement with First Fiscal Management Ltd. During the year ended August 31, 2010, $30 was paid to the Chairman of the former Board of Directors of the Corporation and $90 was paid to First Fiscal Management Ltd., a company controlled by the Chairman of the former Board of Directors of the Corporation. The amounts are included in general and administrative operating expenses.

(f) Indemnification payments:

During June, 2010 and July, 2010 the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future services for the then directors, officers and consultants of which the Corporation estimates that approximately $243 was drawn down up to August 31, 2011 while $164 was moved to accounts receivable and other receivables as a result of a settlement agreement executed between the Corporation and a former director (note 6).

(g) See note 4 to these consolidated financial statements for a discussion of the corporate restructuring and the Plan of Arrangement.

13. Income taxes:

Income tax expense differs from the amount that would be computed by applying the federal and provincial statutory income tax rates to losses from continuing operations before income taxes. The reasons for the differences are as follows:

	2011	2010
Tax expense (recovery) at combined federal and provincial rates	$ (907)	$ (2,659)
Change in valuation allowance	(61,433)	(7,704)
Permanent differences	(40)	32
Impact of expired losses	46,076	-
Recognition of future tax asset on tax reorganization	13,904	1,066
Change in enacted tax rates	2,400	9,185
Other	-	80
Income taxes recovery	$ -	$ -

(In thousands, except per share amounts)

13. Income taxes (continued):

The tax effects of temporary differences that give rise to significant portions of the future tax assets and future tax liabilities at August 31, 2011 and 2010 are presented below:

	2011	2010
Future tax assets:		
Non-capital loss carry forwards and eligible capital expenditures	$ 41,333	$ 95,553
Tax reorganization plan assets	-	5,473
Tax basis in excess of book value	595	2,335
	41,928	103,361
Valuation allowance	(41,928)	(103,361)
Net future tax assets	$ -	$ -

In assessing the realizability of future income tax assets, management considers whether it is more likely than not that some portion or all of the future income tax assets will be realized. The ultimate realization of future income tax assets is dependent upon the generation of future taxable income during the year in which the temporary differences are deductible. Management considers the scheduled reversals of future income tax liabilities, the character of the income tax asset and the tax planning strategies in making this assessment. To the extent that management believes that the realization of future income tax assets does not meet the more likely than not realization criterion, a valuation allowance is recorded against the future tax assets.

In December 2007, the Corporation implemented the reorganization plan (the “Plan”), approved on October 10, 2007 by transferring certain assets of the Corporation to a 100% controlled entity. The purpose of the Plan is to utilize certain of the Corporation’s non-capital losses, which would have otherwise expired, to reduce future taxable income.

Subsequent to the Plan, the Corporation had sufficient tax loss carry forwards to offset the entire income recognized on the sale of the web hosting and domain name business and on the sale of the Internet business.

As a result of the sale of the spectrum and broadcast licence and the restructuring of the Corporation’s business (Introduction), the cumulative eligible capital expenditure pool has been converted to a non-capital loss. Despite considerable effort and advisory work, no value was obtained for the $184,303 of non-capital income tax losses that expired at the end of December 2010.

(In thousands, except per share amounts)

13. Income taxes (continued):

Due to the Canada Revenue Agency's ("CRA") current interpretation of the tax treatment with respect to the disposition of licenses, the Corporation conducted an independent study of its remaining federal non-capital income tax losses, amending the total amount to reflect greater certainty in their deductibility, which may be carried forward to reduce future years' taxable income. As part of this process, the Corporation filed a protective tax election to ensure that no tax liability could occur should the CRA challenge the Corporation's position in regards to the 2007 license disposition.

The Corporation has the following remaining federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income. These losses will expire in the taxation years ending December 31 as follows:

2014	$ 12,588
2015	55
2026	403
2028	10,926
2029	120,394
2030	7,244
2031	13,730
	$ 165,340

The Corporation's tax attributes may be utilized by the Corporation in its future operations, or may be utilized by a potential acquirer to offset income, provided certain tests are satisfied including those related to change in control.

14. Commitments and contingencies:

(a) Commitments:

Under the terms of the MSA, the Corporation has been required to pay an annual fee of $2,400 to UBS. On December 3, 2010, the Corporation and UBS agreed that, with effect from January 1, 2011, the Corporation will no longer maintain the prepaid annual fee of $2,400 on a monthly basis and that this amount will be drawn down at approximately $145 per month over the remaining term of the MSA, being January 1, 2011 through May 19, 2012. UBS will continue to provide services to the Corporation, where still applicable pursuant to the MSA, and all other terms and conditions of the MSA will remain in effect until May 19, 2012 (note 7).

As part of the restructuring process (Introduction), the Corporation has terminated all leases and restored all sites related to the broadcast and Internet businesses.

14. Commitments and contingencies (continued):

(b) Contingencies:

(i) Statement of Claim against certain former directors and officers of Look:

On July 6, 2011, the Corporation issued a Statement of Claim (the “Claim”) in the Ontario Superior Court of Justice (the “Court”) against certain former directors and certain former officers of Look in connection with the payment of approximately $20 million of “restructuring awards” accrued in fiscal 2009 and paid during the first quarter of fiscal 2010 (the “Sale Awards”), of which approximately $15.7 million was paid to the directors and senior officers named in the Claim (or their personal holding companies, as applicable) from the net proceeds of approximately $64 million realized by the Corporation on the sale of its spectrum licence in 2009. The former officers and directors named in the Claim collectively resigned effective July 21, 2010.

None of the allegations in the Claim have been proven before the Court and none of the defendants have filed a statement of defence. Look intends to vigorously pursue its claims against the former directors and former officers named in the Claim (as well as their personal holding companies, as applicable) for payments and decisions which the Corporation believes were not in the Corporation’s or its shareholders’ best interests.

(ii) Recipient of broadcast services:

On or about September 23, 2009, the owner of a residential apartment complex to which the Corporation formerly provided certain broadcast services issued a statement of claim against the Corporation in the Ontario Superior Court of Justice. The plaintiff alleges, among other things, that the Corporation breached its agreement to provide broadcast service, and claims damages for breach of contract in the amount of $437, prejudgment and post-judgment interest, its costs of the action, and such further and other relief as the court deems just.

On or about October 26, 2009, the Corporation filed a statement of defence and counterclaim articulating a full defence and alleging that in fact the plaintiff, not the Corporation, breached the contract.

The Corporation’s legal counsel attended a trial from April 18 to 21, 2011. The Corporation was successful in defending its claim with an agreement as to costs and there will be no appeal. No monies are owed by either party.

14. Commitments and contingencies (continued):

(iii) Craig Wireless:

On February 19, 2004, Manalta Investment Company Ltd. (formerly known as Craig Wireless International Inc.) ("Craig Wireless") filed a statement of claim against the Corporation before the Ontario Superior Court of Justice. On February 4, 2010, the Corporation announced that Craig Wireless had agreed to a dismissal of its claim, in its entirety, against the Corporation, UBS, and other named defendants. The terms of the dismissal and minutes of settlement included the following:

(a) Craig Wireless paid $15 in costs to each of the Corporation and UBS; and

(b) Craig Wireless executed a full and final release that covers not only all known injuries, losses and damages, but also injuries, losses and damages not now known or anticipated but which may later develop or be discovered, including all the effects and consequences thereof.

(iv) Border Broadcasters Inc.:

The Corporation and Border Broadcasters Inc. executed a final settlement agreement to their litigation on August 17, 2009. During the quarter ended November 30, 2009 the Corporation paid $1,000 to Border Broadcasters Inc. for complete settlement of all claims.

(v) Other:

In the normal course of its operations, the Corporation may be subject to other litigation and claims.

(vi) The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers.

(In thousands, except per share amounts)

15. Supplemental cash flow information:

(a) The change in non-cash operating assets and liabilities in respect of continuing operations consists of the following:

	2011	2010
Accounts receivable and other receivables	$ (222)	$ 24
Inventory	-	40
Prepaid expenses and deposits	1,576	(1,274)
Accounts payable and accrued liabilities and provisions	125	(3,832)
Accrued restructuring liabilities	(5)	(2,049)
Accrued restructuring liabilities due to related parties	-	(17,224)
Restricted cash	-	380
	$ 1,474	$ (23,935)

(b) The consolidated statements of cash flows exclude the following non-cash transactions:

	2011	2010
Conversion of Debentures to share capital (note 10)	$ -	$ 918

During the year ended August 31, 2011, the Corporation received $153 in cash interest on short-term investments and paid $4 in cash interest (2010 – received $58 and paid $363 including $262 in interest on the Debentures). The cash interest received during fiscal 2011 excludes $280 of interest receivable on the short-term investments.

16. Capital risk management:

The Corporation manages its capital to maximize value to shareholders and other stakeholders. The Corporation’s capital structure includes cash and cash equivalents, short-term investments, accounts receivable and other receivables and equity consisting of share capital, contributed surplus, and deficit.

The Corporation is not subject to externally-imposed capital requirements. The Corporation’s overall strategy with respect to capital risk management is to hold low-risk highly-liquid cash accounts and short-term investments.

17. Financial risk management:

(a) Overview:

The Corporation may have exposure to credit risk, liquidity risk, and market risk. The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Audit and Corporate Governance Committee of the Board of Directors reviews the Corporation's risk management policies from time to time on an as needed basis.

(b) Credit risk:

Credit risk is the risk of financial loss to the Corporation if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's cash and cash equivalents, short-term investments and accounts receivable and other receivables. The carrying amount of financial assets represents the Corporation's estimate of its maximum credit exposure.

Cash and cash equivalents and short-term investments consist of cash and variable rate guaranteed investment certificates with reputable Canadian financial institutions, from which the Corporation believes the risk of loss to be minimal.

Accounts receivable and other receivables consists primarily of $216 of GST/HST receivable (note 6) from Canadian government bodies, $164 of legal retainers in trust and $100 of restructuring charges receivable (August 31, 2010 – primarily $244 of GST/HST).

(c) Liquidity risk:

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its current liabilities when due. At August 31, 2011, the Corporation has a working capital surplus of $29,096 (August 31, 2010 - $30,315).

During fiscal 2010 all Debentures were converted to shares or redeemed for cash. As a result, no Debentures were outstanding at August 31, 2010 (note 10).

The mortgage payable which bore interest at the rate of 10.0% per annum was settled in full and discharged effective February 28, 2010.

17. Financial risk management (continued):

(d) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, and interest rates will affect the Corporation's income or the value of its financial instruments. Prior to the Corporation's restructuring process, the Corporation's products and services were available solely in Canada and substantially all of the Corporation's financial assets and liabilities originated in Canadian dollars. The Corporation believes this risk was minimal and did not enter into any currency hedging transactions.

The Corporation is subject to interest rate risk on its cash and cash equivalents and short-term investments (note 5). The Corporation estimates that for each 1% change in the interest rate earned on its cash holdings and its short-term investments at August 31, 2011, interest income will increase or decrease by approximately $2 and $273 per annum respectively.

(e) Fair value of financial instruments:

The fair values of financial assets and financial liabilities are determined as follows:

(i) For cash and cash equivalents, short-term investments, accounts receivable and other receivables, accounts payable, accrued restructuring liabilities and accrued liabilities carrying amounts approximate fair value due to the short-term nature of the assets and liabilities.

(f) Classification of financial instruments:

(i) Short-term investments and accounts receivable and other receivables have been classified as financial assets held for trading and are measured at fair value; and

(ii) Accounts payable, accrued restructuring liabilities and accrued liabilities have been classified as other financial liabilities.

The Corporation had not classified any assets as available-for-sale or held-to-maturity during the years ended August 31, 2011 or 2010. The fair value hierarchy for financial instruments measured at fair value is Level 1 for cash and cash equivalents and short-term investments. The Corporation does not have Level 2 or Level 3 inputs.

18. Subsequent events:

(a) Change to NEX listed company:

On February 3, 2011, the Corporation received notice from the TSX Venture Exchange (the “Exchange”) that, in accordance with its Continued Listing Requirements outlined in Exchange Policy 2.5, the Corporation no longer meets the tests related to having a significant interest in a business or primary asset used to carry on business. Effective May 9, 2011, the Exchange issued a bulletin reclassifying the Corporation to Tier 2 and placed the Corporation on notice to transfer to NEX, subject to the Corporation making a submission that it meets all Tier 2 Continued Listing Requirements.

In accordance with TSX Venture Policy 2.5, the Corporation has not maintained the requirements for a TSX Venture Tier 2 company. Therefore, effective Friday, November 25, 2011, the Corporation’s listing was transferred to NEX, the Corporation’s Tier classification changed from Tier 2 to NEX, and the Filing and Service Office changed from Montreal to NEX.

As of November 25, 2011, the Corporation is subject to restrictions on share issuances and certain types of payments as set out in the NEX policies.

The trading symbol for the Corporation’s multiple voting shares changed from LOK to LOK.H. The trading symbol for the Corporation’s subordinate voting shares changed from LOK.A to LOK.K. There is no change in the Corporation’s name, no change in its CUSIP number and no consolidation of capital. The symbol extensions differentiate NEX symbols from Tier 1 or Tier 2 symbols within the TSX Venture market.

Unaudited Condensed Consolidated Interim Financial Statements of

LOOK COMMUNICATIONS INC.

For the three and six months ended February 28, 2013
and February 29, 2012

LOOK COMMUNICATIONS INC.

Condensed Consolidated Interim Statements of Financial Position

(In thousands of Canadian dollars)

(Unaudited)

As at

	February 28, 2013	August 31, 2012
Assets		
Current assets		
Cash and cash equivalents (note 3)	**$ 73**	$ 147
Short-term investments (note 3)	**17,273**	18,009
Accounts receivable and other receivables (note 4)	**597**	628
Prepaid expenses and deposits (note 5)	**43**	21
	$ 17,986	$ 18,805
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	**$ 605**	$ 547
Accrued restructuring liabilities (note 6)	**189**	189
Accrued liabilities	**144**	179
	938	915
Shareholders' equity		
Share capital (note 7)	**27,499**	27,499
Deficit	**(10,451)**	(9,609)
	17,048	17,890
	$ 17,986	$ 18,805

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

Approved by the Board of Directors:

(Signed) - *David Rattee*

Director

(Signed) - *Henry Eaton*

Director

LOOK COMMUNICATIONS INC.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(In thousands of Canadian dollars, except per share amounts)
(Unaudited)

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Revenue	**$ -**	$ -	**$ -**	$ -
Expenses				
Compensation (note 9)	**53**	28	**107**	81
General and administrative (note 10(a))	**534**	1,069	**850**	1,855
Loss before the undernoted	**(587)**	(1,097)	**(957)**	(1,936)
Interest income	**57**	78	**115**	158
Loss and comprehensive loss for the period	**$ (530)**	$ (1,019)	**$ (842)**	$ (1,778)
Loss per share				
Basic and diluted	**(0.004)**	(0.008)	**(0.006)**	(0.013)
Weighted average number of shares outstanding				
Basic and diluted	**139,702**	139,702	**139,702**	139,702

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

LOOK COMMUNICATIONS INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(In thousands of Canadian dollars)

(Unaudited)

	Share Capital (note 7) Shares	Amount	Deficit	Total Shareholders' Equity
Balance, September 1, 2011	139,702	$ 34,484	$ (5,388)	$ 29,096
Net loss and comprehensive loss for the period	-	-	(1,778)	(1,778)
Balance, February 29, 2012	139,702	$ 34,484	$ (7,166)	$ 27,318
Balance, September 1, 2012	139,702	$ 27,499	$ (9,609)	$ 17,890
Net loss and comprehensive loss for the period	-	-	(842)	(842)
Balance, February 28, 2013	**139,702**	**$ 27,499**	**$ (10,451)**	**$ 17,048**

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

LOOK COMMUNICATIONS INC.

Condensed Consolidated Interim Statements of Cash Flows
(In thousands of Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Cash flows from operating activities				
Net loss for the period	**$ (530)**	$ (1,019)	**$ (842)**	$ (1,778)
Items not affecting cash				
Interest earned on short-term investments	**(57)**	(78)	**(115)**	(158)
Change in non-cash operating assets and liabilities				
Accounts receivable and other receivables	**(34)**	(74)	**31**	(143)
Prepaid expenses and deposits	**18**	440	**(22)**	864
Accounts payable and accrued liabilities	**350**	222	**23**	(397)
Cash used in operating activities	**(253)**	(509)	**(925)**	(1,612)
Investing activities				
Redemption of short-term investments	**-**	700	**650**	1,300
Interest received on short-term investments	**-**	3	**201**	291
Cash provided by investing activities	**-**	703	**851**	1,591
Increase (decrease) in cash and cash equivalents	**(253)**	194	**(74)**	(21)
Cash and cash equivalents, beginning of period	**326**	21	**147**	236
Cash and cash equivalents, end of period	**$ 73**	$ 215	**$ 73**	$ 215

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

1. Nature of operation

During fiscal 2009, the Corporation sold its spectrum and broadcast licence to Inukshuk Wireless Partnership ("Inukshuk"). As a result of this sale, the Corporation has limited operations and continues to examine potential investment opportunities that could utilize the Corporation's cash and tax attributes in an effort to maximize shareholder value.

Effective November 25, 2011, the Corporation is listed on the NEX, the trading symbol for the Corporation's multiple voting shares is LOK.H, and subordinate voting shares is LOK.K.

These unaudited condensed consolidated interim financial statements were approved for issue by the Board of Directors on April 19, 2013.

2. Summary of significant accounting policies

These unaudited condensed consolidated interim financial statements have been prepared, in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), using accounting policies consistent with International Financial Reporting Standards ("IFRS").

Accounting policies and methods of their application followed in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the consolidated financial statements for the year ended August 31, 2012.

On December 28, 2012, the Corporation's wholly-owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership, and Delphi SuperNet Inc. - were dissolved, as they were inactive.

3. Cash and cash equivalents and short-term investments

(a) Cash and cash equivalents

As at February 28, 2013, the Corporation held $73 of cash (August 31, 2012 - $147) and no cash equivalents.

(b) Short-term investments

As at February 28, 2013, the Corporation held $17,273 of short-term investments (August 31, 2012 - $18,009), which included variable rate guaranteed investment certificates ("GIC") with original maturities of less than 365 days. During the six months ended February 28, 2013, $650 was redeemed. As at February 28, 2013, the effective annual interest rate on the GICs was 1.34%. The fair value of short-term investments has been valued using Level 1 inputs.

(In thousands of Canadian dollars, except per share amounts)

4. Accounts receivable and other receivables

Accounts receivable and other receivables, as at February 28, 2013 and August 31, 2012, are set out in the following table:

	February 28, 2013	August 31, 2012
GST/HST receivable	**$ 511**	$ 446
Legal retainers[(1)]	**86**	164
Other receivables	**-**	18
Total	**$ 597**	$ 628

[(1)] During the quarter ended February 28, 2011, as a result of a settlement agreement executed between the Corporation and a former director, a legal retainer totalling $164 was reallocated from prepayments. During the six months ended February 28, 2013, $78 was expensed and, as at February 28, 2013, $86 remained on retainer.

5. Prepaid expenses and deposits

Prepaid expenses, totalling $43 as at February 28, 2013, included annual insurance payments and security deposits (August 31, 2012 - $21).

6. Restructuring

As a result of the sale of its spectrum and broadcast licence to Inukshuk (note 1), the Corporation initiated a Plan of Arrangement in 2009, under the *Canada Business Corporations Act* (Section 192).

From the commencement of the restructuring process through November 30, 2010, the amounts expensed included, among others, legal and consulting charges incurred in relation to the Plan of Arrangement, legal charges incurred related to former Director and former management indemnities, site restoration charges, contract termination charges, and estimated amounts due to government bodies. Additional charges may be incurred as the Corporation continues in its attempts to maximize shareholder value, including the monetization of the remaining assets, the return of capital to shareholders, and legal charges incurred related to the recovery of advances made by former directors and former management to various law firms.

There were no restructuring expenses or payments during the three and six months ended February 28, 2013 and February 29, 2012.

(In thousands of Canadian dollars, except per share amounts)

7. Share capital

(a) Authorized

Preference Shares – non-voting, issuable in series. The number of shares under each series, designation, privileges, restrictions and conditions attaching thereto to be determined by the Board of Directors prior to issue. No such shares are issued and outstanding.

Unlimited Multiple Voting Shares - voting, entitled to 150 votes per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Subordinate Voting Shares - voting, entitled to one vote per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Class A Non-Voting Shares – non-voting, entitled to dividends, subject to the rights holders of any preference shares, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation. No such shares are issued and outstanding.

(b) Issued and outstanding

	Multiple Voting Shares		Subordinate Voting Shares		Total
Balance, as at September 1, 2011	66,165	$ 16,499	73,537	$ 17,985	$ 34,484
Return of capital[1]		(3,308)		(3,677)	(6,985)
Balance, as at August 31, 2012 and February 28, 2013	66,165	$ 13,191	73,537	$ 14,308	$ 27,499

[1] On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital equivalent to $0.05 for each outstanding multiple voting share and subordinate voting share.

(c) Stock option incentive plan

On March 25, 2002, the Board of Directors of the Corporation approved the 2002 Stock Option Incentive Plan (the "2002 Plan"). As a result of the Corporation's restructuring process, there were no options outstanding to acquire Subordinate Voting Shares of the Corporation as at February 28, 2013 or August 31, 2012. The 2002 Plan remains in effect.

(In thousands of Canadian dollars, except per share amounts)

8. Segment disclosure

The Corporation has only one segment for the three and six months ended February 28, 2013 and February 29, 2012.

9. Compensation

During the three and six months ended February 28, 2013, the Corporation expensed $53 and $107 respectively in compensation (February 29, 2012 - $28 and $81 respectively), which included $48 and $97 respectively in key management compensation (February 29, 2012 - $19 and $37 respectively).

10. Related party transactions

Related party transactions and balances with Unique Broadband Systems, Inc. (the Corporation's former parent company, which previously controlled the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries – collectively "UBS"), are as follows:

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Management fees expense	**$ -**	$ 434	**$ -**	$ 867
Rent revenue	**-**	(6)	**(2)**	(12)

(a) Management fees expense

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. In September 2007, the Corporation advanced $2,400, which was included in prepaid expenses and deposits.

Effective January 1, 2011, the $2,400 prepayment was expensed at approximately $145 per month over the remaining term of the MSA, which expired on May 19, 2012.

(b) Rent revenue

During the three months ended November 30, 2012, the Corporation subleased a portion of its premises to UBS for $2 (February 29, 2012 - $6), which was on a month-to-month basis and was recorded as a reduction of general and administrative expenses. On September 30, 2012, UBS terminated its lease agreement with the Corporation and, effective October 1, 2012, the Corporation no longer leases premises.

(In thousands of Canadian dollars, except per share amounts)

10. Related party transactions (continued)

(c) UBS sale of Look shares

On February 19, 2013, UBS sold 12,430 multiple voting shares and 14,630 subordinate voting shares of its interest in Look to 2092390 Ontario Inc.

(d) 2010 legal advances

During June and July, 2010, the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,464 of the advances was expensed, up to February 28, 2013, and $86 remains in accounts receivable and other receivables, as a result of a settlement agreement executed between the Corporation and a former director.

The Corporation is seeking recovery of these 2010 legal advances.

11. Income taxes

As a result of the restructuring of the business, the cumulative eligible capital expenditure pool was converted to a non-capital loss.

Deferred taxes have not been recognized in respect of the Company's loss carryforwards. The Corporation has the following federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income. These losses will expire in the taxation years ending December 31 as follows:

2014	$ 12,588
2015	55
2026	403
2028	8,986
2029	115,571
2030	5,748
2031	19,993
2032	2,772
	$ 166,116

The Corporation's tax attributes may be utilized by the Corporation in its future operations, or may be utilized by a potential acquirer to offset income, provided certain tests are satisfied including those related to a change in control of the Corporation.

12. Contingencies

(a) In the normal course of its operations, the Corporation may be subject to litigation and claims.

(b) The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers.

13. Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly-liquid cash accounts and short-term investments.

The Corporation currently does not use other sources of financing that require fixed payments of interest and principal due to the lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital (note 7(b)).

14. Financial instruments and risk management

The Corporation's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Corporation's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(In thousands of Canadian dollars, except per share amounts)

14. Financial instruments and risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

	February 28, 2013	August 31, 2012
Accounts and other receivables		
Currently due	**$ 80**	$ 108
Past due by 90 days or less not impaired	**41**	116
Past due by greater than 90 days not impaired	**476**	404
	$ 597	$ 628

All of the Corporation's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with this institution is not significant. The Corporation's maximum assessed exposure to credit risk, as at February 28, 2013 and August 31, 2012, is the carrying value of its accounts receivable and other receivables.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 13, in normal circumstances.

The Corporation's financial liabilities, as at February 28, 2013 and August 31, 2012, are comprised of its accounts payable, accrued restructuring liabilities and accrued liabilities, and are summarized as follows:

	February 28, 2013	August 31, 2012
Contractual maturities -		
Within 90 days or less	**$ 607**	$ 504
In later than 90 days not later than one year	**331**	411
	$ 938	$ 915

Interest rate risk

The Corporation had no significant exposure, as at February 28, 2013 and August 31, 2012, to interest rate risk through its financial instruments.

15. Resignation of director

On December 24, 2012, Grant McCutcheon resigned as a director of Look, but remains the chief executive officer of the Corporation.

16. Subsequent events

(a) Proposed change of business and concurrent private placement

On March 25, 2013, Look entered into a securities purchase agreement, pursuant to which Look has agreed to acquire all of the outstanding shares of Sunwave Gas & Power Inc., a privately-held provider of innovative energy commodity products and services based in Toronto, for aggregate consideration of $1,000. It is anticipated that consideration for the transaction will be satisfied through the issuance of 3,383 multiple voting shares and 3,760 subordinate voting shares in the capital of Look, each valued at $0.14 per share. Concurrently with the execution of the securities purchase agreement, Look has entered into subscription agreements with a group of arm's length investors, pursuant to which the investors will subscribe, on a private placement basis, for an aggregate of 30,447 multiple voting shares and 33,839 subordinate voting shares in the capital of Look at a price of $0.14 per share for aggregate subscription proceeds of $9,000.

Closing is subject to regulatory conditions and shareholder approval.

(b) Look support agreement regarding share purchase ("Support Agreement")

On December 18, 2012, Look entered into a Support Agreement, led by a director of UBS and other independent parties, to acquire up to 45,000 of Look's multiple voting shares, at $0.11 per share, up to a 49.9% equity interest in Look. On March 25, 2013, Look terminated the Support Agreement and, pursuant to the terms of the Support Agreement, Look paid a $225 termination fee.

SCHEDULE G
LOOK'S MANAGEMENT'S DISCUSSION AND ANALYSIS

(See attached.)

Management's Discussion and Analysis of Financial Condition and Results of Operations of

LOOK COMMUNICATIONS INC.

Years ended August 31, 2012 and 2011

LOOK COMMUNICATIONS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
of Financial Condition and Results of Operations
(In thousands of Canadian dollars, except per share amounts)
For the years ended August 31, 2012 and 2011

November 22, 2012

1. INTRODUCTION

This management's discussion and analysis ("MD&A") of the financial condition and results of operations of Look Communications Inc. ("Look" or the "Corporation") is supplementary to, and should be read in conjunction with, the consolidated financial statements for the years ended August 31, 2012 and 2011.

In this MD&A, the terms "we", "us", "our", "Look" and "Corporation" refer to Look Communications Inc. and subsidiary entities (including, among others, business organizations such as partnerships) carrying on the business of the Corporation.

Unique Broadband Systems, Inc. is a company that has a 39.2% economic interest and a 37.6% voting interest in the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries - collectively referred to as "UBS".

2. CHANGES IN ACCOUNTING POLICIES

Transition to International Financial Reporting Standards ("IFRS")

Effective January 1, 2011, Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date for the Corporation is September 1, 2010. The Corporation's financial statements for the year ended August 31, 2012 are the Corporation's first financial statements prepared under IFRS.

The accounting policies, as described in Note 2 of the Corporation's consolidated financial statements for the year ended August 31, 2012, have been selected to be consistent with IFRS, as issued by the International Accounting Standards Board ("IASB"), as effective August 31, 2012. Previously, the Corporation prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The adoption of IFRS resulted in changes to the accounting policies as compared with the most recent annual financial statements prepared under Canadian GAAP. The accounting policies have been applied consistently to all periods presented. They were also applied in the preparation of an opening IFRS statement of financial position as at September 1, 2010, as required by IFRS 1, First Time Adoption of International Financial Reporting Standards ("IFRS 1"). The impact of the transition from Canadian GAAP to IFRS is explained in the section entitled "IFRS Transition".

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment. In preparing its opening IFRS statement of financial position, the Corporation has adjusted amounts reported previously in financial statements prepared in accordance with Canadian GAAP. An explanation of how the transition from Canadian GAAP to IFRS has affected the Corporation's financial position and financial performance is set out in the reconciliations and additional notes presented in Note 17 of the Corporation's consolidated financial statements. The adoption of IFRS has had no material impact on the cash flows of the Corporation and, as such, no reconciliation of prior period cash flow statements has been presented.

Estimates: Hindsight was not used to create or revise estimates and, accordingly, the estimates previously made by the Corporation under Canadian GAAP are consistent with their application under IFRS.

The Corporation has now substantially completed its IFRS changeover plan, with just the post-implementation phase remaining.

Accounting standards issued but not yet effective

The Corporation has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Corporation:

IFRS 9 Financial Instruments ("IFRS 9") was issued by the IASB on November 12, 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Corporation is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

IFRS 10 Consolidated Financial Statements ("IFRS 10") establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 supersedes IAS 27 "Consolidated and Separate Financial Statements" and SIC-12 "Consolidated – Special Purpose Entities" and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 11 Joint Arrangements ("IFRS 11") establishes principles for financial reporting by parties to a joint arrangement. IFRS 11 supersedes the current IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers" and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities (“IFRS 12”) applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 13 Fair Value Measurements (“IFRS 13”) defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies to IFRS that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances. IFRS 13 is to be applied for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Corporation is currently evaluating the impact of this standard on its consolidated financial statements.

3. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements and information concerning expected future events, the future performance of the Corporation, its operations, and its financial performance and condition. These forward-looking statements and information include, among others, statements with respect to our objectives and strategies to achieve those objectives, as well as statements with respect to our beliefs, plans, expectations, anticipations, estimates, and intentions. When used in this MD&A, the words "believe", "anticipate", "may", "should", "intend", "estimate", "expect", "project", and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. These forward-looking statements and information are based on current expectations.

The Corporation cautions that all forward-looking statements and information are inherently uncertain and actual future results, conditions, actions, or events may differ materially from the targets, assumptions, estimates, or expectations reflected or contained in the forward-looking statements and information, and that actual future results, conditions, actions, events, or performance will be affected by a number of factors including economic conditions and competitive factors, many of which are beyond the Corporation’s control. New risks and uncertainties arise from time to time, and it is impossible for the Corporation to predict these events or the effect that they may have on the Corporation.

Certain statements in this MD&A, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties. This may include, without limitation, statements based on current expectations involving a number of risks and uncertainties. These risks and uncertainties include, but are not restricted to: (i) tax-related matters, (ii) financial risk related to short-term investments (including credit risks and reductions in interest rates), (iii) human resources developments, (iv) business integrations and internal reorganizations, (v) process risks, (vi) health, safety, and environmental developments, (vii) the outcome of litigation and legal matters, (viii) any prospective acquisitions or divestitures, (ix) other risk factors related to the Corporation’s historic business, and (x) risk factors related to the Corporation’s future operations. For a more detailed discussion of factors that may affect actual results or cause actual results to differ materially from any conclusion, forecast or projection in these forward-looking statements and information, see the sections entitled “Overview – Significant Events”, and "Operating Risks and Uncertainties" below.

Therefore, future events and results may vary significantly from what the Corporation currently foresees. Readers are cautioned that the forward-looking statements and information made by the Corporation in this MD&A are stated as of the date of this MD&A, are subject to change after that date, are provided for the purposes of this MD&A and may not be appropriate for other purposes. We are under no obligation to update or alter the forward-looking statements whether as a result of new information, future events, or otherwise, except as required by National Instrument 51-102, and we expressly disclaim any other such obligation.

4. OVERVIEW

Significant events

(a) UBS commencement of sales process for Look shares

On November 9, 2012, the Ontario Superior Court of Justice made an order approving a process by which UBS will seek offers for the purchase of all or part of the 24,846 multiple voting shares and 29,921 subordinate voting shares of Look. The sales process will be run by Duff & Phelps Canada Restructuring Inc. in its capacity as monitor of UBS under the Companies Creditors' Arrangement Act.

A special committee, comprising Vic Wells and Kenneth Taylor who are directors of UBS, will review and consider all offers, and will determine the successful offer, if any. UBS is under no obligation to accept the highest and best offer, or any offer, acting reasonably. Any transaction for the sale of the Look shares will be subject to approval by the court. All offers must be structured on a basis that is exempt from the prospectus requirements of applicable securities laws. Depending on, among other things, the price being offered and the percentage of Look shares being purchased, the successful bidder, if any, may be required to make an offer to purchase the shares of all other shareholders of Look under applicable securities laws.

(b) Statement of Claim in connection with the payment of Restructuring Awards

On July 6, 2011, the Corporation issued a Statement of Claim (the "Claim") in the Ontario Superior Court of Justice (the "Court") against certain former directors and certain former officers of Look in connection with the payment of approximately $20 million of "restructuring awards" paid in 2009 (the "Sale Awards"), of which approximately $15.7 million was paid to the directors and senior officers named in the Claim (or their personal holding companies, as applicable) from the net proceeds of approximately $64 million realized by the Corporation on the sale of its spectrum licence in 2009 (see Overview – Significant events – Restructuring), as outlined in the following table.

	Number of options relinquished	Number of Share Appreciation Rights (SARs) relinquished	Equity-related payment	Compensation-related payment	Total payments
First Fiscal Management Ltd.[1] / Michael Cytrynbaum	727	7,384	$1,746	$2,400	$ 4,146
Jolian Investments Ltd.[2] / Gerald McGoey	335	14,769	3,166	2,400	5,566
DOL Technologies Inc.[3] / Alex Dolgonos	-	7,384	1,551	2,400	3,951
Former Directors and Senior Management	4,325	3,194	1,585	1,976	3,561
Total	**5,387**	**32,731**	**$8,048**	**$9,176**	**$17,224**

(1) First Fiscal Management Ltd. is a company controlled by the former Chairman of the Board of Directors of the Corporation, Michael Cytrynbaum.
(2) Jolian Investments Ltd. is a company controlled by the former Chief Executive Officer ("CEO") and Vice-Chairman of the Board of Directors of the Corporation, Gerald McGoey.
(3) DOL Technologies Inc. is a company controlled by the former Chief Technology Consultant to the Corporation, Alex Dolgonos.

The former officers and directors named in the Claim collectively resigned effective July 21, 2010. None of the allegations in the Claim have been proven before the Court and none of the defendants have filed a statement of defence.

On Friday, September 28, 2012, the Ontario Superior Court of Justice dismissed applications and motions made by certain of Look's former officers and directors and personal service companies for interim advances to finance their costs of defending claims made against them by Look.

The court denied the advances sought by Messrs. McGoey, Cytrynbaum, Redman, Smith Colbran and the personal service companies (the "Applicants"), but held that Mr. Dolgonos (but not his personal service company) is entitled to advances for his defence of the claims made against him. The reasons state in part: "Look has established a strong prima facie case that the individual Applicants, excluding Dolgonos, acted mala fides, in their own self interests and not with a view to the interest of Look in respect of the Board's approval of the equity cancellation payments based on a value of $0.40 a share and in relation to the payment of retainers by Look to lawyers acting for the Applicants personally. Accordingly, Look has met its onus. I am not prepared to approve interim advancement to the individual Applicants (except Dolgonos) of their legal fees and expenses in respect of the Action."

The court emphasized that the findings made in the applications were not binding on the trial judge.

The Corporation has sought reimbursement of its costs of responding to the applications and motions.

On October 23, 2012, the Applicants served Notices of Appeal on this decision.

Look continues to vigorously pursue its claims against the former directors and former officers named in the Claim (as well as their personal holding companies, as applicable) for payments, which the Corporation believes were not in the Corporation's or its shareholders' best interests.

(c) Management Service Agreement

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. On April 22, 2010, Look's Board of Directors notified UBS that it would not be recommencing the MSA and, on May 19, 2012, the MSA expired.

(d) Return of capital

On March 13, 2012, the Corporation paid a distribution of an aggregate amount of $6,985 to the holders of its multiple voting shares and subordinate voting shares, on a pro rata basis, as a return of capital of $0.05 for each outstanding multiple voting share and subordinate voting share.

(e) Sale of Milton facility

On June 3, 2011, Look sold its land and building in Milton, Ontario for aggregate consideration of $3,050.

(f) Recipient of broadcast services

On or about September 23, 2009, the owner of a residential apartment complex to which the Corporation formerly provided certain broadcast services issued a statement of claim against the Corporation in the Ontario Superior Court of Justice.

The Corporation's legal counsel attended a trial from April 18 to 21, 2011. The Corporation was successful in defending its claim with an agreement as to costs and there will be no appeal. No monies are owed by either party.

(g) Restructuring

During fiscal 2009, the Corporation sold its spectrum and broadcast licence to Inukshuk Wireless Partnership ("Inukshuk") (a joint venture between Rogers Communications and Bell Canada). As a result, and the resulting restructuring of its business including, among other things, charges incurred in relation to the Plan of Arrangement (the "Arrangement") under the *Canada Business Corporations Act* (Section 192) initiated in 2009, the Corporation has recorded and paid restructuring costs as set out in the following table:

Accrued restructuring liabilities	Site restoration, contract termination and Arrangement charges	Human resource restructuring charges	Total restructuring amounts
Balance as at September 1, 2010	$ 5	$ 189	$ 194
Expensed in fiscal 2011	174	-	174
Paid / reversed in fiscal 2011	(153)	-	(153)
Drawn down in fiscal 2011	(26)	-	(26)
Balance as at August 31, 2012 and 2011	**$ -**	**$ 189**	**$ 189**

From the commencement of the restructuring process through November 30, 2010, the amounts expensed included, among others, legal and consulting charges incurred in relation to the Arrangement, legal charges incurred related to former Director and former management indemnities, site restoration charges, contract termination charges, and estimated amounts due to government bodies. Additional charges may be incurred as the Corporation continues in its attempts to maximize shareholder value including the monetization of the remaining assets, the return of capital to shareholders, and legal charges incurred related to the recovery of advances made by former directors and former management to various law firms.

There were no restructuring expenses or payments during the year ended August 31, 2012.

During the year ended August 31, 2011, the Corporation reversed $100 of restructuring charges as a result of a settlement agreement executed between the Corporation and a former director, which is recorded in Paid / reversed in the table above.

The Corporation continues to pursue opportunities to realize the value of its remaining material non-cash asset of approximately $166,116 in tax attributes.

(h) Income taxes

As a result of the sale of the spectrum and broadcast licence and the restructuring of the business, the cumulative eligible capital expenditure pool has been converted to a non-capital loss.

Due to the Canada Revenue Agency's ("CRA") current interpretation of the tax treatment with respect to the disposition of licenses, the Corporation conducted an independent study of its remaining federal non-capital income tax losses, amending the total amount to reflect greater certainty in their deductibility, which may be carried forward to reduce future years' taxable income. As part of this process, the Corporation filed a protective tax election to ensure that no tax liability could occur should the CRA challenge the Corporation's position with respect to the 2007 license disposition.

Deferred taxes have not been recognized in respect of the Company's loss carryforwards. The Corporation has the following federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income. These losses will expire in the taxation years ending December 31 as follows:

Year	Amount
2014	$ 12,588
2015	55
2026	403
2028	8,986
2029	115,571
2030	5,748
2031	19,993
2032	2,772
Total	**$166,116**

The Corporation's tax attributes may be utilized by the Corporation in its future operations, or may be utilized by a potential acquirer to offset income, provided certain tests are satisfied including those related to a change in control of the Corporation.

(i) Change to NEX listed company

On February 3, 2011, the Corporation received notice from the TSX Venture Exchange (the "Exchange") that, in accordance with its Continued Listing Requirements outlined in Exchange Policy 2.5, the Corporation no longer meets the tests related to having a significant interest in a business or primary asset used to carry on business. Effective May 9, 2011, the Exchange issued a bulletin reclassifying the Corporation to Tier 2 and placed the Corporation on notice to transfer to NEX, subject to the Corporation making a submission that it meets all Tier 2 Continued Listing Requirements.

In accordance with TSX Venture Policy 2.5, the Corporation has not maintained the requirements for a TSX Venture Tier 2 company. Therefore, effective Friday, November 25, 2011, the Corporation's listing was transferred to NEX, the Corporation's Tier classification changed from Tier 2 to NEX, and the Filing and Service Office changed from Montreal to NEX. As of November 25, 2011, the Corporation is subject to restrictions on share issuances and certain types of payments as set out in the NEX policies.

The trading symbol for the Corporation's multiple voting shares changed from LOK to LOK.H. The trading symbol for the Corporation's subordinate voting shares changed from LOK.A to LOK.K. There is no change in the Corporation's name, in its CUSIP number and consolidation of capital. The symbol extensions differentiate NEX symbols from Tier 1 or Tier 2 symbols within the TSX Venture market.

The Corporation

As a result of the sale of its spectrum and broadcast licence to Inukshuk (see the section entitled "Overview – Significant events –Restructuring") and the resulting restructuring of its business, as at November 15, 2009, the Corporation no longer provided any service to subscribers.

Effective November 25, 2011, the Corporation's shares are listed on the NEX under the symbols "LOK.H" for Multiple Voting Shares and "LOK.K" for Subordinate Voting Shares (see section entitled Overview – Significant events – Change to NEX listed company).

As at August 31, 2012, UBS owned or controlled 24,864 Multiple Voting Shares and 29,921 Subordinate Voting Shares (a 39.2% economic interest and a 37.6% voting interest) of the Corporation.

Services

During fiscal 2009, the Corporation sold its spectrum and broadcast licence to (see the section entitled "Overview – Significant events – Restructuring"). As a result of this sale, the Corporation is examining potential investment opportunities that could utilize the Corporation's cash and tax attributes in an effort to maximize shareholder value.

Strategy

The Corporation is seeking to preserve its capital, maximize value on its remaining assets, and assess available options for maximizing returns to shareholders. The Corporation continues to pursue opportunities to realize value from its remaining material non-cash asset being its tax attributes as discussed in the section entitled "Overview – Significant events – Restructuring", during which time the Corporation will invest its existing cash in short-term highly liquid investments, the income from which will be tax sheltered.

After a thorough investigation into the facts and circumstances surrounding the Sale Awards, on July 6, 2011, the Corporation issued a Statement of Claim in the Ontario Superior Court of Justice (see the section entitled "Overview - Significant events - Statement of Claim in connection with the payment of Restructuring Awards"), and seeks to recover all or part of these awards, which remains a focus of the Corporation.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Corporation's first consolidated financial statements for the year ended August 31, 2012 were prepared in accordance with International Financial Reporting Standards ("IFRS"). The accounting policies have been selected to be consistent with IFRS, as issued by the International Accounting Standards Board ("IASB"), as effective August 31, 2012. Previously, the Corporation prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

The adoption of IFRS resulted in changes to the accounting policies as compared with the most recent annual financial statements prepared under Canadian GAAP. The accounting policies set out below have been applied consistently to all periods presented. They were also applied in the preparation of an opening IFRS statement of financial position as at September 1, 2010, as required by IFRS 1, First Time Adoption of International Financial Reporting Standards ("IFRS 1"). The impact of the transition from Canadian GAAP to IFRS is explained in the section entitled "IFRS Transition".

(b) Basis of presentation

The Corporation's consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified as at fair value through profit or loss and designated as available-for-sale which are measured at fair value.

The Corporation's consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiaries, Look Mobile Corporation, Look Communications LP and Delphi Supernet Inc. All inter-company transactions are eliminated on consolidation.

(c) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with banks and highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition.

(d) Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss (“FVTPL”), loans and receivables, held to maturity investments (“HTM”), or available for sale financial assets (“AFS”), as appropriate at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification is determined at initial recognition and depends on the nature and purpose of the financial asset. A financial asset is derecognized when its contractual rights to the asset’s cash flows expire or if substantially all the risks and rewards of the asset are transferred.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the consolidated statements of loss and comprehensive loss. Transaction costs are expensed as incurred. The Corporation has no assets at FVTPL.

Loans and receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivable. Accounts receivable are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost. The impairment loss, which is estimated in the determination of amortized costs, of receivables is based on a review of all outstanding amounts at period end. Bad debts are written off during the period in which they are identified. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the consolidated statements of loss and comprehensive loss when the receivables are derecognized or impaired, as well as through the amortization process. The Corporation has classified cash and cash equivalents, short-term investments, accounts receivable and other receivables as loans and receivables.

Impairment of financial assets

The Corporation assesses at the end of each reporting period whether a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the asset’s original effective interest rate.

The carrying amount of all financial assets, excluding accounts receivable, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. Associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Corporation. Subsequent recoveries of amounts previously allowed for are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of loss and comprehensive loss. A provision for impairment is made in relation to accounts receivable, and an impairment loss is recognized in the consolidated statement of loss and comprehensive loss when there is objective evidence that the Corporation will not be able to collect all of the amounts due under the original terms.

Effective interest method

The effective interest method calculates the amortized cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts or disbursements over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income or expense is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate upon initial recognition. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. Subsequent to the initial recognition, other financial liabilities are measured at amortized cost using the effective interest method. The Corporation's other financial liabilities include accounts payables, accrued restructuring liabilities, and accrued liabilities.

Financial liabilities are classified as FVTPL if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments (including separated embedded derivatives) unless they are designated as effective hedging instruments. Gains or losses on liabilities classified as FVTPL are recognized in the consolidated statement of loss and comprehensive loss. The Corporation does not have any liabilities at FVTPL.

Financial instruments carried at fair value

Financial instruments carried at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:
Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(e) Property and equipment

Property and equipment is recorded at cost less accumulated depreciation and impairment charges. Depreciation on equipment is recorded on a straight-line basis over term of three to five years, and on a declining balance basis at a rate of 4% on property.

(f) Impairment of non-financial assets

At the end of each reporting period, the Corporation reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(g) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute deferred tax assets and liabilities are measured at future anticipated tax rates which have been enacted or substantively enacted at the reporting date. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

With certain exceptions, deferred tax assets and liabilities are provided on all qualifying temporary differences at the end of the reporting period between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are only recognized to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary difference can be utilized.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Provisions are recognized when a legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense.

When a contingency substantiated by confirming events can be reliably measured and is likely to result in an economic outflow, a liability is recognized as the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the consolidated financial statements.

(h) Basic and diluted loss per share

Basic loss per share is computed by dividing the net loss applicable by the weighted average number of Multiple Voting shares and Subordinate Voting shares outstanding during the reporting period. Diluted earnings per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants.

(i) Share-based payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period based on the Corporation's estimate of shares that will eventually vest. The number of forfeitures likely to occur is estimated on grant date. Any consideration paid by directors, officers and employees on exercise of equity-settled share-based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Compensation expense on stock options granted to non-employees is measured at the fair value of the goods and services on the date when the goods or services are received and is recorded as an expense in the same period as if the Corporation had paid cash for the goods or services received.

When the fair value of the goods or services received from non-employees in exchange for the share-based payment cannot be reliably estimated, the fair value of the shares issued is measured by use of a Black-Scholes option pricing model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. No share-based payments were made during fiscal 2012 and 2011.

(j) Significant accounting judgments and estimates

The preparation of the Corporation's consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The Corporation's consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable income together with future tax planning strategies. Factors considered in the assessment of the likelihood and value of the realizable deferred tax assets include the Corporation's forecast of the amount and timing of future net income before taxes, available tax planning strategies that could be implemented to realize the deferred tax assets and the remaining period of loss carry-forwards.

6. SELECTED INFORMATION

	Fiscal 2012	Fiscal 2011	Fiscal 2010[1]
Service and sales revenue	**$ -**	$ -	$ 434
Carrier charges and cost of sales	**-**	-	425
Gross margin from continuing operations	**-**	-	9
Operating expenses before depreciation of property and equipment, depreciation of deferred charges, impairment of property and equipment, and restructuring charges	**4,495**	4,334	5,677
Accretion on liability component of convertible debentures, interest and finance charges, and interest income	**274**	294	(276)
Gain on sale of property and equipment, and gain on sale of other property and equipment	**-**	1,264	-
Adjustment to gain on the sale of spectrum and broadcast licence, and restructuring charges	**-**	74	2,293
Depreciation of property and equipment, and depreciation of deferred charges	**-**	107	238
Loss for the year from continuing operations	**(4,221)**	(2,957)	(8,475)
Income for the year from discontinued operations	**-**	-	78
Loss and comprehensive loss for the year	**(4,221)**	(2,957)	(8,397)
Continuing operations			
Basic loss per share	**(0.030)**	(0.021)	(0.061)
Diluted loss per share	**(0.030)**	(0.021)	(0.065)
Discontinued operations			
Basic income per share	**-**	-	-
Diluted income per share	**-**	-	-
Loss per share			
Basic	**(0.030)**	(0.021)	(0.061)
Diluted	**(0.030)**	(0.021)	(0.065)
Total assets	**18,805**	30,406	33,243
Total liabilities	**915**	1,310	1,190

[1] Presented in Canadian GAAP.

Fiscal 2012 relative to Fiscal 2011

- Operating expenses before amortization and restructuring charges for the year ended August 31, 2012 totaled $4,495, an increase of 3.7% over fiscal 2011. This increase was due mainly to costs associated with the Claim (refer to the section entitled "Overview – Significant events – Statement of Claim in connection with the payment of Restructuring Awards"), the expensing of the legal advances paid by the former board of directors in 2010 to various law firms for the then directors, officers and consultants totalling $993 for fiscal 2012, partially offset by lower compensation costs and lower general and administration expenses.

- The total number of employees was two as at August 31, 2012 versus four as at August 31, 2011.

- Interest earned on the Corporation's liquid cash during the year ended August 31, 2012 was $274, a slight decrease over the $298 earned during fiscal 2011, primarily as a result of the Corporation's return of capital of $6,985 paid during the third quarter of fiscal 2012.

Fiscal 2011 relative to Fiscal 2010

- Due to the Corporation's termination of all revenue generating operations, there were no sales and service revenues in fiscal 2011.

- Operating expenses before amortization and restructuring charges for the year ended August 31, 2011 were $4,334, a decrease of 23.7% over fiscal 2010. The decrease in operating expenses was due to an overall downsizing of the Corporation, including headcount reductions.

- Restructuring charges totalled $74 and $2,293 for fiscal 2011 and 2010 respectively.

- The total number of full-time equivalent employees was three as at August 31, 2011 versus five as at August 31, 2010.

- Income earned on the Corporation's liquid cash during the year ended August 31, 2011 was $298, a significant increase over the $201 earned during fiscal 2010, primarily as a result of the Corporation's higher interest-earning cash base. Interest and finance charges were $4 and $101 for fiscal 2011 and fiscal 2010 respectively. The decrease was driven primarily by the Corporation's settlement in full and discharge of the $1,800 mortgage on the Milton facility, effective February 28, 2010, which was subsequently sold in fiscal 2011.

- Due to the conversions and redemptions of all the Debentures during the third quarter of fiscal 2010, there were no accretion charges recorded during the year ended August 31, 2011, compared to $386 during fiscal 2010.

7. RESULTS OF OPERATIONS

Operating expenses

	Year ended August 31, 2012	Year ended August 31, 2011
Compensation	**$ 171**	$ 345
General and administration	**4,324**	3,989
Restructuring charges	**-**	74
Total before depreciation of property and equipment	**4,495**	4,408
Depreciation of property and equipment	**-**	107
Total operating expenses	**$ 4,495**	$ 4,515

Compensation

Compensation expenses include administrative salaries and human resources for the Corporation. During the year ended August 31, 2012, the Corporation expensed $171 in compensation, which included $113 in key management compensation (2011 - $345 and $156).

General and administration

General and administration expenses include general occupancy, information technology, professional fees, and other administrative overheads for the Corporation.

A summary of the key components of general and administration expenses is set out below:

	Year ended August 31, 2012	Year ended August 31, 2011
Professional fees	**$ 2,995**	$ 1,343
MSA	**1,244**	1,956
Office and general	**85**	690
Total general and administration expenses	**$ 4,324**	$ 3,989

For the year ended August 31, 2012, general and administration expenses were $4,324, compared to $3,989 for the year ended August 31, 2011.

The increase in professional fee expenses in fiscal 2012 was due primarily to the expensing of the legal advances paid by the former board of directors in 2010 to various law firms for the then directors, officers and consultants totalling $993, and costs associated with the Claim (refer to the section entitled "Overview – Significant events – Statement of Claim in connection with the payment of Restructuring Awards").

The decrease in office and general expenses was due mainly to lower overhead costs pursuant to the sale of the Milton facility in June, 2011.

Restructuring charges

There were no restructuring expenses or payments during fiscal 2012.

As a result of the sale of its spectrum and broadcast licence and the resulting restructuring of its business, during the year ended August 31, 2011, the Corporation recorded restructuring charges to unrelated parties of $174 and reversed $100 of restructuring charges to related parties as a result of a settlement agreement executed between the Corporation and a former director.

Depreciation of property and equipment

On June 3, 2011, Look sold its land and building in Milton, Ontario for aggregate consideration of $3,050. As a result of the sale, there was no depreciation of property and equipment subsequent to June 3, 2011. For the year ended August 31, 2011, depreciation of property and equipment was $107.

Interest and financing charges

	Year ended August 31, 2012	**Year ended August 31, 2011**
Interest and finance charges	**$ -**	$ 4
Interest income	**274**	298
Total	**$ 274**	$ 294

For the year ended August 31, 2012, there was no interest expense (2011 – $4). The interest and financing charges were offset by $274 in interest income recognized on liquid assets (2011 – $298). The decrease in interest income was driven primarily by decreased cash due to the return of capital to shareholders during fiscal 2012.

Loss from continuing operations

The loss from continuing operations for the year ended August 31, 2012 amounted to $4,221 or $0.030 per share on a basic basis compared with a loss from continuing operations of $2,957 or $0.021 per share on a basic basis for the year ended August 31, 2011.

8. QUARTERLY FINANCIAL RESULTS

The table below sets out financial information for the past eight quarters:

	Fiscal 2012				Fiscal 2011			
	Aug 31	May 31	Feb 29	Nov 30	Aug 31	May 31	Feb 28	Nov 30
Continuing Operations Operating expenses before depreciation of property and equipment, and restructuring charges	$ 1,419	$ 1,140	$ 1,097	$ 839	$ 1,371	$ 907	$ 1,063	$ 993
Depreciation of property and equipment, restructuring charges, interest and finance charges and interest income	55	61	78	80	1,336	46	142	(147)
Net loss from continuing operations	(1,364)	(1,079)	(1,019)	(759)	(35)	(861)	(921)	(1,140)
Continuing Operations Basic and diluted loss per share	(0.010)	(0.007)	(0.008)	(0.005)	-	(0.006)	(0.007)	(0.008)
Discontinued Operations Basic and diluted loss per share	-	-	-	-	-	-	-	-
Loss per share Basic and diluted	(0.010)	(0.007)	(0.008)	(0.005)	-	(0.006)	(0.007)	(0.008)

9. LIQUIDITY AND CAPITAL RESOURCES

The Corporation held cash and short-term investments of $18,156 as at August 31, 2012, compared to $27,516 as at August 31, 2011, and $27,261 as at September 1, 2010. Cash, totaling $147, consists of all bank balances. Short-term investments, totaling $18,009, include variable rate guaranteed investment certificates with original maturities of less than 365 days. The certificates currently bear interest at an interest rate of prime minus 1.65% and are fully redeemable at any time by the Corporation, at its discretion.

During the year ended August 31, 2012, $9,200 was redeemed. As at August 31, 2012, the effective annual interest rate on the GICs was 1.2%. The fair value of short-term investments has been valued using Level 1 inputs.

The change in cash is summarized as follows:

Cash flows provided by (used in):	**Year ended August 31, 2012**	**Year ended August 31, 2011**
Operating activities	**$ (2,649)**	$ (2,930)
Financing activities	**(6,985)**	-
Investing activities	**9,545**	1,048
Decrease in cash and cash equivalents	**$ (89)**	$ (1,882)

Cash used in operating activities for the year ended August 31, 2012 was $2,649 compared to $2,930 during the year ended August 31, 2011. The change was due primarily to the settlement of accounts payable and accrued liabilities and provisions during the year ended August 31, 2012.

Cash used in financing activities for the year ended August 31, 2012 was $6,985 (2011 – nil), was due to the payment of a distribution to the holders of its multiple voting shares and subordinate voting shares, as a return of capital equivalent to $0.05 for each outstanding multiple voting share and subordinate voting share.

Cash provided by investing activities for the year ended August 31, 2012 totalled $9,545 (2011 - $1,048). The increase in fiscal 2012 of $8,497 over fiscal 2011 was driven by the redemption of short-term investments totalling $9,188 and the receipt of interest on investments totalling $357.

Cash provided by investing activities for the year ended August 31, 2011 totalled $1,048 due to the net proceeds from the sale of the Milton facility totalling $2,895, partially offset by the purchase of $2,000 in short-term investments, and the receipt of interest on investments totalling $153.

The Corporation's working capital as at August 31, 2012 was $17,889, compared with $29,096 as at August 31, 2011 and $30,315 as at September 1, 2010. The decline in working capital is primarily due to the loss from continuing operations and the return of capital payment.

10. SHARE CAPITAL

As at August 31, 2012 and 2011, and September 1, 2010, the Corporation had issued 66,165 Multiple Voting Shares and 73,537 Subordinate Voting Shares for total issued shares of 139,702. As a result of the Corporation's sale of its operating assets and the restructuring of its business, as at August 31, 2012 and 2011, and September 1, 2010, there were no options outstanding to acquire Subordinate Voting Shares of the Corporation.

As at November 22, 2012, there were 66,165 Multiple Voting Shares and 73,537 Subordinate Voting Shares issued. No Debentures were outstanding as at August 31, 2012 and 2011, and September 1, 2010 and the Corporation had no further convertible instruments.

11. STOCK BASED COMPENSATION

No stock-based compensation expense was recorded during the years ended August 31, 2012 or 2011.

As a result of the Corporation's sale of its operating assets and the restructuring of its business, all option holders relinquished all rights to all outstanding Subordinate Voting Shares of the Corporation and all SAR holders relinquished all rights to all outstanding SAR units of the Corporation. On November 19, 2010, the Corporation's Board of Directors cancelled the SAR Plan.

12. RELATED PARTY TRANSACTIONS

Related party transactions and balances with UBS are as follows:

	Year ended August 31, 2012	Year ended August 31, 2011
Management fees expense	**$ 1,244**	$ 1,956
Rent revenue	**(24)**	(61)

Management fees expense

Under the original terms of the MSA, the Corporation had been required to pay an annual fee of $2,400 to UBS. In September 2007, the Corporation advanced $2,400, which was included in Prepaid expenses and deposits. On a 12-month rolling basis, the Corporation had maintained this pre-paid annual fee with the charge included in “general and administrative” operating expenses.

On April 22, 2010, the Corporation’s former Board of Directors notified UBS that it would not be recommencing the MSA on May 19, 2010. On December 3, 2010, the Corporation and UBS agreed that, with effect from January 1, 2011, the Corporation would no longer maintain the prepaid annual fee of $2,400 on a monthly basis and this amount was drawn down at approximately $145 per month over the remaining term of the MSA, which expired on May 19, 2012. The cash flow impact of this amendment was a reduction of approximately $900 in fees from the Corporation to UBS.

Rent revenue

During the year ended August 31, 2012, the Corporation subleased a portion of its premises to UBS for $24 (2011 - $61), which has been recorded as a reduction of general and administrative expenses. As at August 31, 2012, the lease was on a month-to-month basis.

2009 payments

The Corporation accrued in fiscal 2009, and paid during the first quarter of fiscal 2010, amounts directly to, or to companies controlled by, the former Chairman of the Board of Directors of the Corporation, the former CEO and Vice-Chairman of the Board of Directors of the Corporation, the former Chief Technology Consultant to the Corporation, former senior management, and former directors. All 2009 contingent accruals were paid prior to the end of the first quarter of fiscal 2010 and were included in restructuring charges in 2009.

During the quarter ended February 28, 2011, the Corporation reversed $100 of restructuring charges to related parties as a result of a settlement agreement executed between the Corporation and a former director.

2010 legal advances

During June, 2010 and July, 2010 the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,386 was drawn down up to August 31, 2012. $164 was moved to accounts receivable and other receivables as a result of a settlement agreement executed between the Corporation and a former director.

13. COMMITMENTS AND CONTINGENCIES

Commitments

Under the original terms of the MSA, the Corporation had been required to pay an annual fee of $2,400 to UBS. On May 19, 2012, the MSA expired (see the section entitled "Related party transactions").

Contingencies

In the normal course of its operations, the Corporation may be subject to litigation and claims.

The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers. With respect to the current litigation, the Corporation may be liable for costs if unsuccessful in pursuing the Claim.

14. OPERATING RISKS AND UNCERTAINTIES

Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly-liquid cash accounts and short-term investments.

The Corporation currently does not use other sources of financing that require fixed payments of interest and principal, due to the lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital.

Financial instruments and risk management

The Corporation's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk). Risk management is carried out by the Corporation's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

Accounts receivable and other receivables	**August 31, 2012**	**August 31, 2011**	**September 1, 2010**
Currently due	$ 108	$ 30	$ 46
Past due by 90 days or less not impaired	116	82	47
Past due by greater than 90 days not impaired	404	369	166
	$ 628	**$ 481**	**$ 259**

All of the Corporation's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with this institution is not significant. The Corporation's maximum assessed exposure to credit risk, as at August 31, 2012 and 2011, and September 1, 2010, is the carrying value of its accounts receivable and other receivables.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described above, in normal circumstances.

The Corporation's financial liabilities, as at August 31, 2012 and 2011 and September 1, 2010, are comprised of its accounts payable, accrued restructuring liabilities and accrued liabilities, which are summarized as follows:

Accounts payable and accrued liabilities with contractual maturities -	**August 31, 2012**	**August 31, 2011**	**September 1, 2010**
Within 90 days or less	$ 504	$ 654	$ 256
In later than 90 days not later than one year	411	656	934
	$ 915	**$ 1,310**	**$ 1,190**

- Interest rate risk

The Corporation had no significant exposure, as at August 31, 2012 and 2011, and September 1, 2010, to interest rate risk through its financial instruments.

15. IFRS TRANSITION

The Corporation's consolidated financial statements for the year ended August 31, 2012 were the Corporation's first financial statements prepared in accordance with IFRS as issued by the IASB. The policies set out in the section entitled "Summary of significant accounting policies", have been applied to all periods presented.

The Corporation has followed the recommendations in IFRS-1, First-time adoption of IFRS, in preparing its transitional statements, which are included in the Corporation's consolidated financial statements for the years ended August 31, 2012 and 2011.

IFRS Exemptions and Choices

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment. The Corporation has not adopted any optional exemptions.

In preparing its opening IFRS statement of financial position, the Corporation has adjusted certain amounts reported previously in financial statements prepared in accordance with Canadian GAAP. An explanation of how the transition from Canadian GAAP to IFRS has affected the Corporation's financial position, financial performance and cash flows is set out in the tables contained in note 17 of the Corporation's consolidated financial statements for the years ended August 31, 2012 and 2011, and the additional notes that accompany the tables.

Mandatory exceptions to retrospective application

Estimates: Hindsight was not used to create or revise estimates and, accordingly, the estimates previously made by the Corporation under Canadian GAAP are consistent with their application under IFRS.

The adoption of IFRS has had no material impact on the cash flows of the Corporation and, as such, no reconciliation of prior period cash flow statements has been presented.

16. ADDITIONAL INFORMATION

Additional information regarding the Corporation's financial statements and corporate documents is available on SEDAR at www.sedar.com and on the Look website at www.grouplook.ca.

Look Communications Inc.

SHAREHOLDER INFORMATION

Board of Directors

Chairman of the Board
David Rattee
Corporate Director

Directors
Grant McCutcheon
Chief Executive Officer
Look Communications Inc.

Chief Executive Officer
Unique Broadband Systems, Inc.

Henry Eaton
Principal, NPV Associates

Lawrence Silber
Partner, Kelly Santini LLP

Auditors
Grant Thornton LLP
350 Burnhamthorpe Road West, Suite 401
Mississauga, Ontario
L5B 3J1

Transfer Agent and Registrar
Computershare Trust Company of Canada
1500 University Street , Suite 700
Montreal, Québec
H3A 3S8

Investor Relations
Grant McCutcheon
905-693-0393

Stock Exchange Listing
Look's shares are listed on the NEX under the symbols LOK.H and LOK.K

Office
8250 Lawson Road
Milton, Ontario
L9T 5C6
Tel: (905) 693-0393
Fax: (905) 693-3647

Management's Discussion and Analysis of Financial Condition and Results of Operations of

LOOK COMMUNICATIONS INC.

Three and six months ended February 28, 2013 and February 29, 2012

LOOK COMMUNICATIONS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
of the Financial Condition and Results of Operations
(In thousands, except per share amounts)
For the three and six months ended February 28, 2013 and February 29, 2012

April 19, 2013

1. INTRODUCTION

This management's discussion and analysis ("MD&A") of financial condition and results of operations of Look Communications Inc. ("Look" or the "Corporation") is supplementary to, and should be read in conjunction with, the unaudited condensed consolidated interim financial statements for the three and six months ended February 28, 2013 and February 29, 2012.

On December 28, 2012, the Corporation's wholly-owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership, and Delphi SuperNet Inc. - were dissolved, as they were inactive. In this MD&A, the terms "we", "us", "our", "Look" and "Corporation" refer to Look Communications Inc., and subsidiary entities, prior to their dissolution.

Unique Broadband Systems, Inc. is a company that currently has a 19.8% economic interest and an 18.8% voting interest in the Corporation (refer to the section "Overview – Significant current events – UBS sale of Look shares"), and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries - collectively referred to as "UBS".

2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements and information concerning expected future events, the future performance of the Corporation, its operations, and its financial performance and condition. These forward-looking statements and information include, among others, statements with respect to our objectives and strategies to achieve those objectives, as well as statements with respect to our beliefs, plans, expectations, anticipations, estimates, and intentions. When used in this MD&A, the words "believe", "anticipate", "may", "should", "intend", "estimate", "expect", "project", and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. These forward-looking statements and information are based on current expectations.

The Corporation cautions that all forward-looking statements and information are inherently uncertain and actual future results, conditions, actions, or events may differ materially from the targets, assumptions, estimates, or expectations reflected or contained in the forward-looking statements and information, and that actual future results, conditions, actions, events, or performance will be affected by a number of factors including economic conditions and competitive factors, many of which are beyond the Corporation's control. New risks and uncertainties arise from time to time, and it is impossible for the Corporation to predict these events or the effect that they may have on the Corporation.

Certain statements in this MD&A, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties. This may include, without limitation, statements based on current expectations involving a number of risks and uncertainties. These risks and uncertainties include, but are not restricted to: (i) tax-related matters, (ii) financial risk related to short-term investments (including credit risks and reductions in interest rates), (iii) human resources developments, (iv) business integrations and internal reorganizations, (v) process risks, (vi) health, safety, and environmental developments, (vii) the outcome of litigation and legal matters, (viii) any prospective acquisitions or divestitures, (ix) other risk factors related to the Corporation's historic business, and (x) risk factors related to the Corporation's future operations. For a more detailed discussion of factors that may affect actual results or cause actual results to differ materially from any conclusion, forecast or projection in these forward-looking statements and information, see the sections entitled "Overview – Significant current events", and "Operating risks and uncertainties" below.

Therefore, future events and results may vary significantly from what the Corporation currently foresees. Readers are cautioned that the forward-looking statements and information made by the Corporation in this MD&A are stated as of the date of this MD&A, are subject to change after that date, are provided for the purposes of this MD&A and may not be appropriate for other purposes. We are under no obligation to update or alter the forward-looking statements whether as a result of new information, future events, or otherwise, except as required by National Instrument 51-102, and we expressly disclaim any other such obligation.

3. OVERVIEW

Significant current events

(a) Proposed change of business and concurrent private placement

On March 25, 2013, Look entered into a securities purchase agreement, pursuant to which Look has agreed to acquire all of the outstanding shares of Sunwave Gas & Power Inc., a privately-held provider of innovative energy commodity products and services based in Toronto, for aggregate consideration of $1,000. It is anticipated that consideration for the transaction will be satisfied through the issuance of 3,383 multiple voting shares and 3,760 subordinate voting shares in the capital of Look, each valued at $0.14 per share. Concurrently with the execution of the securities purchase agreement, Look has entered into subscription agreements with a group of arm's length investors, pursuant to which the investors will subscribe, on a private placement basis, for an aggregate of 30,447 multiple voting shares and 33,839 subordinate voting shares in the capital of Look at a price of $0.14 per share for aggregate subscription proceeds of $9,000.

Closing is subject to regulatory conditions and shareholder approval.

(b) Support Agreement

On December 18, 2012, Look entered into a Support Agreement, led by a director of UBS and other independent parties, to acquire up to 45,000 of Look's multiple voting shares at $0.11 per share up to a 49.9% equity interest in Look. On March 25, 2013, Look terminated the Support Agreement and, pursuant to the terms of the Support Agreement, Look paid a $225 termination fee.

(c) UBS sale of Look shares

On February 19, 2013, UBS sold 12,430 multiple voting shares and 14,630 subordinate voting shares of its interest in Look to 2092309 Ontario Inc.

(d) Dissolution of subsidiaries

On December 28, 2012, the Corporation's wholly-owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership, and Delphi SuperNet Inc. - were dissolved.

(e) Resignation of director

On December 24, 2012, Grant McCutcheon resigned as a director of Look, but remains the chief executive officer of the Corporation.

(f) Statement of Claim in connection with the payment of Restructuring Awards

On July 6, 2011, the Corporation issued a Statement of Claim (the "Claim") in the Ontario Superior Court of Justice (the "Court") against certain former directors and certain former officers of Look in connection with the payment of approximately $20,000 of "restructuring awards" paid in 2009 (the "Sale Awards"), of which approximately $15,700 was paid to the directors and senior officers named in the Claim (or their personal holding companies, as applicable) from the net proceeds of approximately $64,000 realized by the Corporation on the sale of its spectrum license in 2009 (see Overview – Significant current events – Restructuring), as outlined in the following table:

	Number of options relinquished	Number of Share Appreciation Rights (SARs) relinquished	Equity-related payment	Compensation-related payment	Total payments
First Fiscal Management Ltd.(1) / Michael Cytrynbaum	727	7,384	$1,746	$2,400	$ 4,146
Jolian Investments Ltd.(2) / Gerald McGoey	335	14,769	3,166	2,400	5,566
DOL Technologies Inc.(3) / Alex Dolgonos	-	7,384	1,551	2,400	3,951
Former Directors and Senior Management	4,325	3,194	1,585	1,976	3,561
Total	**5,387**	**32,731**	**$8,048**	**$9,176**	**$17,224**

(1) First Fiscal Management Ltd. is a company controlled by the former Chairman of the Board of Directors of the Corporation, Michael Cytrynbaum.
(2) Jolian Investments Ltd. is a company controlled by the former Chief Executive Officer ("CEO") and Vice-Chairman of the Board of Directors of the Corporation, Gerald McGoey.
(3) DOL Technologies Inc. is a company controlled by the former Chief Technology Consultant to the Corporation, Alex Dolgonos.

The former officers and directors named in the Claim collectively resigned effective July 21, 2010. None of the allegations in the Claim have been proven before the Court.

On Friday, September 28, 2012, the Ontario Superior Court of Justice dismissed applications and motions made by certain of Look's former officers and directors and personal service companies for interim advances to finance their costs of defending claims made against them by Look.

The Court denied the advances sought by Messrs. McGoey, Cytrynbaum, Redman, Smith, Colbran and the personal service companies (the "Applicants"), but held that Mr. Dolgonos (but not his personal service company) is entitled to advances for his defense of the claims made against him. The reasons state in part: "Look has established a strong prima facie case that the individual Applicants, excluding Dolgonos, acted mala fides, in their own self interests and not with a view to the interest of Look in respect of the Board's approval of the equity cancellation payments based on a value of $0.40 a share and in relation to the payment of retainers by Look to lawyers acting for the Applicants personally. Accordingly, Look has met its onus. I am not prepared to approve interim advancement to the individual Applicants (except Dolgonos) of their legal fees and expenses in respect of the Action."

The Court emphasized that the findings made in the applications were not binding on the trial judge.

The Corporation has sought reimbursement of its costs of responding to the applications and motions.

On October 23, 2012, the Applicants served Notices of Appeal on this decision. The appeal is scheduled to be heard on May 27 and 28, 2013.

The defendants have delivered statements of defence.

Look continues to pursue its claims against the former directors and former officers named in the Claim (as well as their personal holding companies, as applicable) for payments, which the Corporation believes were not in the Corporation's or its shareholders' best interests.

(g) Management Service Agreement

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. On April 22, 2010, Look's Board of Directors notified UBS that it would not be recommencing the MSA and, on May 19, 2012, the MSA expired.

(h) Restructuring

During fiscal 2009, the Corporation sold its spectrum and broadcast license to Inukshuk Wireless Partnership.

From the commencement of the restructuring process through November 30, 2010, the amounts expensed included, among others, legal and consulting charges incurred in relation to the Arrangement, legal charges incurred related to former Director and former management indemnities, site restoration charges, contract termination charges, and estimated amounts due to government bodies. Additional charges may be incurred as the Corporation continues in its attempts to maximize shareholder value including the monetization of the remaining assets, the return of capital to shareholders, and legal charges incurred related to the recovery of advances made by former directors and former management to various law firms.

(i) Income taxes

As a result of the restructuring of the Corporation's business, the cumulative eligible capital expenditure pool was converted to a non-capital loss.

Deferred taxes have not been recognized in respect of the Corporation's loss carryforwards. The Corporation has the following federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income.

These losses will expire in the taxation years ending December 31 as follows:

Year	Amount
2014	$ 12,588
2015	55
2026	403
2028	8,986
2029	115,571
2030	5,748
2031	19,993
2032	2,772
Total	**$166,116**

The Corporation's tax attributes may be utilized by the Corporation in its future operations, or may be utilized by a potential acquirer to offset income, provided certain tests are satisfied including those related to a change in control of the Corporation.

The Corporation

Look is a publicly listed Canadian corporation with shares listed on the NEX under the symbols "LOK.H" for Multiple Voting Shares and "LOK.K" for Subordinate Voting Shares. Look is currently pursuing a tax effective transaction to enhance shareholder value.

The Corporation operates as a holding company and is pursuing potential investment opportunities that could utilize the Corporation's current cash and tax attributes to enhance shareholder value.

Strategy

The Corporation is seeking to preserve its capital, protect the value of its remaining tax attributes, and assess available options for maximizing further returns to shareholders (refer to the section entitled "Overview – Significant current events – Proposed change of business and concurrent private placement"). Cash is invested in short-term highly liquid investments, the income from which is tax sheltered.

After a thorough investigation into the facts and circumstances surrounding the Sale Awards, on July 6, 2011, the Corporation issued a Statement of Claim in the Ontario Superior Court of Justice (see the section entitled "Overview - Significant current events - Statement of Claim in connection with the payment of Restructuring Awards"), and seeks to recover all or part of these awards, which remains a focus of the Corporation.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management's discussion and analysis of operating results and financial condition are made with reference to the Corporation's unaudited condensed consolidated interim financial statements for the three and six months ended February 28, 2013 and February 29, 2012, and the notes thereto, which have been prepared in accordance with IFRS. The Corporation's significant accounting policies are summarized in detail in Note 2 of the Corporation's consolidated financial statements for the year ended August 31, 2012.

6. RESULTS OF OPERATIONS

Results for the second quarter ended February 28, 2013

- Operating expenses for the three months ended February 28, 2013 totaled $587, a decrease of 46.5% over the three months ended February 29, 2012. This decrease was due mainly to the expiration of the MSA on May 19, 2012.
- The total number of employees was two as at February 28, 2013 and August 31, 2012.

Operating expenses

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Compensation	**$ 53**	$ 28	**$ 107**	$ 81
General and administrative	**534**	1,069	**850**	1,855
Total operating expenses	**$ 587**	$ 1,097	**$ 957**	$ 1,936

Compensation

During the three and six months ended February 28, 2013, the Corporation expensed $53 and $107 respectively in compensation (February 29, 2012 - $28 and $81 respectively), which included $48 and $97 respectively in key management compensation (February 29, 2012 - $19 and $37 respectively).

General and administrative

General and administrative expenses include general occupancy, information technology, professional fees, and other administrative overheads for the Corporation.

A summary of the key components of general and administrative expenses is set out below:

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
MSA	**$ -**	$ 434	**$ -**	$ 867
Professional fees	**520**	605	**818**	943
Office and general	**14**	30	**32**	45
Total general and administrative expenses	**$ 534**	$ 1,069	**$ 850**	$ 1,855

For the three and six months ended February 28, 2013, general and administrative expenses totalled $534 and $850 respectively, compared to $1,069 and $1,855 for the three and six months ended February 29, 2012. The decrease during the three and six months ended February 28, 2013, of 50.0% and 54.2% respectively, was due primarily to the expiration of the MSA on May 19, 2012, the timing of professional fees, and lower overhead costs.

Interest income

For the three and six months ended February 28, 2013, interest income recognized on liquid assets totalled $57 and $115 respectively (February 29, 2012 – $78 and $158 respectively). The decrease was due mainly to lower cash and short term investments held during fiscal 2013.

Loss from operations

The loss from operations, for the three and six months ended February 28, 2013, amounted to $530 and $842 or $0.004 and $0.006 per basic and diluted share respectively, compared with a loss from operations of $1,019 and $1,778 or $0.008 and $0.013 per basic and diluted share respectively for the three and six months ended February 29, 2012.

7. QUARTERLY FINANCIAL RESULTS

The table below sets out financial information for the past eight quarters:

	Fiscal 2013		Fiscal 2012				Fiscal 2011	
	Feb 28	**Nov 30**	**Aug 31**	**May 31**	**Feb 29**	**Nov 30**	**Aug 31**	**May 31**
Operating expenses before depreciation of property and equipment, net gain on sale of property and equipment, and interest income	$ 587	$ 370	$ 1,419	$ 1,140	$ 1,097	$ 839	$ 1,371	$ 907
Depreciation of property and equipment, and net gain on sale of property and equipment	-	-	-	-	-	-	1,260	(27)
Interest income	57	58	55	61	78	80	76	73
Net loss from operations	$ (530)	$ (312)	$(1,364)	$(1,079)	$(1,019)	$ (759)	$ (35)	$ (861)
Loss per share								
Basic and diluted	(0.004)	(0.002)	(0.010)	(0.007)	(0.008)	(0.005)	-	(0.006)

8. LIQUIDITY AND CAPITAL RESOURCES

The Corporation held cash and short-term investments of $17,346, as at February 28, 2013, compared to $18,156 as at August 31, 2012. Cash, totaling $73, consists of all bank balances. Short-term investments, totaling $17,273, include variable rate guaranteed investment certificates with original maturities of less than 365 days. The certificates currently bear interest at an interest rate of prime minus 1.66% and are fully redeemable at any time by the Corporation, at its discretion.

During the six months ended February 28, 2013, $650 of short-term investments was redeemed. As at February 28, 2013, the effective annual interest rate on the GICs was 1.34%. The fair value of short-term investments has been valued using Level 1 inputs.

The change in cash is summarized as follows:

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Cash used in operating activities	**$ (253)**	$ (509)	**$ (925)**	$ (1,612)
Cash provided by investing activities	**-**	703	**851**	1,591
Increase (decrease) in cash and cash equivalents	**$ (253)**	$ 194	**$ (74)**	(21)

Cash used in operating activities for the three and six months ended February 28, 2013, totaling $253 and $925 respectively, was 50.3% and 42.6% lower than the three and six months ended February 29, 2012 respectively. The positive variances were due primarily to lower operating costs, and the timing of payment of accounts payable.

There was no cash used in financing activities for the three and six months ended February 28, 2013 and February 29, 2012.

Cash provided by investing activities for the six months ended February 28, 2013 totalled $851, compared to $1,591 for the six months ended February 29, 2012, due to the redemption of short-term investments totaling $650 (February 29, 2012 - $1,300), and the receipt of interest on investments totaling $201 (February 29, 2012 - $291).

The Corporation's working capital, as at February 28, 2013, was $17,047 compared with $17,890 as at August 31, 2012.

9. SHARE CAPITAL

As at February 28, 2013 and August 31, 2012, the Corporation had issued 66,165 Multiple Voting Shares and 73,537 Subordinate Voting Shares for total issued shares of 139,702. As a result of the Corporation's sale of its operating assets and the restructuring of its business, as at February 28, 2013 and August 31, 2012, there were no options outstanding to acquire Subordinate Voting Shares of the Corporation. The Corporation's stock incentive plan remains in effect.

As at April 19, 2013, there were 66,165 Multiple Voting Shares and 73,537 Subordinate Voting Shares issued.

10. STOCK BASED COMPENSATION

No stock-based compensation expense was recorded during the three and six months ended February 28, 2013 and February 29, 2012. As a result of the Corporation's sale of its operating assets and the restructuring of its business, all option holders relinquished all rights to all outstanding Subordinate Voting Shares of the Corporation and all SAR-holders relinquished all rights to all outstanding SAR units of the Corporation. On November 19, 2010, the Corporation's Board of Directors cancelled the SAR Plan.

11. RELATED PARTY TRANSACTIONS

Related party transactions and balances with UBS are as follows:

	Three months ended		Six months ended	
	February 28, 2013	February 29, 2012	**February 28, 2013**	February 29, 2012
Management fees expense	**$ -**	$ 434	**$ -**	$ 867
Rent revenue	**-**	(6)	**(2)**	(12)

Management fees expense

Under the original terms of the MSA, in September 2007 the Corporation advanced $2,400 to UBS, which was included in prepaid expenses and deposits. Effective January 1, 2011, this amount was drawn down at approximately $145 per month over the remaining term of the MSA which expired on May 19, 2012.

Rent revenue

During the three months ended November 30, 2012, the Corporation subleased a portion of its premises to UBS for $2 (February 29, 2012 - $6), which was on a month-to-month basis and was recorded as a reduction of general and administrative expenses. On September 30, 2012, UBS terminated its lease agreement with the Corporation and, effective October 1, 2012, the Corporation no longer leases premises.

2010 legal advances

During June and July, 2010, the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,464 of the advances was expensed, up to February 28, 2013, and $86 remains in accounts receivable and other receivables, as a result of a settlement agreement executed between the Corporation and a former director.

The Corporation is seeking recovery of these 2010 legal advances.

12. OPERATING RISKS AND UNCERTAINTIES

Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly-liquid cash accounts and short-term investments.

The Corporation currently does not use other sources of financing that require fixed payments of interest and principal due to the lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital.

Financial instruments and risk management

The Corporation's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Corporation's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

Accounts receivable and other receivables	**February 28, 2013**	**August 31, 2012**
Currently due	**$ 80**	$ 108
Past due by 90 days or less not impaired	**41**	116
Past due by greater than 90 days not impaired	**476**	404
	$ 597	$ 628

All of the Corporation's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with this institution is not significant. The Corporation's maximum assessed exposure to credit risk, as at February 28, 2013 and August 31, 2012, is the carrying value of its accounts receivable and other receivables.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described above, in normal circumstances.

The Corporation's financial liabilities, as at February 28, 2013 and August 31, 2012, are comprised of its accounts payable, accrued restructuring liabilities and accrued liabilities, and are summarized as follows:

Accounts payable and accrued liabilities with contractual maturities -	**February 28, 2013**	**August 31, 2012**
Within 90 days or less	**$ 607**	$ 504
In later than 90 days not later than one year	**331**	411
	$ 938	$ 915

Interest rate risk

The Corporation had no significant exposure, as at February 28, 2013 and August 31, 2012, to interest rate risk through its financial instruments.

13. CONTINGENCIES

In the normal course of its operations, the Corporation may be subject to other litigation and claims.

The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers. As a result of the current litigation, the Corporation may be liable for costs if unsuccessful in pursuing the Claim.

14. ADDITIONAL INFORMATION

Additional information regarding the Corporation's financial statements and corporate documents is available on SEDAR at www.sedar.com and on the Look website at www.grouplook.ca.

Look Communications Inc.

SHAREHOLDER INFORMATION

Board of Directors

Chairman of the Board
David Rattee
Corporate Director

Directors
Henry Eaton
Principal, NPV Associates

Lawrence Silber
Partner, Kelly Santini LLP

Officers
Grant McCutcheon
Chief Executive Officer

C. Fraser Elliott
Chief Financial Officer

Auditors
Grant Thornton LLP
350 Burnhamthorpe Road West, Suite 401
Mississauga, Ontario
L5B 3J1

Transfer Agent and Registrar
Computershare Trust Company of Canada
1500 University Street, Suite 700
Montreal, Québec
H3A 3S8

Shareholder enquiries
Look Investor Relations
PO Box 10, Station Main
Keswick Ontario
L4P 3E1
416-613-2243

Stock exchange listing
Look's shares are listed on the NEX under the symbols LOK.H and LOK.K

SCHEDULE H
FINANCIAL STATEMENTS OF SUNWAVE

(See attached.)

Sunwave Gas & Power Inc.
(formerly Sunwave Gas Inc.)
Consolidated Financial Statements
For the year ended December 31, 2012

Contents

Tel: 905 946 1066
Fax: 905 946 9524
www.bdo.ca

BDO Canada LLP
60 Columbia Way, Suite 300
Markham ON L3R 0C9 Canada

Independent Auditor's Report

To the Director of
Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.)

We have audited the accompanying consolidated financial statements of Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.), which comprise the consolidated statements of financial position as at December 31, 2012 and 2011, and the consolidated statements of comprehensive loss and deficit and cash flows for the year ended December 31, 2012 and for the period from January 6, 2011 to December 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.) as at December 31, 2012 and 2011, and its financial performance and its cash flows for the year ended December 31, 2012 and for the period from January 6, 2011 to December 31, 2011 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the consolidated financial statements which indicates that as at December 31, 2012, the Company has an accumulated deficit of $2,850,460 (2011 - $822,645), including a net current year loss of $2,027,815 (2011 - $822,645) and that the Company requires the continued financial support of its parent company and alternative financing to fulfill its commitments. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

Markham, Ontario
April 26, 2013

Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.)
Consolidated Statements of Financial Position

As at December 31		2012		2011
Assets				
Current				
Cash	$	**14,754**	$	851,297
Short-term investment (Note 5)		-		33,000
Accounts receivable		**1,224**		-
Gas delivered in excess of consumption		**96,913**		-
Prepaid expenses and deposits		**9,681**		9,364
Due from related party (Note 8)		**3,838,955**		-
Total current assets		**3,961,527**		893,661
Property and equipment (Note 6)		**210,835**		77,896
Total assets	$	**4,172,362**	$	971,557
Liabilities and Equity (Deficiency)				
Current				
Accounts payable and accrued liabilities	$	**175,098**	$	69,124
Payments received in advance of consumption		**136,128**		-
Current portion of obligation under finance lease (Note 10)		**27,194**		-
Current portion of due to related parties (Note 8)		**-**		225,068
Total current liabilities		**338,420**		294,192
Due to related parties (Note 8)		**5,115,024**		-
Obligation under finance lease (Note 10)		**69,368**		-
Total liabilities		**5,522,812**		294,192
Equity (Deficiency) attributable to shareholder				
Share capital (Note 11)		**1,500,010**		1,500,010
Deficit		**(2,850,460)**		(822,645)
Total equity (deficiency)		**(1,350,450)**		677,365
Total liabilities and equity	$	**4,172,362**	$	971,557

Going concern (Note 2)
Contingent liabilities (Note 18)
Commitments (Note 19)

On behalf of the Board:

______________________________ Director

______________________________ Director

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

Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.)
Consolidated Statements of Comprehensive Loss and Deficit

		For the year ended December 31, 2012		For the period from January 6, 2011 (date of incorporation) to December 31, 2011
Revenue	$	193,871	$	-
Cost of sales (Note 20)		152,803		-
Gross margin		41,068		-
Expenses				
Sales and marketing (Note 20)		184,047		81,528
General and administrative (Note 20)		1,563,781		740,332
Finance costs		321,055		785
Total expenses		2,068,883		822,645
Net and total comprehensive loss		(2,027,815)		(822,645)
Deficit, beginning of the period		(822,645)		-
Deficit, end of period	$	(2,850,460)	$	(822,645)
Loss per share				
Basic and diluted	$	(1.35)	$	(1.62)
Weighted average number of shares outstanding				
Basic and diluted		1,500,010		508,343

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

Sunwave Gas & Power Inc. (formerly Sunwave Gas Inc.)
Consolidated Statements of Cash Flows

	For the year ended December 31,2012	For the period from January 6, 2011 (date of incorporation) to December 31, 2011
Cash provided by (used in)		
Operating activities		
Net loss	$ (2,027,815)	$ (822,645)
Add (deduct) items not affecting cash:		
Depreciation of property and equipment	85,109	9,297
Finance costs	313,100	-
Loss on disposition of property and equipment	7,056	-
Net change in non-cash items related to operating activities (Note 13)	143,648	59,760
Finance costs paid	(100,000)	-
Cash used in operating activities	(1,578,902)	(753,588)
Investing activities		
Purchase of property and equipment	(124,716)	(87,193)
Proceeds from disposition of property and equipment	16,713	-
Purchase of short-term investment	-	(33,000)
Redemption of short-term investment	33,000	-
Advances to related party	(3,838,955)	-
Cash used in investing activities	(3,913,958)	(120,193)
Financing activities		
Advances from related parties	4,901,924	1,725,068
Repayment of advances from related parties	(225,068)	(1,500,000)
Repayment of obligation under finance lease	(20,539)	-
Issuance of Class A common shares	-	1,500,010
Cash provided by financing activities	4,656,317	1,725,078
Net change in cash during the period	(836,543)	851,297
Cash, beginning of period	851,297	-
Cash, end of period	$ 14,754	$ 851,297

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

1. Nature and organization of business

Sunwave Gas & Power Inc. (the "Company") was incorporated on January 6, 2011 under the Canada Business Corporations Act. The consolidated financial statements of the Company are comprised of Sunwave Gas & Power Inc., and its wholly owned subsidiaries which include Sunwave USA Holdings Inc.("US"), Sunwave Gas & Power New York Inc. ("NY"), Sunwave Gas & Power Illinois Inc. ("Il") and Sunwave Gas & Power Massachusetts Inc.("MA").

The Company is domiciled in Canada and the address of its registered office is 2225 Sheppard Avenue East, Suite 1600, Toronto, Canada. On September 22, 2011, per articles of amendment, the Company changed its name to Sunwave Gas & Power Inc. from Sunwave Gas Inc.

Entity	2012 % ownership	2011 % ownership	Incorporation date	Jurisdiction
Sunwave USA Holdings Inc.	100%	-	January 17, 2012	Delaware
Sunwave Gas & Power New York Inc.	100%	-	January 17, 2012	Delaware
Sunwave Gas & Power Illinois Inc.	100%	-	February 29, 2012	Delaware
Sunwave Gas & Power Massachusetts Inc.	100%	-	February 29, 2012	Delaware

The Company operates in the sale of natural gas and electricity to residential and commercial customers under short or long-term fixed-price, price-protected or variable-priced contracts.

The audited consolidated financial statements were approved and authorized for issuance by the Company's Board of Directors on April 26, 2013.

2. Basis of preparation and going concern assumption

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB). The Company, even though a privately-held enterprise, wishes to provide to its shareholders and other interested parties financial statements prepared on the same basis as publicly traded companies.

Going concern

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

At December 31, 2012, the Company has an accumulated deficit of $2,850,460 (2011 - $822,645), including a net current year loss of $2,027,815 (2011 - $822,645). The Company's ability to continue as a going concern depends on: securing additional natural gas and electricity customers and contracts, continued financial support of the parent company, securing additional debt and/or equity financing, obtaining additional capital and ultimately achieve profitable operations. Whether and when the Company can achieve the above is uncertain. As a result, there is material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There can be no assurance that the Company will have sufficient capital to fund its ongoing operations or develop and deploy any further products without future financing. If adequate funds are not available or the Company is unable to obtain additional natural gas and electricity customers and contracts, the Company may have to substantially reduce or eliminate planned expenditures, and seek additional financing from shareholders. If the Company is unable to obtain additional financing when and if required, the Company may be unable to continue operations.

Seasonality

The Company's customers will consume more gas and electricity during the winter months than the summer months.

3. Significant accounting policies

Basis of measurement

The consolidated financial statements were prepared on a going concern basis, under the historical cost convention. All financial information is presented in Canadian dollars, the Company's functional currency, except as otherwise noted.

The significant accounting policies described below were consistently applied to all the periods presented.

Significant accounting judgments and estimates

The preparation of these consolidated financial statements in compliance with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Judgment is commonly used in determining whether a balance or transaction should be recognized in the consolidated financial statements and estimates and assumptions are more commonly used in determining the measurement of recognized transactions and balances. However, judgment and estimates are often interrelated.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Information about critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements is included in the following areas:

- revenue recognition

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the next financial year are included in the following areas:

- impairment on due from related party (financial instruments credit risk)

Principles of consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly-owned subsidiaries US, NY, Il, MA, for which it has the power to govern the financial and operating policies. All material inter-company balances and transactions are eliminated. For any new acquisitions, the results of operations are reflected from the date of acquisition.

Cash

Cash consists of cash on hand and current balances with financial institutions.

Allowance for doubtful accounts

In developing the estimates for an allowance, the Company considers general and industry economic and market conditions as well as credit information available for the customer and the aging of the account. Changes in the carrying amount due to changes in economic and market conditions could significantly affect the earnings for the period.

Property and equipment

Property and equipment are initially recognized at cost and subsequently at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and capitalized borrowing costs.

Depreciation commences when the assets are available for use and is recognized on a straight-line basis to depreciate the cost of these assets to their estimated residual value over their estimated useful lives. When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate components of the asset and depreciated over their estimated useful life on a straight-line basis. Estimated useful lives are as follows:

Computer hardware	Straight line	3 years
Computer software	Straight line	3 years
Office furniture and equipment	Straight line	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if appropriate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in net income in the period the item is derecognized.

Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized as interest expense in profit and loss in the period in which they are incurred.

Impairment of non-financial assets

When events or changes in circumstances indicate that the carrying amount may not be recoverable, the Company reviews the carrying amounts of its non-financial assets, including property and equipment, to determine whether there is any indication of impairment.

If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is tested for impairment. For the purposes of reviewing definite life non-financial assets for impairment, asset groups are reviewed at their lowest level for which identifiable cash inflows are largely independent of cash inflows of other assets or groups of assets. This grouping is referred to as a cash-generating unit ("CGU"). Management has identified 1 CGUs which are related to gas & electricity marketing.

The Company's corporate assets, which include the head office facilities, do not generate separate cash inflows. Corporate assets are tested for impairment at the minimum collection of CGUs to which the corporate asset can be allocated reasonably and consistently.

The recoverable amount of a CGU is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognized if the carrying amount of a CGU exceeds its recoverable amount. Impairment losses are recognized in net income in the period in which they occur. Where impairment, subsequently reverses, the carrying amount of the asset is increased to the extent that the carrying value of the underlying asset does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment had been recognized. Impairment reversals are recognized in net income in the period in which they occur.

Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized accordingly.

Income taxes

Income tax expense consists of current and deferred tax expense.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred 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.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries, branches and associates, and interest in joint ventures where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is not recognized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its tax assets and liabilities on a net basis.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial assets. The Company’s common shares are classified as equity instruments.

Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Company (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognized as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analyzed between capital and interest. The interest element is charged to the statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Company (an "operating lease"), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognized as a reduction of the rental expense over the lease term on a straight-line basis.

Revenue recognition

Revenue is recognized when significant risks and rewards of ownership are transferred to the customer. For gas and electricity, the transfer of risks and rewards generally coincide with consumption. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes.

Gas delivery is based on estimated customer historical usage and is regularly reconciled to determine if customers consumed more gas than has been delivered or if consumption is less than has been delivered. Gas delivered in excess of consumption by customers is recognized as an asset at the lower of cost and net realizable value. Consumption by customers in excess of gas delivered is recognized as accrued gas payable at amortized cost. Any payments received from local distribution companies (“LDCs”) in advance of consumption by customers are recognized as a liability at amortized cost.

Financial instruments

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as “fair value through profit or loss,” “loans and receivables,” “available-for-sale,” “held-to-maturity” or “other financial liabilities.”

All derivative instruments are classified as fair value through profit and loss and are measured at fair market value upon inception. Subsequent measurement and recognition of changes in the fair value are recognized in earnings.

Financial assets classified as loans and receivables, held-to-maturity and other financial liabilities are subsequently measured at amortized cost using the effective interest method of amortization.

Financial assets classified as available-for-sale are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income (“OCI”).

The Company’s financial assets and financial liabilities are classified and measured as follows:

Asset/Liability	Classification	Measurement
Cash	Loans and receivables	Amortized cost
Short-term investment	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Due from related party	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Payments received in advance of consumption	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost

Transaction costs are capitalized to the carrying amount of the instrument and amortized using the effective interest method, other than those related to financial instruments classified as fair value through profit or loss, which are expensed as incurred.

Impairment of financial instruments

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding accounts receivable, is directly reduced by the impairment loss. The carrying amount of accounts receivable is reduced through the use of an allowance account. When a account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in net income.

With the exception of available-for-sale investments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized; the previously recognized impairment loss is reversed through net income. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

4. Future accounting pronouncements

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the financial year ending December 31, 2012, and accordingly, have not been applied in preparing these consolidated financial statements:

Financial instruments

The IASB has issued a new standard, IFRS 9, Financial Instruments, which will ultimately replace IAS 39, Financial Instruments: Recognition and Measurements.

The replacement of IAS 39 is a multi-phase project with the objective of improving and simplifying the reporting for financial instruments and the issuance of IFRS 9 is part of the first phase. This standard becomes effective January 1, 2015. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

Consolidated financial statements

The IASB has issued a new standard, IFRS 10, Consolidated Financial Statements, which will replace parts of IAS 27, Consolidated and Separate Financial Statements and SIC-12, Consolidation - Special Purpose Entities.

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This standard becomes effective on January 1, 2013. The Company will adopt the standard at the beginning of its 2013 financial year and does not expect the implementation to have a significant impact on the Company's consolidated financial statements.

Joint Arrangements

IFRS 11 describes the accounting for joint arrangements in which two or more parties have joint control; IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Ventures. The Company will adopt the standard at the beginning of its 2013 financial year and does not expect the implementation to have a significant impact on the Company's consolidated financial statements.

Disclosure of interests in other entities

The IASB has issued a new standard, IFRS 12, Disclosure of Interests in Other Entities, on disclosure requirements for all forms of interests in other entities including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard is not applicable until January 1, 2013 but is available for early adoption. The Company will adopt the standard at the beginning of its 2013 financial year and does not expect the implementation to have a significant impact on the Company's disclosures.

Fair value measurement

IFRS 13, Fair Value Measurement is a new standard that defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). The standard is not applicable until January 1, 2013 but is available for early adoption. The Company will adopt the standard at the beginning of its 2013 financial year and does not expect the implementation to have a significant impact on the Company's consolidated financial statements.

There are no other IFRSs or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Company.

5. Short-term investment

Short-term investment consists of a term deposit bearing interest at 1.00% per annum and was redeemed on December 12, 2012.

6. Property and equipment

	Computer Hardware	Computer Software	Office Furniture & Equipment	Total Property and Equipment
Cost				
From date of incorporation	$ -	$ -	$ -	$ -
Additions	63,593	15,270	8,330	87,193
Balance at December 31, 2011	63,593	15,270	8,330	87,193
Additions	95,231	2,154	144,432	241,817
Dispositions	(26,853)	-	-	(26,853)
Balance at December 31, 2012	**$ 131,971**	**$ 17,424**	**$ 152,762**	**$ 302,157**
Accumulated depreciation				
From date of incorporation	$ -	$ -	$ -	$ -
Depreciation	5,925	2,800	572	9,297
Balance at December 31, 2011	5,925	2,800	572	9,297
Depreciation	45,417	7,538	32,154	85,109
Dispositions	(3,084)	-	-	(3,084)
Balance at December 31, 2012	**$ 48,258**	**$ 10,338**	**$ 32,726**	**$ 91,322**
Net book value				
As at December 31, 2011	$ 57,668	$ 12,470	$ 7,758	$ 77,896
As at December 31, 2012	**$ 83,713**	**$ 7,086**	**$ 120,036**	**$ 210,835**

7. Income taxes

The provision for income taxes differs from the results that would be obtained by applying consolidated Canadian Federal and Provincial (Ontario) statutory income tax rates to profits or loss before income taxes.

This difference results from the following:

	2012	2011
Loss before income taxes	**$ (2,027,815)**	$ (822,645)
Statutory income tax rate	**26.50%**	28.25%
Expected income tax recovery	**$ (537,371)**	$ (232,397)

The change in the statutory income tax rate is due to a decrease in the federal tax rate.

Effect on income taxes of:

	2012	2011
Non-deductible expenses	**$ 143**	$ 438
Change in unrecognized deferred tax assets	**523,091**	231,959
Difference in effective tax rate	**14,137**	-
	537,371	232,397
Income tax	**$ -**	$ -

Deferred tax assets (liabilities) have not been recognized for the following:

	2012	2011
Non-capital tax loss carry-forwards	**$ 755,418**	$ 233,038
Finance lease	**247**	-
Property and equipment	**(615)**	(1,079)
	$ 755,050	$ 231,959

At December 31, 2012, the Company has not recognized deferred income tax assets with respect to Canadian operating losses of $2,849,757 expiring between 2031 and 2032.

8. Due from /to related parties

		2012		2011
Due to related parties				
Ozz Electric Inc Credit Facility	$	4,901,924	$	-
Advances from Ozz Clean Energy Inc.		-		225,068
Interest payable		289,070		-
Principal and interest payable on related party advances		5,190,994		225,068
Financing costs		(75,970)		-
Due to related parties		5,115,024		225,068
Less: current portion of due to related parties		-		(225,068)
Due to related parties, non-current portion	$	5,115,024	$	-
Due from related party				
Advances to Ozz Clean Energy Inc.	$	3,838,955		-
Due from related party	$	3,838,955	$	-

The Company has the following advances and loans to finance operations:

OZZ Electric Inc. ("OE")

On December 15, 2011, the Company entered into a Credit Facility Agreement ("Credit Facility") with OE, which is controlled by an officer and director of the Company, for which the maximum principal amounts available for advances is $10,000,000. The outstanding principal and accrued interest is due on November 30, 2016. The facility bears interest at bank prime rate plus 4% per annum, calculated semi-annually and is payable at maturity. The Company has delivered a general security agreement providing a second charge in favour of OE over certain assets of the Company. A debt arrangement fee of $100,000 was payable in February 2012 but was paid on October 31, 2012. This fee is being amortized on an effective interest basis over the term of the current advances. As at December 31, 2012, the balance outstanding is $5,115,024 (2011- $Nil). The Company drew its first advance of $3,000,000 on February 17, 2012. OE's controlling shareholder indirectly controls the Company.

Ozz Clean Energy Inc. ("OCE")

The Company advanced funds to OCE, its sole shareholder. The advances are unsecured, carry no interest rate and are repayable on demand. At December 31, 2012 the balance due from OCE is $3,838,955 (2011 - $Nil). During 2011, the Company received advances from OCE totaling $1,725,068, of which $1,500,000 was subsequently applied against a share subscription in 2011 (Note 11) and $225,068 was repaid during 2012.

9. Related party transactions

The Company occupies office space that is leased by its shareholder. The Company was charged for a portion of the occupancy costs based on the ratio of its estimated physical occupancy of the total space. In 2012, $300,000 (2011 - $Nil) was charged to the Company.

In 2011, the Company's former shareholders entered into contracts with the Company to act as members of its executive team. These contracts were terminated in March 2012. The costs of these contracts are included in Note 12 – Compensation of key management personnel.

10. Obligation under finance lease

The Company leases office equipment under a financing arrangement which bears interest at 7.54% per annum and matures in April 2016. The net carrying value of office equipment under finance lease is $95,629 (2011 - $Nil).

The following table presents future minimum lease payments under finance lease together with the present value of the minimum lease payments:

Future minimum lease payments due:		
Less than one year	$	33,671
Between one and five years		75,759
More than five years		-
Total minimum lease payments		109,430
Less amounts representing interest		(12,868)
Present value of total minimum lease payments		96,562
Less current portion of minimum lease obligation		27,194
Non-current portion of minimum lease obligation	$	69,368

11. Capital stock

The Company is authorized to issue an unlimited number of Class A common shares and an unlimited number of Class B non-voting shares. The Company's shares have no par value.

	Class A Common Shares		
	Number		Amount
Balance at date of incorporation	10	$	10
Issuance of shares pursuant to subscriptions	1,500,000		1,500,000
Balance at December 31, 2011	**1,500,010**		**1,500,010**
Balance at December 31, 2012	**1,500,010**	**$**	**1,500,010**

On the January 6, 2011, the Company issued 10 Class A common shares for consideration of $10. On September 1, 2011, the Company issued 1,500,000 Class A common shares for consideration for $1,500,000. No Class B non-voting shares have been issued.

12. Compensation of key management personnel

The Company's key management personnel are comprised of the Board of Directors and members of the executive team of the Company and its wholly owned subsidiaries.

Compensation of key management personnel that is directly attributable to the Company is as follows:

		2012		2011
Salaries and other short-term employee benefits	**$**	**440,542**	$	238,333

13. Net change in non-cash items related to operating activities

		2012		2011
Accounts receivable	**$**	**(1,224)**	$	-
Gas delivered in excess of consumption		**(96,913)**		-
Prepaid expenses and deposits		**(317)**		(9,364)
Accounts payable and accrued liabilities		**105,974**		69,124
Payments received in advance of consumption		**136,128**		-
	$	**143,648**	$	59,760

14. Financial instruments

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. Periodically throughout the year, the Board of Directors receive reports from the Company's management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Risk management

The main risks arising from the Company's financial instruments are credit risk, market risk, liquidity risk and interest rate risk. These risks arise from exposure that occur in the normal course of business and are managed on a consolidated basis.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash, short-term investment, accounts receivable and due from related party.

Credit risk associated with cash and short-term investment are minimized by ensuring these financial assets are placed with financial institutions with high credit ratings.

The LDCs provides collection services and assume the risk of any bad debts from customers. Therefore, the Company receives the collection of customer account balances directly from the LDCs. Management believes that the risk of the LDCs failing to deliver payment to the Company is minimal.

Due from related party are amounts that were advanced to the Company's sole shareholder. Management believes that the credit risk associated with due from related party is minimized as its shareholder, along with Sunwave, is part of a group of operating companies under common control.

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or other financial assets. The Company's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed weekly by senior management to ensure a sufficient continuity of funding exists.

The Company has contractual obligations related to accounts payable and accrued liabilities and obligation under finance lease of $202,292 that are due in less than a year. Also see note 19 for commitments.

Interest rate risk

The Company is exposed to interest rate risk on its amounts due to related parties. It is exposed to interest rate risk on these amounts since the interest rates applicable are variable and is therefore, exposed to cash flow risk resulting from interest rate fluctuations. As at December 31, 2012, the amounts due to related parties are $5,190,994. A 1% variation in interest rates would result in an impact of $49,000 per year.

Currency risk

The Company's operations are currently in Ontario and as such there is no exposure to fluctuations in foreign currency rates.

Fair Values

IFRS 7 Financial Instruments: Disclosures requires disclosure of a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement.

The fair values of short-term financial assets and liabilities, including cash, short-term investments, accounts receivable, deposits, accounts payable and accrued liabilities, loans and advances, due to related parties as presented in the Consolidated Statements of Financial Position approximate their carrying amounts due to the short period to maturity of these financial instruments.

15. Supplier Risk

The Company purchases all of the natural gas and electricity delivered to its customer through long-term contracts entered into with various suppliers. The Company has an exposure to supplier risk as the ability to continue to deliver natural gas and electricity to its customers is reliant upon ongoing operations of these suppliers and their ability to fulfill their contractual obligations. Of these natural gas purchases, 100% (2011 – 100%) were with Access Gas Services (Ontario) Inc. The Company also has supply agreements with Shell Energy North (Canada) Inc. and BP Canada Group ULC.

16. Capital disclosure

For capital management purposes, the Company defines capital as the aggregate of shareholder's deficiency and due to related parties.

The Company's principle objectives in managing capital are:

- To ensure sufficient liquidity to adequately fund the ongoing operations of the business;
- To provide flexibility to take advantage of growth opportunities that are expected to provide satisfactory returns to shareholders;
- To maintain a strong capital base so to maintain client, investor and creditor confidence;

The Company manages its capital structure and adjusts it in the light of changes in economic conditions and business opportunities. In order to maintain or adjust its capital structure, the Company issues new debt, repays existing debt or issues new shares. Financing decisions are generally made on a specific transaction basis and depend on such things as the Company's needs and economic conditions at the time of the transaction.

Given the growth phase of the Company and the cyclical nature of the business, the most important metric is monitoring liquidity and working capital, to ensure an appropriate capital position.

17. Segmented information

The Company operates in the gas and electricity marketing business in Ontario, Canada. All of its revenue in 2012 was derived from this business. The Company is not considered to have any key customers.

18. Contingent liabilities

The Company is not involved in any claims and litigations as a defendant.

19. Commitments

At December 31, 2012 and 2011, the minimum payments required under the terms of non-cancellable leases are as follows:

	2012	2011
Less than one year	**$ 33,671**	$ 25,253
Between one and five years	**75,759**	109,430
More than five years	**-**	-
	$ 109,430	$ 134,683

20. Expenses

	2012	2011
Cost of gas and electricity	**$ 152,803**	$ -
Personnel	**540,405**	356,770
Consulting and professional fees	**239,387**	325,614
Selling cost	**184,047**	81,528
Occupancy (Note 9)	**320,697**	15,555
Depreciation of property and equipment	**85,109**	9,297
Office and other expenses	**94,391**	33,096
Reorganization costs	**283,792**	-
	$ 1,900,631	$ 821,860

Reported as

	2012	2011
Cost of sales	**$ 152,803**	$ -
Sales and marketing	**184,047**	81,528
General and administrative	**1,563,781**	740,332
	$ 1,900,631	$ 821,860

During the year ending December 31, 2012, the Company incurred costs of $283,792 related to a reorganization of its operations. These costs were associated with a workforce reduction, disposition of property and equipment, and the termination of certain contractual obligations.

21. Subsequent event

Sale of Company

On March 26, 2013, the Company's sole shareholder entered into a securities purchase agreement with Look Communications Inc. ("Look") pursuant to which Look has agreed to acquire all of the outstanding shares of the Company ("Acquisition"). Look's shares are currently listed on the NEX board of the TSX Venture Exchange ("Exchange"). The completion of the acquisition of the Company's shares is subject to a number of conditions, including Exchange acceptance, the approval of Look's shareholders and other customary conditions.

Concurrent with the close of the Acquisition, the Company will repay the outstanding principal and accrued interest balances on the Credit Facility (Note 8). The Company will fund the repayment by: i) recovering its amounts due from OCE (Note 8) and ii) OCE will provide further advances as required to extinguish the outstanding balances on the Credit Facility. The Company expects that all outstanding advances due to OCE will be forgiven by OCE concurrent with the close of the Acquisition.

Look has approximately $17 million of cash and short-term investments as of February 28, 2013. Subsequent to the close of the transaction, Sunwave expects that Look will be able to provide sufficient working capital support to it such that Sunwave can meet its current obligations and execute its plan of operations.

Sunwave Gas & Power Inc.

Condensed Consolidated Interim Financial Statements

For the three-month period ended March 31, 2013
(Unaudited)

Contents

Condensed Consolidated Interim Financial Statements

Sunwave Gas & Power Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

As at		March 31, 2013		December 31, 2012
Assets				
Current				
Cash	$	**3,882**	$	14,754
Accounts receivable		**12,208**		1,224
Gas delivered in excess of consumption		**7,338**		96,913
Prepaid expenses and deposits		**8,604**		9,681
Due from related party (Note 9)		**3,838,955**		3,838,955
Total current assets		**3,870,987**		3,961,527
Property and equipment (Note 7)		**191,137**		210,835
Total assets	$	**4,062,124**	$	4,172,362
Liabilities and Deficiency				
Current				
Accounts payable and accrued liabilities	$	**538,230**	$	175,098
Payments received in advance of consumption		**9,763**		136,128
Current portion of obligation under finance lease (Note 11)		**27,720**		27,194
Current portion of due to related parties (Note 9)		**375,070**		-
Total current liabilities		**950,783**		338,420
Due to related parties (Note 9)		**5,206,631**		5,115,024
Obligation under finance lease (Note 11)		**62,238**		69,368
Total liabilities		**6,219,652**		5,522,812
Deficiency attributable to shareholder				
Share capital (Note 12)		**1,500,010**		1,500,010
Deficit		**(3,657,538)**		(2,850,460)
Total deficiency		**(2,157,528)**		(1,350,450)
Total liabilities and deficiency	$	**4,062,124**	$	4,172,362

Going concern (Note 2)
Contingent liabilities (Note 18)
Commitments (Note 19)

On behalf of the Board:

____________________ Director

____________________ Director

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

Sunwave Gas & Power Inc.

Condensed Consolidated Interim Statements of Comprehensive Loss and Deficit

(Unaudited)

For the three months ended March 31		**2013**		2012
Revenue	$	**341,068**	$	-
Cost of sales (Note 20)		**278,612**		-
Gross margin		**62,456**		-
Expenses				
Sales and marketing (Note 20)		**295,543**		61,374
General and administrative (Note 20)		**479,131**		799,556
Finance costs		**94,860**		30,827
Total expenses		**869,534**		891,757
Net and total comprehensive loss		**(807,078)**		(891,757)
Deficit, beginning of the period		**(2,850,460)**		(822,645)
Deficit, end of period	$	**(3,657,538)**	$	(1,714,402)
Loss per share Basic and diluted	$	**(0.54)**	$	(0.59)
Weighted average number of shares outstanding Basic and diluted		**1,500,010**		1,500,010

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

Sunwave Gas & Power Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)

For the three months ended March 31	2013	2012
Cash provided by (used in)		
Operating activities		
Net loss	$ **(807,078)**	$ (891,757)
Add (deduct) items not affecting cash:		
Depreciation of property and equipment	**19,698**	23,756
Finance costs	**91,607**	30,511
Net change in non-cash items related to operating activities (Note 14)	**316,435**	60,023
Cash used in operating activities	**(379,338)**	(777,467)
Investing activities		
Purchase of property and equipment	**-**	(124,716)
Advances to related party	**-**	(3,023,584)
Cash used in investing activities	**-**	(3,148,300)
Financing activities		
Advances from related parties	**375,070**	3,157,968
Repayment of obligation under finance lease	**(6,604)**	-
Cash provided by financing activities	**368,466**	3,157,968
Net change in cash during the period	**(10,872)**	(767,799)
Cash, beginning of period	**14,754**	851,297
Cash, end of period	$ **3,882**	$ 83,498

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

1. Nature and organization of business

Sunwave Gas & Power Inc. (the "Company") was incorporated on January 6, 2011 under the Canada Business Corporations Act. The Condensed consolidated interim financial statements of the Company are comprised of Sunwave Gas & Power Inc., and its wholly owned subsidiaries which include Sunwave USA Holdings Inc.("US"), Sunwave Gas & Power New York Inc. ("NY"), Sunwave Gas & Power Illinois Inc. ("Il") and Sunwave Gas & Power Massachusetts Inc.("MA").

The Company is domiciled in Canada and the address of its registered office is 2225 Sheppard Avenue East, Suite 1600, Toronto, Canada.

Entity	2013 % ownership	2012 % ownership	Incorporation date	Jurisdiction
Sunwave USA Holdings Inc.	100%	100%	January 17, 2012	Delaware
Sunwave Gas & Power New York Inc.	100%	100%	January 17, 2012	Delaware
Sunwave Gas & Power Illinois Inc.	100%	100%	February 29, 2012	Delaware
Sunwave Gas & Power Massachusetts Inc.	100%	100%	February 29, 2012	Delaware

The Company operates in the sale of natural gas and electricity to residential and commercial customers under short or long-term fixed-price, price-protected or variable-priced contracts.

The condensed consolidated interim financial statements were approved and authorized for issuance by the Company's Board of Directors on June 5, 2013.

2. Basis of preparation and going concern assumption

Statement of compliance and Significant Accounting Policies

The condensed consolidated interim financial statements were prepared in accordance with International Accounting Standards ("IAS") 34 – Interim Financial Reporting, using accounting policies that the Company adopted in its consolidated financial statements as at and for the year ended December 31, 2012. The condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statement and should be read in conjunction with the audited annual consolidated financial statements of the Company as at and for the year ended December 31, 2012.

Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

At March 31, 2013, the Company has an accumulated deficit of $3,657,538 (December 31, 2012 - $2,850,460), including a net current quarter loss of $807,078 (March 31, 2012 - $891,757). The Company's ability to continue as a going concern depends on: securing additional natural gas and electricity customers and contracts, continued financial support of the parent company, securing additional debt and/or equity financing, obtaining additional capital and ultimately achieving profitable operations. Whether and when the Company can achieve the above is uncertain. As a result, there is material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There can be no assurance that the Company will have sufficient capital to fund its ongoing operations or develop and deploy any further products without future financing. If adequate funds are not available or the Company is unable to obtain additional natural gas and electricity customers and contracts, the Company may have to substantially reduce or eliminate planned expenditures, and seek additional financing from shareholders. If the Company is unable to obtain additional financing when and if required, the Company may be unable to continue operations.

3. Significant accounting judgements and estimates

The preparation of condensed consolidated interim financial statements in compliance with IAS 34 requires the use of critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 5.

4. Future accounting pronouncements

A number of new IFRS standards, amendments to standards and interpretations came into effect on January 1, 2013, and have been applied in preparing the condensed consolidated interim financial statements. The adoption of these standards and interpretations has no material impact on the condensed consolidated interim financial statements of the Company.

- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure on Interests in Other Entities
- IFRS 13 Fair Value Measurement

IFRS 9 Financial Instruments: Classification and Measurement is not yet effective for the three months ended March 31, 2013, and has not been applied in preparing the condensed consolidated interim financial statements.

Management anticipates that the adoption of this standard and interpretation in future periods will have no material impact on the condensed consolidated interim financial statements of the Company.

5. Use of estimates and judgments

There have been no material revisions to the nature and amount of estimates of amounts reported in the annual consolidated financial statements as at and for the year ended December 31, 2012.

6. Seasonality

The Company's customers will consume more gas and electricity during the winter months than the summer months. Consequently, revenue and cost of sales is typically higher in the fourth and first quarters.

7. Property and equipment

	Computer Hardware	Computer Software	Office Furniture & Equipment	Total Property and Equipment
Cost				
Balance at December 31, 2011	$ 63,593	$ 15,270	$ 8,330	$ 87,193
Additions	95,231	2,154	144,432	241,817
Dispositions	(26,853)	-	-	(26,853)
Balance at December 31, 2012	131,971	17,424	152,762	305,157
Additions	-	-	-	-
Balance at March 31, 2013	**$ 131,971**	**$ 17,424**	**$ 152,762**	**$ 302,157**
Accumulated depreciation				
Balance at December 31, 2011	$ 5,925	$ 2,800	$ 572	$ 9,297
Depreciation	45,417	7,538	32,154	85,109
Dispositions	(3,084)	-	-	(3,084)
Balance at December 31, 2012	48,258	10,338	32,726	91,322
Depreciation	10,737	1,566	7,395	19,698
Balance at March 31, 2013	**$ 58,995**	**$ 11,904**	**$ 40,121**	**$ 111,020**
Net book value				
As at December 31, 2012	$ 83,713	$ 7,086	$ 120,036	$ 210,835
As at March 31, 2013	**$ 72,976**	**$ 5,520**	**$ 112,641**	**$ 191,137**

8. Income taxes

The provision for income taxes differs from the results that would be obtained by applying consolidated Canadian Federal and Provincial (Ontario) statutory income tax rates to profits or loss before income taxes.

This difference results from the following:

For the three months ended March 31	**2013**	2012
Loss before income taxes	**$ (807,078)**	$ (891,757)
Statutory income tax rate	**26.50%**	26.50%
Expected income tax recovery	**$ (213,876)**	$ (236,316)

Effect on income taxes of:

	2013	2012
Non-deductible expenses	**$ 37**	$ 53
Change in unrecognized deferred tax assets	**213,839**	236,263
	213,876	236,316
Income tax	**$ -**	$ -

Deferred tax assets have not been recognized for the following:

	2013	2012
Non-capital tax loss carry-forwards	**$ 969,215**	$ 233,575
Finance lease	**49**	-
Property and equipment	**(375)**	2,741
	$ 968,889	$ 236,316

At March 31, 2013, the Company has not recognized deferred income tax assets with respect to Canadian operating losses of $3,657,415 expiring between 2031 and 2033.

9. Due from /to related parties

	March 31, 2013	December 31, 2012
Due to related parties		
Ozz Electric Inc Credit Facility	$ **4,901,924**	$ 4,901,924
Operating advances from OZZ Clean Energy	**375,070**	-
Interest payable on Credit Facility	**373,678**	289,070
Principal and interest payable on related party advances	**5,650,672**	5,190,994
Financing costs	**(68,971)**	(75,970)
Due to related parties	**5,581,701**	5,115,024
Less: current portion of due to related parties	**(375,070)**	-
Due to related parties, non-current portion	$ **5,206,631**	$ 5,115,024
Due from related party		
Advances to Ozz Clean Energy Inc.	$ **(3,838,955)**	(3,838,955)
Due from related party	$ **(3,838,955)**	$ (3,838,955)

The Company has the following advances and loans to finance operations:

OZZ Electric Inc. ("OE")

On December 15, 2011, the Company entered into a Credit Facility Agreement ("Credit Facility") with OE, which is controlled by an officer and director of the Company, for which the maximum principal amounts available for advances is $10,000,000. The outstanding principal and accrued interest is due on November 30, 2016. The facility bears interest at bank prime rate plus 4% per annum, calculated semi-annually and is payable at maturity. The Company has delivered a general security agreement providing a second charge in favour of OE over certain assets of the Company. A debt arrangement fee of $100,000 was payable in February 2012 but was paid on October 31, 2012. This fee is being amortized on an effective interest basis over the term of the current advances. As at March 31, 2013, the balance outstanding is $5,206,631 (December 31, 2012 - $5,115,024). The Company drew its first advance of $3,000,000 on February 17, 2012. OE's controlling shareholder indirectly controls the Company.

Ozz Clean Energy Inc. ("OCE")

The Company advanced funds to OCE, its sole shareholder. The advances are unsecured, carry no interest rate and are repayable on demand. At March 31, 2013 the balance due from OCE is $3,838,955 (December 31, 2012 - $3,838,955).

During 2013, OCE made operating advances to the Company. The advances are unsecured, carry no interest rate and are repayable on demand. At March 31, 2013, the balance due to OCE is $375,070 (December 31, 2012 - $Nil).

10. Related party transactions

The Company occupies office space that is leased by its shareholder. The Company was charged for a portion of the occupancy costs based on the ratio of its estimated physical occupancy of the total space. In the three months ended March 31, 2013, $75,000 (March 31, 2012 - $75,000) was charged to the Company.

During 2013, the Company purchased natural gas from a company controlled by OCE at the prevailing market price of $8,242 (March 31, 2012 - $Nil). There is no balance outstanding at March 31, 2013 (December 31, 2012 - $Nil) related to this purchase.

During 2013, the Company sold electricity totaling $5,076 (March 31, 2012 - $Nil) to OE, based on the Company's standard supply agreement for electricity at a negotiated price per kilowatt hour ("kWh"). The balance outstanding at March 31, 2013 is $5,076 (December 31, 2012 - $Nil).

In 2011, the Company's former shareholders entered into contracts with the Company to act as members of its executive team. These contracts were terminated in March 2012. The costs of these contracts are included in Note 13 – Compensation of key management personnel.

11. Obligation under finance lease

The Company leases office equipment under a financing arrangement which bears interest at 7.54% per annum and matures in April 2016. The net carrying value of office equipment under finance lease is $89,774 (December 31, 2012 - 95,629).

The following table presents future minimum lease payments under finance lease together with the present value of the minimum lease payments:

Future minimum lease payments due:		
Less than one year	$	33,671
Between one and five years		67,341
More than five years		-
Total minimum lease payments		101,012
Less amounts representing interest		(11,054)
Present value of total minimum lease payments		89,958
Less current portion of minimum lease obligation		27,720
Non-current portion of minimum lease obligation	$	62,238

12. Capital stock

The Company is authorized to issue an unlimited number of Class A common shares and an unlimited number of Class B non-voting shares. The Company's shares have no par value. No Class B non-voting shares have been issued.

	Class A Common Shares	
	Number	Amount
Balance at December 31, 2012 and March 31, 2013	**1,500,010**	**$ 1,500,010**

13. Compensation of key management personnel

The Company's key management personnel are comprised of the Board of Directors and members of the executive team of the Company and its wholly owned subsidiaries.

Compensation of key management personnel that is directly attributable to the Company is as follows:

For the three months ended March 31	**2013**	2012
Salaries and other short-term employee benefits	**$ 40,385**	$ 316,237

In 2011, the Company's former shareholders entered into contracts with the Company to act as members of its executive team. These contracts were terminated in March 2012 and any termination payments are reflected in the table above.

14. Net change in non-cash items related to operating activities

For the three months ended March 31	**2013**	2012
Accounts receivable	**$ (10,984)**	$ -
Gas delivered in excess of consumption	**89,575**	-
Prepaid expenses and deposits	**1,077**	3,334
Accounts payable and accrued liabilities	**363,132**	56,688
Payments received in advance of consumption	**(126,365)**	-
	$ 316,435	$ 60,023

15. Financial instruments

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. Periodically throughout the year, the Board of Directors receive reports from the Company's management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Risk management

The main risks arising from the Company's financial instruments are credit risk, market risk, liquidity risk and interest rate risk. These risks arise from exposure that occur in the normal course of business and are managed on a consolidated basis.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash, accounts receivable and due from related party.

Credit risk associated with cash is minimized by ensuring these financial assets are placed with financial institutions with high credit ratings.

The LDCs provides collection services and assume the risk of any bad debts from customers. Therefore, the Company receives the collection of customer account balances directly from the LDCs. Management believes that the risk of the LDCs failing to deliver payment to the Company is minimal.

Due from related party are amounts that were advanced to the Company's sole shareholder. Management believes that the credit risk associated with due from related party is minimized as its shareholder, along with Sunwave, is part of a group of operating companies under common control.

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or other financial assets. The Company's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed weekly by senior management to ensure a sufficient continuity of funding exists.

The Company has contractual obligations related to accounts payable and accrued liabilities, obligation under finance lease and due to related party of $941,020 that are due in less than a year. Also see note 19 for commitments.

Interest rate risk

The Company is exposed to interest rate risk on its amounts due to related parties. It is exposed to interest rate risk on these amounts since the interest rates applicable are variable and is therefore, exposed to cash flow risk resulting from interest rate fluctuations. As at March 31, 2013, the amounts due to related parties are $5,650,572. A 1% variation in interest rates would result in an impact of $56,506 per year.

Currency risk

The Company's operations are currently in Ontario and as such there is no exposure to fluctuations in foreign currency rates.

Fair Values

IFRS 7 Financial Instruments: Disclosures requires disclosure of a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement.

The fair values of short-term financial assets and liabilities, including cash, accounts receivable, deposits, accounts payable and accrued liabilities, loans and advances, due to related parties as presented in the Condensed Consolidated Interim Statements of Financial Position approximate their carrying amounts due to the short period to maturity of these financial instruments.

16. Supplier Risk

The Company purchases all of the natural gas and electricity delivered to its customer through long-term contracts entered into with various suppliers. The Company has an exposure to supplier risk as the ability to continue to deliver natural gas and electricity to its customers is reliant upon ongoing operations of these suppliers and their ability to fulfill their contractual obligations. Of these natural gas purchases, during 2013, 100% (March 31, 2012 – Nil%) were with Access Gas Services (Ontario) Inc. The Company also has supply agreements with Shell Energy North America (Canada) Inc. and BP Canada Group ULC.

17. Segmented information

The Company operates in the gas and electricity sales business in Ontario, Canada. All of its revenue in 2013 was derived from this business. The Company is not considered to have any key customers.

18. Contingent liabilities

The Company is not involved in any claims and litigations as a defendant.

19. Commitments

The minimum payments required under the terms of non-cancellable leases are as follows:

	March 31, 2013	December 31, 2012
Less than one year	**$ 33,671**	$ 33,671
Between one and five years	**67,341**	75,759
More than five years	**-**	-
	$ 101,012	$ 109,430

20. Expenses

For the three months ended March 31	**2013**	2012
Cost of gas and electricity	**$ 278,612**	$ -
Personnel	**98,567**	273,758
Consulting and professional fees	**233,643**	98,647
Selling cost	**295,543**	61,374
Occupancy (Note 10)	**74,938**	84,439
Depreciation of property and equipment	**19,698**	23,757
Office and other expenses	**52,285**	35,163
Reorganization costs	**-**	283,792
	$ 1,053,286	$ 860,930

Reported as

For the three months ended March 31	**2013**	2012
Cost of sales	**$ 278,612**	$ -
Sales and marketing	**295,543**	61,374
General and administrative	**479,131**	799,556
	$ 1,053,286	$ 860,930

During the three month period ended March 31, 2012, the Company incurred costs of $283,792 related to a reorganization of its operations. These costs were associated with a workforce reduction, disposition of property and equipment, and the termination of certain contractual obligations.

21. Sale of Company

On March 26, 2013, the Company's sole shareholder entered into a securities purchase agreement with Look Communications Inc. ("Look") pursuant to which Look has agreed to acquire all of the outstanding shares of the Company ("Acquisition"). Look's shares are currently listed on the NEX board of the TSX Venture Exchange ("Exchange"). The completion of the acquisition of the Company's shares is subject to a number of conditions, including Exchange acceptance, the approval of Look's shareholders and other customary conditions.

Concurrent with the close of the Acquisition, the Company will repay the outstanding principal and accrued interest balances on the Credit Facility (Note 9). The Company will fund the repayment by: i) recovering its amounts due from OCE (Note 9) and ii) OCE will provide further advances as required to extinguish the outstanding balances on the Credit Facility. The Company expects that all outstanding advances due to OCE will be forgiven by OCE concurrent with the close of the Acquisition.

Look has approximately $17 million of cash and short-term investments as of February 28, 2013. Subsequent to the close of the transaction, the Company expects that Look will be able to provide sufficient working capital support to it such that the Company can meet its current obligations and execute its plan of operations.

SCHEDULE I
SUNWAVE’S MANAGEMENTS DISCUSSION AND ANALYSIS

(See attached.)

SUNWAVE GAS & POWER INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis of Sunwave Gas & Power Inc.'s ("Sunwave") financial condition and results of operations relates to Sunwave's audited consolidated financial statements for the two periods ending December 31, 2012 and 2011, and the unaudited condensed consolidated interim financial statements of Sunwave as at and for the three-month period ending March 31, 2013 and 2012, and in each case has been prepared with information available up to and including June 7, 2013. This management's discussion and analysis should be read together with the consolidated financial statements of Sunwave and the related notes.

The financial statements of Sunwave are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, which requires estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the amount of revenue and expenses during the reporting period. The results of the operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods. Actual results may differ materially from those estimates as a result of various factors, including those discussed below and included elsewhere in this Circular. This discussion contains forward-looking statements that involve risks and uncertainties. Please see "Forward-looking Statements" for a discussion of the risks, uncertainties and assumptions relating to those statements.

Overview

Sunwave's business currently involves the sale of natural gas and/or electricity to residential and commercial customers in Ontario under long-term fixed-price or variable-priced contracts. By fixing the price of natural gas or electricity under its fixed-price program contracts for a period of up to five years, Sunwave's customers offset their exposure to changes in the price of energy. Variable rate products allow customers to maintain competitive rates while retaining the ability to lock into a fixed price at their discretion. Sunwave's general policy is to match the estimated energy requirements of its customers by purchasing offsetting volumes of natural gas or electricity through either physical or financial transactions at wholesale energy spot prices.

Sunwave purchases its energy requirements from various wholesale energy markets, including both physical and financial markets. For both natural gas and electricity, Sunwave purchases its wholesale energy requirements at various city gates for natural gas and various utility load zones for electricity. Gas supply and electricity is generally purchased concurrently with the execution of a contract.

Sunwave's gross margin is derived from the difference between the price charged to its customers and that paid to its energy wholesale suppliers. Sunwave also incurs selling expenses to compensate independent contractors for customer acquisition activities, through a mixture of upfront payments and residual-based payments. All such costs are recognized as expenses in the period incurred pursuant to contractual arrangements in place. In addition, Sunwave incurs general, administrative and financing expenses to operate its business.

In Ontario, the natural gas volumes delivered for a customer typically remain constant throughout the year. During the winter months, gas is consumed at a rate that is greater than delivery and, in the summer months, deliveries to local distribution company's ("LDC") exceed customer consumption. These volume variances result in either excess or short supply. In the case of deliveries exceeding consumption, the excess supply is sold in the spot market resulting in either a gain or loss compared to the weighted average cost of supply. In the case of consumption exceeding deliveries, Sunwave must purchase the short supply in the spot market resulting in either a gain or loss compared to the weighted average cost of supply. Consequently, the customer margin increases or decreases proportionately to the increase or decrease in consumption. To the extent that the supply balancing is not fully covered through active management or customer pass-throughs, Sunwave's customer gross margin may be reduced or increased depending on market conditions at the time of balancing.

Sunwave purchases power supply concurrently with the execution of a contract for residential and small commercial customers. The LDC provides historical customer usage which, when normalized to average weather, enables Sunwave to purchase the expected normal customer load. To the extent that balancing requirements are outside of the forecast purchase, Sunwave bears the financial responsibility for excess or short supply caused by fluctuations in customer usage. To the extent that the supply balancing is not fully covered through active management or customer pass-throughs, Sunwave's customer gross margin may be reduced or increased depending on market conditions at the time of balancing.

Sunwave was incorporated in January 2011 and was granted its natural gas retailer licence and electricity marketer licence from the Ontario Energy Board in June 2012. The period from incorporation to December 2012 was primarily focused on setting up operations, launching sales channels and entering into the Ontario natural gas and electricity markets. In the year ending December 2012, Sunwave began marketing natural gas and electricity through door-to-door independent contractors.

Selected Annual Information

(in thousands $)	Year ending December 31, 2012	Period from January 6, 2011 (date of incorporation) to December 31, 2011
Total revenues	$ 194	$ -
Net loss	(2,028)	(823)
Total assets	4,172	972
Total long-term financial liabilities	$ 5,184	$ -

Selected Consolidated Financial Data

The following selected historical financial information has been derived from the historical consolidated financial statements of Sunwave set out elsewhere in this Circular. This information should be read in conjunction the audited consolidated financials of Sunwave for the year ending December 31, 2012 and the period from January 6, 2011 (date of incorporation) to December 31, 2011 and the unaudited condensed consolidated interim financial statements of Sunwave as at and for the three-month period ending March 31, 2013 and 2012, together with the notes thereto, included elsewhere in this Circular.

Consolidated Statements of Comprehensive Loss

(in thousands $, except per share amounts)	Three months ending March 31,		Year ending December 31	Period from incorporation to December 31
	2013	2012	2012	2011
Revenue	$ 341	$ -	$ 194	$ -
Cost of sales	279	-	153	-
Gross margin	62	-	41	-
Sales and marketing	295	61	184	82
General and administrative	479	800	1,564	740
Finance costs	95	31	321	1
Net loss and comprehensive loss	$ (807)	$ (892)	$ (2,028)	$ (823)
Loss per share	$ (0.54)	$ (0.59)	$ (1.35)	$ (1.62)

Statements of Financial Position Highlights

(in thousands $)	As at March 31,		As at December 31,	
	2013	2012	2012	2011
Current assets	$ 3,871	$ 3,146	$ 3,962	$ 894
Total assets	4,062	3,442	4,172	972
Current liabilities	951	146	338	294
Long-term liabilities	5,269	3,510	5,184	-
Shareholder equity (deficiency)	$ (2,158)	$ (214)	$ (1,350)	$ 678

Statements of Cash Flows Highlights

(in thousands $)	Three months ending March 31,		Year ending December 31	Period from incorporation to December 31
	2013	2012	2012	2011
Cash used in operating activities	$ (379)	$ (777)	$ (1,579)	$ (754)
Cash used in investing activities	-	(3,148)	(3,914)	(120)
Cash provided by financing activities	368	3,158	4,656	1,725
Cash at end of period	$ 4	$ 83	$ 15	$ 851

RESULTS OF OPERATIONS

*Three months ending March 31, 2013 compared to three months ending March 31, 2012;
Year ending December 31, 2012 compared to the period from January 6, 2011 (date of incorporation) to December 31, 2011*

Revenue

Revenue increased to $341,068 in the first three months of 2013 from $Nil for the same period of 2012, and increased to $193,871 for 2012 from $Nil in 2011. The increases are a result of the commencement of delivery of natural gas to customers in 2012. Although sales commenced in the last quarter of 2011, delivery of natural gas to customers started in the second quarter of 2012. In 2012, all revenues arose from natural gas deliveries in Ontario. Electricity deliveries commenced in the first quarter of 2013.

Cost of sales

Cost of sales increased to $278,612 in the first quarter of 2013 from $Nil in the same period in 2012, and increased to $152,803 for 2012 from $Nil in 2011. The increases are a result of the commencement of delivery of natural gas to customers in 2012. Sunwave purchases gas supply through physical transactions with its suppliers. Supply is generally delivered to the LDC on a constant basis throughout the year, while consumption by the customer may fluctuate, depending on the season. In 2012, all cost of sales was attributable to natural gas deliveries in Ontario.

Sales and marketing expenses

Sales and marketing expenses increased by $234,169 to $295,543 in the first quarter of 2013 compared to $61,374 for the same period in 2012. Almost all of the sales and marketing expenses are comprised of commissions and other compensation paid to sales representatives, brokers and consultants. The commencement of residential customer acquisition activity in December 2012 resulted in higher sales and marketing expenses for the first quarter of 2013.

Sales and marketing expenses increased by 125.7% to $184,047 in 2012 from $81,528 in 2011. The increase in expense is commensurate with an increase in customer additions and higher number of sales representatives active in 2012 compared to 2011. The number of sales representatives, brokers and consultants increased to 24 from 7, while net new customers increased by 2,300 residential customer equivalents (“RCEs”), a unit of measurement equal to 2,815 m^3 per year of natural gas consumption and 10,000 kWh per year of electricity consumption .

General and administrative expenses

General and administrative expenses were $479,131 in the first three months of 2013, a decrease of $320,425 or 40.1% over the same period in 2012. Personnel costs decreased by $485,983 resulting from one-time costs of $283,792 incurred in Q1 2012 associated with a workforce reduction which also contributed $175,191 in lower personnel costs in Q1 2013. The workforce reduction also resulted in $75,765 in lower consulting fees Q1 2013. Professional fees rose by $210,761 in connection with legal and accounting fees related to the Transactions. Office expenses increased by $17,122 arising out of the increase in residential customer acquisition activity in the first quarter of 2013 compared to the same period in 2012.

General and administrative expenses increased by $823,449 or 111.2% to $1,563,781 from $740,332 in 2011. Occupancy costs increased by $305,142; resulting from Sunwave's move into larger premises in 2012. One-time costs associated with a workforce reduction, of $283,792, were incurred in 2012, which also contributed to a reduction of $183,122 in consulting fees compared to 2011. Professional fees rose by $96,895 in connection with audit fees, legal fees for the formation of Sunwave's subsidiaries and other contract or trademark activities. Salaries, office expenses and depreciation increased by $320,742 arising out of full year of operations in 2012 compared to 2011.

Finance costs

Finance costs of $94,860 in Q1 2013 increased by $64,033 from $30,827 over Q1 2012, resulting from interest costs on a higher average outstanding credit facility balance during the first three months of 2013. Interest expense commenced on February 17, 2012; when Sunwave drew its first advance of $3,000,000. The counterparty to the credit facility agreement is a related party and the facility carries interest at bank prime plus 4%. This facility is expected to be repaid in Q2 2013.

Finance costs rose to $321,055 during 2012, arising from interest costs on $4,901,900 drawn during 2012 on a credit facility agreement.

LIQUIDITY AND CAPITAL

Three months ending March 31, 2013 compared to three months ending March 31, 2012;
Year ending December 31, 2012 compared to the period from January 6, 2011 (date of incorporation) to December 31, 2011

Sunwave began delivering natural gas to customers in May 2012 and began delivering electricity in January 2013; however there has been negative cash flow from operations as Sunwave has yet to aggregate a critical mass of customers. Its only source of funds since incorporation has been through the sale of shares, advances on a credit facility and operating advances from its shareholder. Total net funding from these sources is approximately $2,900,000 to March 31, 2013. Sunwave's shareholder currently provides operating advances to Sunwave to fund its current working capital requirements.

As at March 31, 2013, Sunwave had a cash balance of $3,882, compared to $83,498 as at March 31, 2012. The cash used in operating activities during the first three months of 2013 decreased by $398,129 to $379,338 from $777,467 during the same period in 2012. Positive impact from the 2012 workforce reduction of $561,748 was reduced by the increased residential customer acquisition activity during the first three months of 2013, which negatively impacted cash from operations by $234,310.

As at December 31, 2012, Sunwave had a cash balance of $14,754, a decrease of $836,543 from $851,297 as at December 31, 2011. The cash used in operating activities during 2012 increased by $825,314 to $1,578,902 from $753,588 during 2011. During 2012, Sunwave used cash in setting up operations, launching sales channels and entering into the Ontario natural gas and electricity markets. Sunwave also had its first full year of activity in 2012 compared to six months in 2011.

As at March 31, 2013, current assets were $3,870,987 and current liabilities were $950,783, resulting in working capital of $2,920,204. As at March 31, 2013, Sunwave had total assets of $4,062,124, the principal asset of which is an advance due from its shareholder of $3,838,955.

As at December 31, 2012, current assets were $3,961,527 and current liabilities were $338,420, resulting in working capital of $3,623,107. As at December 31, 2012, Sunwave had total assets of $4,172,362, the principal asset of which is an advance due from its shareholder of $3,838,955.

Concurrent with the Closing of the Transactions, Sunwave intends to repay and terminate the credit facility agreement. Sunwave's shareholder will fund this repayment by repaying its advance due to Sunwave and providing further advances as required. The shareholder will forgive the resulting advance balance due to it.

Sunwave's financial statements have been prepared on a going concern basis, which assumes that Sunwave will be able to meet its obligations and continue its operations for its next fiscal year. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should Sunwave be unable to continue as a going concern. As at March 31, 2013, Sunwave had not yet achieved profitable operations, has accumulated losses of $3,657,538 since its inception and expects to incur further losses in the development of its business, all of which may materially adversely affect Sunwave's ability to continue as a going concern. Sunwave's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

Contractual Obligations

In the normal course of business, Sunwave is obligated to make future payments under various non-cancellable contracts and other commitments.

As at March 31, 2013, the payments due by period are set out in the following table:

	Payment due by period			
(in thousands $)	Less than one year	Between one and five years	More than five years	Total
Trade and other payables	538	-	-	538
Due to related party	375	-	-	375
Finance lease obligation	34	67	-	101
Credit facility	-	5,276	-	5,276
	947	5,343	-	6,290

As at December 31, 2012, the payments due by period are set out in the following table:

(in thousands $)	Payment due by period Less than one year	Between one and five years	More than five years	Total
Trade and other payables	175	-	-	175
Finance lease obligation	34	75	-	109
Credit facility	-	5,191	-	5,191
	209	5,266	-	5,475

<u>**CRITICAL ACCOUNTING ESTIMATES**</u>

The preparation of these financial statements in compliance with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Judgment is commonly used in determining whether a balance or transaction should be recognized in the financial statements and estimates and assumptions are more commonly used in determining the measurement of recognized transactions and balances. However, judgment and estimates are often interrelated.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements are:

(a) *Revenue recognition*
Revenue is recognized when significant risks and rewards of ownership are transferred to the customer. For gas and electricity, the transfer of risks and rewards generally coincide with consumption. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes.

(b) *Allowance for doubtful accounts*
In developing the estimates for an allowance, Sunwave considers general and industry economic and market conditions as well as credit information available for the customer and the aging of the account. Changes in the carrying amount due to changes in economic and market conditions could significantly affect the earnings for the period.

(c) *Fair value of financial instruments*
As part of the business of purchasing and selling natural gas and electricity, Sunwave would normally enter into a variety of derivative financial and physical contracts to secure fixed-price commodity supply to cover its estimated fixed-price delivery commitments. The fair value of financial instruments is significantly influenced by the variability of forward spot prices for natural gas and electricity. Periodic changes in forward spot prices for natural gas and electricity could cause significant changes in the marked-to-market valuation of these financial instruments.

(d) *Deferred taxes*
Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and the level of future taxable income realized, including the usage of tax-planning strategies. To the extent that Sunwave

does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is not recognized.

(e) *Useful lives of property and equipment*

Depreciation methods, useful lives and residual values reflect the pattern in which management expects the asset's future economic benefits to be consumed by Sunwave.

SCHEDULE J
***PRO FORMA* BALANCE SHEET**

(See attached.)

Unaudited Pro-Forma Consolidated Statement of Financial Position

ONEnergy Inc. (formerly LOOK COMMUNICATIONS INC).

As at February 28, 2013

ONEnergy Inc. (formerly LOOK COMMUNICATIONS INC.)

Pro-Forma Consolidated Statement of Financial Position

(in thousands of Canadian dollars)
Unaudited

As at February 28, 2013

	Look Communications Inc. As at February 28, 2013	Sunwave Gas & Power Inc. As at March 31, 2013	Note 3	Pro-Forma adjustments	Pro-Forma Balance As at February 28, 2013
Assets					
Current assets					
Cash and cash equivalents	$ 73	$ 4	a	$ 3,839	**$ 9,077**
			b	1,437	
			c	(5,276)	
			f	9,000	
Short-term investments	17,273	-		-	**17,273**
Accounts and other receivables	597	12		-	**609**
Gas delivered in excess of consumption	-	7		-	**7**
Prepaid expenses and deposits	43	9		-	**52**
Due from related party	-	3,839	a	(3,839)	**-**
	17,986	3,871		5,161	**27,018**
Property and equipment	-	191		-	**191**
Goodwill and intangible assets (note 6)	-	-	e	1,444	**1,444**
	$ 17,986	$ 4,062		$ 6,605	**$ 28,653**
Liabilities and Shareholders' Equity					
Current liabilities					
Accounts payable	$ 605	$ 235		$ -	**$ 840**
Accrued restructuring liabilities	189	-		-	**189**
Accrued liabilities	144	303	g	750	**1,197**
Payments received in advance of consumption	-	10		-	**10**
Current portion of obligation under finance lease	-	28		-	**28**
Current portion of due to related parties	-	375	b	1,437	**-**
			d	(1,812)	
	938	951		375	**2,264**
Due to related parties	-	5,207	c	(5,207)	**-**
Obligation under finance lease	-	62		-	**62**
	938	6,220		(4,832)	**2,326**
Shareholders' equity					
Share capital (note 5)	27,499	1,500	e	1,000	**37,499**
			f	9,000	
			e	(1,500)	
Deficit	(10,451)	(3,658)	d	1,812	**(11,172)**
			c	(69)	
			e	1,944	
			g	(750)	
	17,048	(2,158)		11,437	**26,327**
	$ 17,986	$ 4,062		$ 6,605	**$ 28,653**

See accompanying notes to the unaudited pro-forma consolidated statement of financial position.

1. Basis of preparation

The unaudited pro-forma consolidated statement of financial position has been prepared by management in connection with ONEnergy Inc.'s (formerly Look Communications Inc.) ("Look") proposed acquisition of all of the issued and outstanding shares of Sunwave Gas & Power Inc. ("Sunwave") and a concurrent private placement of Look shares.

The unaudited pro-forma consolidated statement of financial position has been compiled from and includes the unaudited consolidated statement of financial position of Look, as at February 28, 2013, and the unaudited consolidated statement of financial position of Sunwave, as at March 31, 2013.

The unaudited pro-forma consolidated statement of financial position is based on the purchase of Sunwave by Look referred to in Note 2 and the pro-forma adjustments referred to in Note 3 and should be read in conjunction with the audited consolidated financial statements of Look for the years ended August 31, 2012 and 2011, and notes thereto, as well as the audited consolidated financial statements of Sunwave for the periods ended December 31, 2012 and 2011, and notes thereto.

This unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the resulting issuer's financial position on closing of the proposed Transactions (note 2). In preparing this unaudited pro-forma consolidated statement of financial position, no adjustments have been made to reflect additional costs or savings that could result from the Transactions (note 2). Actual amounts recorded, upon approval of the acquisition, will likely differ from those recorded in this unaudited pro-forma consolidated statement of financial position.

2. Acquisition

Pursuant to a securities purchase agreement dated March 26, 2013 (the "Purchase Agreement"), Look has agreed to acquire all of the outstanding shares of Sunwave, a privately held provider of energy commodity products and services, for aggregate consideration of $1,000. It is anticipated that consideration for the transaction will be satisfied through the issuance of 3,382,974 multiple voting shares and 3,759,883 subordinate voting shares in the capital of Look, each valued at $0.14 per share (the "Acquisition"). Concurrently with the execution of the Purchase Agreement, Look has entered into subscription agreements (the "Subscription Agreements") with a group of arm's length investors, pursuant to which the investors will subscribe, on a private placement basis, for an aggregate of 30,446,767 multiple voting shares and 33,838,947 subordinate voting shares in the capital of Look at a price of $0.14 per share for aggregate subscription proceeds of $9,000 (the "Private Placement" and, together with the Acquisition, the "Transactions"). The multiple voting shares and subordinate voting shares intended to be issued, pursuant to the Transactions, will be issued in the same proportion as the number of multiple and subordinate voting shares currently outstanding, and all such shares will be subject to a hold period expiring four months and one day after closing of the Transactions. The shares issued as consideration for the Acquisition may be subject to escrow, in accordance with the policies of the TSX Venture Exchange (the "Exchange").

3. Pro-Forma adjustments

The unaudited pro-forma consolidated statement of financial position has been compiled from the February 28, 2013 financial statements of Look and the March 31, 2013 financial statements of Sunwave, after giving effect to certain pro-forma adjustments, as follows:

a) To record repayment of $3,839 of advances due from Sunwave's shareholder.
b) To record advances of $1,437 from Sunwave's shareholder to fund the repayment of the related party Credit Facility.
c) Termination of the related party Credit Facility agreement and the repayment of the outstanding principal balance and accrued interest of $5,276. Remaining unamortized debt financing costs of $69 was eliminated.
d) To recognize a gain of $1,817 on the elimination of advances from Sunwave's shareholder.
e) To record the Acquisition and to record the preliminary allocation of the purchase price (see notes 2 and 6)
f) Private Placement of Look shares of $9,000 (note 2).
g) To record transaction costs of $750 incurred by Look and Sunwave.

4. Significant accounting policies

The accounting policies used in the preparation of this unaudited consolidated pro-forma statement of financial position are consistent with those set out in the notes to the audited financial statements of Look as at and for the year ended August 31, 2012. In preparing the unaudited consolidated pro-forma statement of financial position, a review was undertaken to identify accounting policy differences between Look and Sunwave, where the impact could have been potentially material. The significant accounting policies of Sunwave conform in all material respects with those of Look.

5. Share capital

Pro-forma share capital, in thousands, is as follows:

	Current Share Structure [1]					Conversion to Common Shares [1]	
	Multiple Voting Shares		Subordinate Voting Shares		Total	Shares	Total
Balance, as at February 28, 2013	66,165	$ 13,191	73,537	$ 14,308	$ 27,499	139,702	$ 27,499
Issued by Look to acquire 1,500,010 outstanding shares in Sunwave under the proposed acquisition	3,383	474	3,760	526	1,000	7,143	1,000
Issued by Look as a Private Placement under the proposed Subscription Agreements	30,447	4,263	33,839	4,737	9,000	64,286	9,000
Pro-forma balance, as at February 28, 2013	**99,995**	**$ 17,928**	**111,136**	**$ 19,571**	**$ 37,499**	**211,131**	**$ 37,499**

[1] The private placement will either be a mix of multiple voting shares ("MVS") and subordinate voting shares ("SVS") in proportion to the current mix; OR it will be all common shares. If the latter, then the Capital Reorganizing Resolution will have been approved and all the MVS and SVS will have become common, so that only common shares exist in the share capital. In either case, the same number of shares will be issued and outstanding.

6. Preliminary pro-forma purchase price allocation

Purchase Price	
Look multiple voting shares and subordinate voting shares	**$ 1,000**
Allocation of purchase price (at estimated fair values)	
Current assets	32
Current liabilities	(577)
Property and equipment	191
Obligation under finance lease	(90)
Goodwill and intangibles	1,444
	$ 1,000

The allocation of the purchase price is based upon management's preliminary estimates along with certain assumptions with respect to the fair value increment associated with the assets to be acquired and the liabilities to be assumed. The actual fair value of the assets and liabilities will be determined as of the closing date of the Acquisition and may differ materially from the amounts disclosed above in the preliminary pro-forma purchase price allocation.

7. Effective income tax rate

The pro-forma effective income tax expense would differ from the amount that would be computed by applying the federal and statutory income tax rates to losses from continuing operations before income tax.

The reasons for the differences are as follows:

	Pro-Forma
Combined statutory federal and provincial rates	26.50%
Change in unrecognized deferred tax assets	(26.49%)
Permanent differences	(0.01%)
Effective income tax rate	**0.00%**

CERTIFICATE OF LOOK COMMUNICATIONS INC.

June 7, 2013

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of Look Communications Inc. assuming completion of the Transactions.

"*Grant McCutcheon*" Chief Executive Officer	"*C. Fraser Elliott*" Chief Financial Officer

On behalf of the Board

"Lawrence Silber" Director	*"David A. Rattee*" Director

CERTIFICATE OF SUNWAVE GAS & POWER INC.

June 7, 2013

The foregoing document as it related to Sunwave Gas & Power Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Sunwave Gas & Power Inc.

"*Robert Weir*"
President

On behalf of the board

"*Steven Muzz*o"
Director

\6188415

Unaudited Condensed Consolidated Interim Financial Statements of

ONEnergy Inc.

(formerly Look Communications Inc.)

For the three and twelve months ended August 31, 2013 and 2012

NOTICE OF NO AUDIT OR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management and have been approved by the Corporation's Board of Directors. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ONEnergy Inc.

Condensed Consolidated Interim Statements of Financial Position
(In thousands of Canadian dollars)
(Unaudited)

As at August 31

		2013		2012
Assets				
Current assets				
Cash	**$**	**8,630**	$	147
Short-term investments (note 4)		**14,331**		18,009
Accounts and other receivables (note 5)		**962**		628
Natural gas delivered in excess of consumption		**80**		-
Prepaid expenses and deposits		**52**		21
Due from related party (note 14)		**19**		-
		24,074		18,805
Property and equipment (note 6)		**157**		-
Goodwill and intangible asset (note 7)		**1,473**		-
	$	**25,704**	$	18,805
Liabilities and Shareholders' Equity				
Current liabilities				
Accounts payable and accrued liabilities (note 9)	**$**	**1,123**	$	915
Payments received in advance of consumption		**121**		-
Current portion of obligation under finance lease (note 10)		**28**		-
		1,272		915
Obligation under finance lease (note 10)		**51**		-
		1,323		915
Shareholders' equity				
Share capital (note 11)		**37,499**		27,499
Contributed surplus		**2,419**		-
Deficit		**(15,537)**		(9,609)
		24,381		17,890
	$	**25,704**	$	18,805

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

Approved by the Board of Directors:

(Signed) – Director

(Signed) – Director

ONEnergy Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(In thousands of Canadian dollars, except per share amounts)

(Unaudited)

	Three months ended August 31, 2013	Three months ended August 31, 2012	Twelve months ended August 31, 2013	Twelve months ended August 31, 2012
Revenue	**$ 114**	$ -	**$ 114**	$ -
Cost of sales (note 13)	**78**	-	**78**	-
Gross margin	**36**	-	**36**	-
Expenses				
Selling (note 13)	**218**	-	**218**	-
General and administrative (note 13)	**1,431**	1,419	**3,574**	4,495
	1,650	1,419	**3,792**	4,495
Operating loss before the undernoted	**(1,613)**	(1,419)	**(3,756)**	(4,495)
Finance income	**50**	55	**221**	274
Loss and comprehensive loss for the period	**$ (1,563)**	$ (1,364)	**$ (3,535)**	$ (4,221)
Loss per share				
Basic and diluted	**(0.009)**	(0.010)	**(0.024)**	(0.030)
Weighted average number of shares outstanding				
Basic and diluted (in thousands)	**181,627**	139,702	**150,269**	139,702

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

ONEnergy Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(In thousands of Canadian dollars)
(Unaudited)

	Share Capital (note 11)				
	Shares	**Amount**	**Deficit**	**Contributed surplus**	**Total Shareholders' Equity**
Balance as at September 1, 2011	139,702	$ 34,484	$ (5,388)	$ -	$ 29,096
Return of capital	-	(6,985)	-	-	(6,985)
Net loss and comprehensive loss for the period	-	-	(4,221)	-	(4,221)
Balance as at August 31, 2012	139,702	$ 27,499	$ (9,609)	$ -	$ 17,890
Shares issued from treasury	71,429	10,000	-	-	10,000
Net loss and comprehensive loss for the period	-		(3,535)	-	(3,535)
Acquisition (note 8)	-		(2,393)	2,419	26
Balance as at August 31, 2013	**211,131**	**$ 37,499**	**$ (15,537)**	**$ 2,419**	**$ 24,381**

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

ONEnergy Inc.

Condensed Consolidated Interim Statements of Cash Flows

(In thousands of Canadian dollars)

(Unaudited)

	Three months ended August 31, 2013	Three months ended August 31, 2012	Twelve months ended August 31, 2013	Twelve months ended August 31, 2012
Cash flows from operating activities				
Net loss for the period	**$ (1,563)**	$ (1,364)	$ (3,535)	$ (4,221)
Items not affecting cash				
Depreciation of property and equipment	**62**	-	**62**	-
Interest earned on short-term investments	**(44)**	(58)	**(216)**	(274)
Stock based compensation	**26**	-	**26**	-
Change in non-cash operating assets and liabilities				
Accounts receivable and other receivables	**(98)**	5	**(171)**	(147)
Natural gas delivered in excess of consumption	**(51)**	-	**(51)**	-
Prepaid expenses and deposits	**(7)**	545	**(19)**	2,388
Due from related party	**(19)**	-	**(19)**	-
Accounts payable and accrued liabilities	**(738)**	159	**(547)**	(395)
Payments received in advance of consumption	**79**	-	**79**	-
Cash used in operating activities	**(2,353)**	(713)	**(4,391)**	(2,649)
Investing activities				
Redemption/maturity of short-term investments	**1,812**	488	**3,662**	9,188
Interest received on short-term investments	**21**	22	**232**	357
Purchase of property and equipment	**(2)**	**-**	**(2)**	-
Purchase of intangible assets	**(13)**	**-**	**(13)**	**-**
Cash provided by investing activities	**1,818**	510	**3,879**	9,545
Financing activities				
Share issuance from treasury [(1)]	**9,000**	-	**9,000**	-
Return of capital	**-**	-	**-**	(6,985)
Repayment of obligation under finance lease	**(5)**	**-**	**(5)**	-
Cash provided by (used in) financing activities	**8,995**	-	**8,995**	(6,985)
Increase (decrease) in cash	**8,460**	(203)	**8,483**	(89)
Cash, beginning of period	**170**	350	**147**	236
Cash, end of period	**$ 8,630**	$ 147	**$ 8,630**	$ 147

[(1)] In connection with the acquisition of Sunwave (note 8), the Corporation issued an additional $1,000 of shares from treasury. The shares were used as consideration in the acquisition.

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements.

1. Nature of operation

Look Communications Inc. ("Look") was formed on October 31, 1999 under the Canada Business Corporations Act. On July 8, 2013, pursuant to articles of amendment, Look changed its name to ONEnergy Inc. ("ONEnergy"). On July 9, 2013, Look completed a change-of-business transaction (the "Transaction") and a concurrent private placement (notes 8 and 11(b)).

The condensed consolidated interim financial statements of the Corporation are comprised of ONEnergy, and its wholly owned subsidiaries (collectively referred to as "Sunwave") which include Sunwave Gas & Power Inc., Sunwave USA Holdings Inc., Sunwave Gas & Power New York Inc., Sunwave Gas & Power Illinois Inc., Sunwave Gas & Power Massachusetts Inc. and Sunwave Gas & Power Connecticut Inc. References to the Corporation include ONEnergy and Sunwave.

On December 28, 2012, the Corporation's wholly owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership, and Delphi SuperNet Inc. - were dissolved, as they were inactive.

The Corporation is domiciled in Canada and the address of its registered office is 2225 Sheppard Avenue East, Suite 1600, Toronto, Ontario, Canada.

The Corporation operates in the sale of natural gas and electricity to residential and commercial customers under short or long-term fixed-price, price-protected or variable-priced contracts.

Effective July 11, 2013, the Corporation's multiple voting shares and subordinate voting shares were listed and posted for trading on the TSX Venture exchange under the symbols OEG and OEG.A respectively.

ONEnergy's principal operating subsidiary Sunwave has historically operated on a fiscal year ending December 31. Management believes it is in the best interest of shareholders to continue to report consolidated results consistent with a December 31 year-end. An application was made to the Ontario Securities Commission ("OSC") to change ONEnergy's fiscal reporting period to the 16 months ending December 31, 2013, which was approved on August 15, 2013. This change will result in the Annual Report for fiscal 2013 to cover a period representing 16 months to December 31, 2013. Beginning in 2014 ONEnergy's fiscal year will be the twelve months ending December 31.

These unaudited condensed consolidated interim financial statements were approved for issue by the Board of Directors on October 24, 2013.

2. Summary of significant accounting policies

These unaudited condensed consolidated interim financial statements have been prepared, in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Accounting policies and methods of their application followed in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the consolidated financial statements for the year ended August 31, 2012, except as follows:

2. Summary of significant accounting policies (continued)

Principles of consolidation

The consolidated financial statements include the accounts of the Corporation and all of its wholly-owned subsidiaries for which it has the power to govern the financial and operating policies. All material inter-company balances and transactions are eliminated. For any new acquisitions, the results of operations are reflected from the date of acquisition.

Property and equipment

Property and equipment are initially recognized at cost and subsequently at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and capitalized borrowing costs.

Depreciation commences when the assets are available for use and is recognized on a straight-line basis to depreciate the cost of these assets to their estimated residual value over their estimated useful lives. When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate components of the asset and depreciated over their estimated useful life on a straight-line basis. Estimated useful lives are as follows:

Computer hardware	Straight line	3 years
Office equipment	Straight line	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if appropriate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in net income in the period the item is derecognized.

Intangible assets

Intangible assets are measured at cost at their initial recognition and are carried at cost less any accumulated amortization and any accumulated impairment losses.

Goodwill

Goodwill is measured at cost at its initial recognition and is carried at cost less any accumulated impairment losses.

Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Corporation (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognized as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analyzed between capital and interest. The interest element is charged to the statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

(In thousands of Canadian dollars, except per share amounts)

2. Summary of significant accounting policies (continued)

Revenue recognition

Revenue is recognized when significant risks and rewards of ownership are transferred to the customer. For gas and electricity, the transfer of risks and rewards generally coincide with consumption of the commodity by the customer. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes.

Natural gas delivery is based on estimated customer historical usage and is regularly reconciled to determine if customers consumed more gas than has been delivered or if consumption is less than has been delivered. Gas delivered in excess of consumption by customers is recognized as an asset at the lower of cost and net realizable value. Consumption by customers in excess of gas delivered is recognized as accrued gas payable at amortized cost. Any payments received from local distribution companies ("LDCs") in advance of consumption by customers are recognized as a liability at amortized cost.

3. Seasonality

Sunwave's customers normally consume more gas and electricity during the winter months than the summer months. Consequently, revenue and cost of sales will be typically higher in the quarters ended December 31 and March 31.

4. Short-term investments

As at August 31, 2013, the Corporation held $14,331 in short-term investments (August 31, 2012 - $18,009), which included variable rate guaranteed investment certificates ("GICs") with original maturities of less than 365 days. As at August 31, 2013, the effective annual interest rate on the GICs was 1.33% and they are fully redeemable at any time by the Corporation, at its discretion. The fair value of short-term investments has been valued using Level 1 inputs.

5. Accounts and other receivables

Accounts and other receivables, as at August 31, are set out in the following table:

		2013		2012
Trade receivables	**$**	**130**	$	-
GST/HST receivable		**635**		446
Legal retainers [1]		**86**		164
Other receivables		**111**		18
Total	**$**	**962**	**$**	**628**

[1] During the three months ended February 28, 2011, as a result of a settlement agreement executed between the Corporation and a former director, a legal retainer totaling $164 was reallocated from prepayments. During the twelve months ended August 31, 2013, $78 was expensed and, as at August 31, 2013, $86 remained on retainer.

(In thousands of Canadian dollars, except per share amounts)

6. Property and equipment

	Cost	Additions	Accumulated Amortization	Net book value
Balance as at May 31, 2013	**$ -**	**$ -**	**$ -**	**$ -**

	Cost	Acquisition	Additions	Accumulated Amortization	Net book value
Computer hardware	$ -	$ 62	$ 2	$ 8	$ 56
Office equipment	-	104	-	3	101
Balance as at August 31, 2013	**$ -**	**$ 166**	**$ 2**	**$ 11**	**$ 157**

7. Goodwill and intangible asset

	Cost	Acquisition	Additions	Accumulated Amortization	Net book value
Goodwill and intangible asset	$ -	$ 1,506	$ -	$ 50	$ 1,456
Computer software	-	5	13	1	17
Balance as at August 31, 2013	**$ -**	**$ 1,511**	**$ 13**	**$ 51**	**$ 1,473**

Intangible asset is amortized over 50 months (4.2 years), which is the average remaining life at the time of acquisition.

(In thousands of Canadian dollars, except per share amounts)

8. Acquisition of Sunwave Gas & Power Inc.

On July 9, 2013 the Corporation acquired 100% of the outstanding share capital of Sunwave Gas & Power Inc. located in Toronto, Ontario, for aggregate consideration of $1,000. Sunwave operates as a retailer of natural gas and electricity to residential and commercial customers under short or long-term fixed-price, price-protected or variable-priced contracts. The consideration for the acquisition was satisfied through the issuance of 3,382,974 multiple voting shares and 3,759,883 subordinate voting shares in the capital of ONEnergy, each valued at $0.14 per share. This acquisition is the result of the Corporation pursuing potential investment opportunities to utilize the Corporation's cash and tax attributes to maximize shareholder value.

The acquisition of Sunwave was accounted for using the purchase method of accounting. The Corporation allocated the purchase price to the net identified assets and liabilities acquired based on their fair values at the time of the acquisition as follows:

Purchase price		
ONEnergy multiple voting shares and subordinate voting shares	**$**	**1,000**
Allocation of purchase price (at estimated fair values)		
Current assets		208
Current liabilities		(805)
Property and equipment		166
Intangible asset		5
Due from related party		4
Obligation under finance lease		(84)
Goodwill and intangible asset		1,506
	$	**1,000**

The transaction costs related to the acquisition of Sunwave have been expensed and are included in general and administrative expenses in the consolidated statement of loss. The transaction costs related to the issuance of the multiple voting and subordinate voting shares have been expensed and are included in general and administrative expenses. Goodwill comprises the value of Sunwave's current infrastructure along with its Ontario Natural Gas Marketer License and Ontario Electricity Retailer License while intangible asset comprises the value of the Corporation's customer contracts.

The purchase price allocation is considered preliminary, and as a result, it may be adjusted during the 12-month period following the acquisition, in accordance with IFRS 3, as management determines the fair value of the intangible asset. The carrying value of current assets, current liabilities, and property and equipment are considered to approximate their fair values.

If the acquisition of Sunwave had taken place at the beginning of the fiscal year, the consolidated revenue would have been $742 and the consolidated net loss would have been $3,310. For the three months ended August 31, 2013, Sunwave contributed $114 in revenue and $444 in net loss.

(In thousands of Canadian dollars, except per share amounts)

9. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities, as at August 31, are set out in the following table:

		2013		2012
Accounts payable	**$**	**443**	$	547
Accrued liabilities		**491**		179
Accrued restructuring liabilities [(1)]		**189**		189
Total	**$**	**1,123**	$	915

[(1)] Accrued restructuring liabilities – 2009 restructuring
During fiscal 2009, the Corporation sold its spectrum and broadcast license, initiated a Plan of Arrangement under the *Canada Business Corporations Act* (Section 192) and, up to November 30, 2010, expensed all associated costs to restructuring charges. Additional charges may be incurred as the Corporation continues in its attempt to recover advances made to various law firms (note 14(d)).

10. Obligation under finance lease

The Corporation leases office equipment under a financing arrangement, which bears interest at 7.54% per annum and matures in April 2016. The net carrying value of office equipment under finance lease is $80 (August 31, 2012 - Nil).

The following table presents future minimum lease payments under finance lease together with the present value of the minimum lease payments:

Future minimum lease payments due:		
Less than one year	$	34
Between one and five years		53
More than five years		-
Total minimum lease payments		87
Less: amounts representing interest		(8)
Present value of total minimum lease payments		79
Less: current portion of minimum lease obligation		28
Non-current portion of minimum lease obligation	$	51

11. Share capital

(a) Authorized

Preference Shares – non-voting, issuable in series. The number of shares under each series, designation, privileges, restrictions and conditions attaching thereto to be determined by the Board of Directors prior to issue. No such shares are issued and outstanding.

Unlimited Multiple Voting Shares - voting, entitled to 150 votes per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Subordinate Voting Shares - voting, entitled to one vote per share (except at separate meetings of holders of shares of any other class), subject to the rights of holders of any preference shares, entitled to dividends and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation.

Unlimited Class A Non-Voting Shares – non-voting, entitled to dividends, subject to the rights holders of any preference shares, and to the receipt of any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Corporation. No such shares are issued and outstanding.

(b) Issued and outstanding

Shares (in thousands)	Multiple Voting Shares			Subordinate Voting Shares				Total
Balance, as at September 1, 2011	66,165	$	16,499	73,537	$	17,985	$	34,484
Return of capital (1)	-		(3,308)	-		(3,677)		(6,985)
Balance, as at August 31, 2012	66,165	$	13,191	73,537	$	14,308	$	27,499
Issued by the Corporation to acquire Sunwave (2)	3,383		474	3,760		526		1,000
Issued by the Corporation (3)	30,447		4,263	33,839		4,737		9,000
Balance, as at August 31, 2013	99,995	$	17,928	111,136	$	19,571		37,499

(1) On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital equivalent to $0.05 for each outstanding multiple voting share and subordinate voting share.

(2) See Note 8

(3) Concurrently with the completion of the acquisition of Sunwave, the Corporation completed a private placement for an aggregate of 30,446,767 multiple voting shares and 33,838,947 subordinate voting shares in the capital of ONEnergy, at a price of $0.14 per share, for aggregate subscription proceeds of $9,000.

(In thousands of Canadian dollars, except per share amounts)

11. Share capital (continued)

(c) Stock option plan

On March 25, 2002, the Board of Directors of the Corporation ("Board") approved the 2002 Stock Option Incentive Plan (the "2002 Plan"). The 2002 Plan was subsequently amended in 2004 and 2005. On July 9, 2013, the Board approved the 2013 Stock Option Plan ("2013 Plan") and terminated the 2002 Plan. The objective of the 2013 Plan is to provide directors, officers and employees of, and service providers to, the Corporation with a proprietary interest through the granting of options to purchase Subordinate Voting Shares of the Corporation. The groups are primarily responsible for the management, growth and protection of the business of the Corporation. Under the 2013 Plan, the Board may grant options provided that the total number of shares issued under the 2013 Plan does not exceed 21,113,009. The total number of shares that may be issued under the 2013 Plan represents 10% of the Corporation's currently issued and outstanding shares. The exercise price of the options is determined by the Board at the time of the grant of an option, but cannot be lower than the market price of the Corporation's shares on the TSX Venture Exchange ("Exchange") on the business day immediately preceding the day on which an option is granted, less any permissible discount under the policies of the Exchange. The options vest over a four- or five-year period and the maximum period during which an option may be exercised is 10 years from the date on which it is granted.

In July 2013, the Corporation granted 17,537,410 options to purchase subordinate voting shares in the capital of the Corporation to officers, employees and service providers of the Corporation. The options vest over a four, or five-year period, are exercisable at a price of $0.14 per share and expire in July, 2023.

The following table reflects the options outstanding under the 2013 Plan:

	Weighted average remaining contractual life	Number of options	Weighted average exercise price
Outstanding as at July 8, 2013		-	$ -
Granted		17,537,410	0.14
Forfeited		(15,000)	0.14
Outstanding as at August 31, 2013	9.88	17,522,410	$ 0.14
Exercisable as at August 31, 2013	9.88	286,873	$ 0.14

12. Segment disclosure

The Corporation operates as a provider of natural gas and electricity products and services to residential and commercial customers in Ontario, Canada. All of its revenue in fiscal 2013 was derived from this business. The Corporation is not considered to have any key customers. For the three and twelve months ended August 31, 2013, the Corporation had only one segment.

(In thousands of Canadian dollars, except per share amounts)

13. Expenses

	For the three months ended August 31, 2013	For the three months ended August 31, 2012	For the twelve months ended August 31, 2013	For the twelve months ended August 31, 2012
Cost of gas and electricity	**$ 78**	$ -	**$ 78**	$ -
Selling cost	**194**	-	**194**	-
Personnel	**560**	101	**718**	267
Professional fees	**375**	148	**1,342**	371
Litigation costs	**283**	1,159	**996**	2,528
Occupancy [(1)]	**42**	6	**51**	24
Office and other expenses	**170**	5	**466**	61
Depreciation and amortization	**62**	-	**62**	-
Management services income [(2)]	**(37)**	-	**(37)**	-
Management services agreement [(3)]	**-**	-	**-**	1,244
	$ 1,727	$ 1,419	**$ 3,870**	$ 4,495

(1) Note 14(a) and 14(d)(ii)
(2) Note 14(c)
(3) Note 14(d)(i)

Reported as	For the three months ended August 31, 2013	For the three months ended August 31, 2012	For the twelve months ended August 31, 2013	For the twelve months ended August 31, 2012
Cost of sales	**$ 78**	$ -	**$ 78**	$ -
Selling	**218**	-	**218**	-
General and administrative	**1,431**	1,419	**3,574**	4,495
	$ 1,727	$ 1,419	**$ 3,870**	$ 4,495

14. Related party transactions

(a) Premises sublease

The Corporation subleases its premises from OZZ Clean Energy Inc. ("OCE"), who is Sunwave's former controlling shareholder and is a current shareholder of the Corporation. The sublease is for a period from July 2013 to November 2017. For the three and twelve months ended August 31, 2013, $51 and $51 respectively was charged to the Corporation (2012 - $Nil and $Nil respectively). No amounts are currently outstanding.

(b) Electricity revenue

For the three and twelve months ended August 31, 2013, the Corporation supplied electricity totaling $5 and $5, respectively, to a company that is controlled by the controlling shareholder of OCE, based on the Corporation's standard supply agreement for electricity at a negotiated price per kilowatt hour ("kWh"). The balance outstanding as at August 31, 2013 was $2 (August 31, 2012 - Nil).

(In thousands of Canadian dollars, except per share amounts)

14. Related party transactions (continued)

(c) Management services income

The Corporation provides certain commodity management and general administrative services, under a management services agreement, to Canadian RiteRate Energy Corporation ("RiteRate"), a company that is controlled by the controlling shareholder of OCE. RiteRate paid for certain consultant fees on behalf of the Corporation during three months ending August 31, 2013, for which the Corporation reimbursed RiteRate. For the three and twelve months ending August 31, 2013, the Corporation charged RiteRate $37 and $37, respectively. As at August 31, 2013, $19 is outstanding from RiteRate.

(d) Unique Broadband Systems, Inc.

Related party transactions and balances with Unique Broadband Systems, Inc. (the Corporation's former parent company, which previously controlled the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries – collectively "UBS"), are as follows:

	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Management fees expense	**$ -**	$ -	**$ -**	$ 1,244
Rent revenue	**-**	(6)	**(2)**	(24)

(i) Management fees expense

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. In September 2007, the Corporation advanced $2,400, which was included in prepaid expenses and deposits. Effective January 1, 2011, the $2,400 prepayment was expensed at approximately $145 per month over the remaining term of the MSA, which expired on May 19, 2012.

(ii) Rent revenue

During the three months ended November 30, 2012, the Corporation subleased a portion of its premises to UBS for $2 (three and twelve months ended August 31, 2012 - $6 and $24 respectively), which was on a month-to-month basis and was recorded as a reduction of general and administrative expenses. On September 30, 2012, UBS terminated its lease agreement with the Corporation.

(In thousands of Canadian dollars, except per share amounts)

14. Related party transactions (continued)

(e) 2010 legal advances

During June and July, 2010, the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,464 of the advances was expensed, up to August 31, 2013, and $86 remains in accounts receivable and other receivables, as a result of a settlement agreement executed between the Corporation and a former director.

The Corporation is seeking recovery of these 2010 legal advances.

On September 28, 2012, the Ontario Superior Court of Justice (the "Court") dismissed applications and motions made by certain of the Corporation's former officers and directors and personal service companies for interim advances to finance their costs of defending claims made against them by the Corporation.

The Court denied the advances sought by certain of the former officers and directors and the personal service companies, but held that the former chief technology consultant (but not his personal service company) is entitled to advances for his defense of the claims made against him. On June 18, 2013, the Corporation advanced $150 to the former chief technology consultant.

(f) Support agreement regarding share purchase ("Support Agreement")

On December 18, 2012, the Corporation entered into a Support Agreement, led by a director of UBS and other independent parties, to acquire up to 45,000 of the Corporation's multiple voting shares, at $0.11 per share, up to a 49.9% equity interest in the Corporation. On March 25, 2013, the Corporation terminated the Support Agreement and paid a $225 termination fee.

(g) Compensation of key management personnel

The Corporation's key management personnel are comprised of the Board of Directors and members of the executive team of the Corporation.

	For the three months ended August 31,		For the twelve months ended August 31,	
	2013	2012	**2013**	2012
Salaries, fees, and short-term employee benefits	**$ 278**	$ 86	**$ 507**	$ 225
Stock based compensation	**24**	-	**24**	-
	$ 302	$ 86	**$ 531**	$ 225

Concurrently with the Transaction, the Corporation's former chief executive officer resigned and was awarded $100 in termination payments. These payments are included in the table above.

(In thousands of Canadian dollars, except per share amounts)

15. Income taxes

As a result of the restructuring of the business, the cumulative eligible capital expenditure pool was converted to a non-capital loss.

Deferred taxes have not been recognized in respect of the Corporation's loss carryforwards. The Corporation has the following federal non-capital income tax losses, which may be carried forward to reduce future years' taxable income. These losses will expire in the taxation years ending December 31 as follows:

Year		Amount
2014	$	12,588
2015		55
2026		403
2027		1
2028		8,987
2029		115,583
2030		5,748
2031		19,992
2032		3,457
2033		3,583
	$	170,397

The Corporation's tax attributes may be utilized by the Corporation in its future operations to offset future income.

16. Commitments and contingencies

(a) Commitments

The minimum payments required under the terms of non-cancellable leases are as follows:

		August 31, 2013		August 31, 2012
Less than one year	**$**	**147**	$	-
Between one and five years		**434**		-
	$	**581**	$	-

(b) Contingencies

(i) In the normal course of its operations, the Corporation may be subject to litigation and claims.

(ii) The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers.

17. Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly-liquid cash accounts and short-term investments.

The Corporation has contractual obligations related to leased equipment and premises of $147 that are due in less than one year.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital (note 11(b)).

18. Financial instruments and risk management

The Board of Directors has overall responsibility for the determination of the Corporation's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies by the Corporation's management. Periodically throughout the year, the Board of Directors receive reports from the Corporation's management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Corporation's competitiveness and flexibility. Further details regarding these policies are set out below.

Risk management

The main risks arising from the Corporation's financial instruments are commodity pricing and mark-to-market risk, supplier risk, credit risk, market risk, liquidity risk and interest rate risk. These risks arise from exposure that occur in the normal course of business and are managed on a consolidated basis.

Commodity pricing and mark-to-market risk

The Corporation purchases both physical energy commodities and financially settled energy instruments such as electricity contracts. These commodity products are subject to market fluctuations based upon market supply and demand for such products. The Corporation experiences fluctuations in the unrealized valuation of its contracts to purchase energy commodities. The Corporation is also subject to cancellations by customers that may leave the Corporation with an excess of commodity supply, which may have to be sold into the open market at an indeterminate price.

Supplier Risk

Sunwave purchases all of the natural gas and electricity delivered to its customer through long-term contracts entered into with various suppliers. The Corporation has an exposure to supplier risk as the ability to continue to deliver natural gas and electricity to its customers is reliant upon ongoing operations of these suppliers and their ability to fulfill their contractual obligations. Of these natural gas purchases, for the three and twelve months ended August 31, 2013, 100% were with one supplier (2012 – Nil). Sunwave also has supply agreements with two other major commodity wholesalers.

(In thousands of Canadian dollars, except per share amounts)

18. Financial instruments and risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. Financial instruments, which are potentially subject to credit risk for the Corporation, consist primarily of cash, short-term investments, accounts receivable and other receivables.

Credit risk associated with cash and short-term investments is minimized by ensuring these financial assets are placed with financial institutions with high credit ratings.

The LDCs provide collection services and assume the risk of any bad debts from customers. Therefore, the Corporation receives the collection of customer account balances directly from the LDCs. Management believes that the risk of the LDCs failing to deliver payment to the Corporation is minimal.

Other receivables are comprised primarily of refundable taxes receivable from the taxing authority of the Government of Canada ("CRA"). Refundable taxes are subject to review by the CRA, which may delay receipt. Management believes the risk of the CRA failing to deliver payment to the Corporation is minimal.

The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

	August 31, 2013	August 31, 2012
Accounts and other receivables		
Currently due	**$ 188**	$ 108
Past due by 90 days or less not impaired	**71**	116
Past due by greater than 90 days not impaired	**703**	404
	$ 962	$ 628

All of the Corporation's cash is held with major financial institutions in Canada, and management believes the exposure to credit risk with these institutions is not significant. The Corporation's maximum assessed exposure to credit risk, as at August 31, 2013 and 2012, is the carrying value of its accounts and other receivables.

Liquidity risk

Liquidity risk is the risk the Corporation will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or other financial assets. The Corporation's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed by senior management to ensure a sufficient continuity of funding exists.

(In thousands of Canadian dollars, except per share amounts)

18. Financial instruments and risk management (continued)

Contractual Obligations

In the normal course of business, ONEnergy is obligated to make future payments under various non-cancellable contracts and other commitments.

The Corporation's financial liabilities are comprised of its accounts payable and accrued liabilities, payments received in advance of consumption, non-cancellable leases and financial leases. As at August 31, 2013, the payments due by period are set out in the following table:

	Payment due by period			
	Less than one year	**Between one and five years**	**More than five years**	**Total**
Accounts payable and accrued liabilities	$ 1,123	$ -	$ -	**$ 1,123**
Payments received in advance of consumption	121	-	-	**121**
Non-cancellable leases	147	434	-	**581**
Finance lease obligation	28	51	-	**79**
	$ 1,419	$ 485	$ -	**$ 1,904**

Interest rate risk

The Corporation had no significant exposure, as at August 31, 2013 and 2012, to interest rate risk through its financial instruments.

Currency risk

The Corporation's operations are currently in Ontario and as such there is no exposure to fluctuations in foreign currency rates.

Fair Values

IFRS 7 Financial Instruments: Disclosures requires disclosure of a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement.

The fair values of short-term financial assets and liabilities, including cash, accounts receivable, deposits, due from related party, accounts payable and accrued liabilities, loans and advances as presented in the Condensed Consolidated Interim Statements of Financial Position approximate their carrying amounts due to the short period to maturity of these financial instruments.

19. Comparative interim condensed consolidated financial statements

In conjunction with the acquisition of Sunwave, certain figures from the comparative condensed consolidated interim financial statements have been reclassified from statements previously presented to conform to the presentation adopted by Sunwave.

Management's Discussion and Analysis of Financial Condition and Results of Operations of

ONEnergy Inc.

(formerly Look Communications Inc.)

Three and twelve months ended August 31, 2013 and 2012

ONEnergy Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

of the Financial Condition and Results of Operations

(In thousands, except per share amounts)

For the three and twelve months ended August 31, 2013 and 2012

October 24, 2013

1. INTRODUCTION

This management's discussion and analysis ("MD&A") of financial condition and results of operations of ONEnergy Inc. ("ONEnergy"), is supplementary to, and should be read in conjunction with, the unaudited condensed consolidated interim financial statements for the three and twelve months ended August 31, 2013 and 2012.

On July 9, 2013, Look Communications Inc. ("Look") completed a change-of-business transaction (the "Transaction") by acquiring Sunwave Gas & Power Inc. for $1,000 in consideration through the issuance of multiple and subordinated voting shares and a concurrent private placement of $9,000. As part of the Transaction, Look also changed its name to ONEnergy Inc. (refer to the section entitled "Overview – Significant current events – Change of business and overview").

The Corporation is comprised of ONEnergy, and its wholly owned subsidiaries including Sunwave Gas & Power Inc., Sunwave USA Holdings Inc., Sunwave Gas & Power New York Inc., Sunwave Gas & Power Illinois Inc., Sunwave Gas & Power Massachusetts Inc. and Sunwave Gas & Power Connecticut Inc. (collectively referred to as "Sunwave").

On December 28, 2012, Look's wholly-owned subsidiaries – Look Mobility Inc., Look Mobile Corporation, Look Communications Limited Partnership, and Delphi SuperNet Inc. - were dissolved, as they were inactive.

In this MD&A, the terms "we", "us", "our", and "Corporation" refer to ONEnergy and Sunwave, and Look's subsidiary entities, prior to their dissolution.

2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements and information concerning expected future events, the future performance of the Corporation, its operations, and its financial performance and condition. These forward-looking statements and information include, among others, statements with respect to our objectives and strategies to achieve those objectives, as well as statements with respect to our beliefs, plans, expectations, anticipations, estimates, and intentions. When used in this MD&A, the words "believe", "anticipate", "may", "should", "intend", "estimate", "expect", "project", and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. These forward-looking statements and information are based on current expectations.

The Corporation cautions that all forward-looking statements and information are inherently uncertain and actual future results, conditions, actions, or events may differ materially from the targets, assumptions, estimates, or expectations reflected or contained in the forward-looking statements and information, and that actual future results, conditions, actions, events, or performance will be affected by a number of factors including economic conditions and competitive factors, many of which are beyond the Corporation's control. New risks and uncertainties arise from time to time, and it is impossible for the Corporation to predict these events or the effect that they may have on the Corporation.

Certain statements in this MD&A, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties. This may include, without limitation, statements based on current expectations involving a number of risks and uncertainties. These risks and uncertainties include, but are not restricted to: (i) tax-related matters, (ii) financial risk related to short-term investments (including credit risks and reductions in interest rates), (iii) human resources developments, (iv) business integrations and internal reorganizations, (v) process risks, (vi) health, safety, and environmental developments, (vii) the outcome of litigation and legal matters, (viii) any prospective acquisitions or divestitures, (ix) other risk factors related to the Corporation's historic business, and (x) risk factors related to the Corporation's future operations. For a more detailed discussion of factors that may affect actual results or cause actual results to differ materially from any conclusion, forecast or projection in these forward-looking statements and information, see the sections entitled "Overview – Significant current events", and "Operating risks and uncertainties" below.

Therefore, future events and results may vary significantly from what the Corporation currently foresees. Readers are cautioned that the forward-looking statements and information made by the Corporation in this MD&A are stated as of the date of this MD&A, are subject to change after that date, are provided for the purposes of this MD&A and may not be appropriate for other purposes. We are under no obligation to update or alter the forward-looking statements whether as a result of new information, future events, or otherwise, except as required by National Instrument 51-102, and we expressly disclaim any other such obligation.

3. OVERVIEW

a) Change of business and overview

On July 9, 2013, Look completed a change-of-business transaction by acquiring Sunwave Gas & Power Inc. for $1,000, completing a concurrent private placement of $9,000, and changed its name to ONEnergy Inc.

The transaction involved the acquisition by ONEnergy of all of the outstanding shares of Sunwave Gas & Power Inc., a provider of innovative energy commodity products and services based in Toronto, for aggregate consideration of $1,000. The consideration for the acquisition was satisfied through the issuance of 3,383 multiple voting shares and 3,760 subordinate voting shares in the capital of ONEnergy, each valued at $0.14 per share. Concurrent with the completion of the acquisition, the Corporation completed a private placement for an aggregate of 30,447 multiple voting shares and 33,839 subordinate voting shares in the capital of ONEnergy, at a price of $0.14 per share, for aggregate subscription proceeds of $9,000.

ONEnergy's business currently involves the sale of natural gas and/or electricity to residential and commercial customers in Ontario under long-term fixed-price or variable-priced contracts under the brand Sunwave Gas & Power™. By fixing the price of natural gas or electricity under its fixed-price program for a period of up to five years, ONEnergy's customers reduce or eliminate their exposure to volatility in the price of energy. Variable rate products allow customers to maintain competitive rates while retaining the ability to lock into a fixed price at their discretion. ONEnergy's general policy is to match the forecast consumption requirements of its customers by purchasing offsetting volumes of natural gas or electricity through either physical or financial transactions at wholesale prices.

ONEnergy, through Sunwave, is a licensed retailer of energy commodity products to the residential and commercial customer market segments in Ontario. Sunwave was granted its natural gas marketer license and electricity retailer license from the Ontario Energy Board in June 2012. ONEnergy's business can be divided into three customer segments: residential, small commercial and large commercial.

Sunwave purchases its energy requirements from various wholesale energy markets, including both physical and financial markets. For both natural gas and electricity, Sunwave purchases its wholesale energy requirements at various city gates for natural gas and various utility load zones for electricity. Gas supply and electricity is generally purchased concurrently with the execution of a contract.

Sunwave's gross margin is derived from the difference between the price charged to its customers and the price paid to its wholesale energy suppliers. Sunwave also incurs selling expenses to compensate independent contractors for customer acquisition activities, through a mixture of upfront payments and residual-based payments. All such costs are recognized as expenses in the period incurred pursuant to contractual arrangements in place. In addition, Sunwave incurs general and administrative and finance income to operate its business.

In Ontario, the natural gas volumes delivered from Sunwave's wholesale suppliers remain constant throughout the year as required by the local natural gas distribution companies. During the winter, gas is consumed at a rate that is greater than delivery and, in the summer, deliveries to local distribution companies ("LDCs") on Sunwave's behalf exceed customer consumption. These volume variances result in either excess or short supply positions that are accrued in a physical balance account with the applicable gas distribution company. Typically, the local natural gas distribution companies require the balance account to be reconciled within defined tolerance bands on an annual basis. In the case of deliveries exceeding consumption, the excess supply is sold in the spot market resulting in either a gain or loss compared to the weighted average cost of supply. In the case of consumption exceeding deliveries, Sunwave must purchase the short supply in the spot market, resulting in either a gain or loss compared to the weighted average cost of supply. Consequently, the customer margin increases or decreases proportionately to the increase or decrease in consumption. To the extent that the supply balancing is not fully covered through active management, Sunwave's customer gross margin may be reduced or increased depending on market conditions at the time of balancing.

Sunwave purchases power supply concurrently with the execution of a contract for residential and commercial customers. In some cases Sunwave is required to aggregate sufficient volume in order to transact in the wholesale supply markets. This introduces a short term execution risk that is managed by Sunwave pricing policies. The fixed price products are load-shaped, for a single load profile for residential customers and each utility. For commercial customer, its historical usage data defines its load profile. Sunwave purchases wholesale energy in the form of on peak and off peak blocks, hedging in excess of 95% of the actual customer consumption profiles. The LDCs provide Sunwave with historical customer usage which enables Sunwave to purchase the expected normal customer load. To the extent that balancing requirements are outside of the forecasted purchase, Sunwave bears the financial responsibility for excess or short supply caused by fluctuations in customer usage within in its residential and small commercial portfolio. For large commercial portfolios, Sunwave has provisions to pass through material consumption variances relative to historical consumption. To the extent that the supply balancing is not fully covered through active management or customer pass-through, Sunwave's customer gross margin may be affected by the cost of balancing its commodity supply position with customer consumption.

b) Sales channels

The Corporation markets its products through various sales channels. In mid-2012, Sunwave began marketing natural gas and electricity to commercial customers through a network of direct sales agents who provide customers with a highly interactive and customized sales process. In December 2012, Sunwave launched a unique dual fuel (natural gas and electricity) monthly fixed rate residential program through a direct sales force of independent contractors. An online presence was established in August 2013, allowing customers to secure their energy needs through Sunwave's website. These sales channels permit Sunwave to serve a large majority of the Ontario market. Sunwave serves customers on approximately 65 electric LDCs as well as both major gas utilities in Ontario.

c) United States expansion

In September 2013, the Corporation applied for an Electric Supplier License in the State of Connecticut and established an office in that state to service its US expansion. The Corporation expects to apply for supplier licenses in additional states during 2013 with entry into those markets in 2014 followed by further US market expansion in 2014 and 2015.

4. RESULTS OF OPERATIONS

Three months ending August 31, 2013 ("fourth quarter 2013") compared to three months ending August 31, 2012 ("fourth quarter 2012"); twelve months ending August 31, 2013 ("2013") compared to twelve months ending August 31, 2012 ("2012").

Selected financial information for the period ended August 31

Loss and comprehensive loss	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Revenue	**$ 114**	$ -	**$ 114**	$ -
Cost of sales	**78**	-	**78**	-
Gross margin	**36**	-	**36**	-
Sales and marketing	**218**	-	**218**	-
General and administrative	**1,431**	1,419	**3,574**	4,495
Finance income	**50**	55	**221**	274
Net loss and comprehensive loss	**$ (1,563)**	$ (1,364)	**$ (3,535)**	$ (4,221)
Loss per share	**$ (0.009)**	$ (0.010)	**$ (0.024)**	$ (0.030)

Financial position	As at August 31,	
	2013	2012
Current assets	**$ 24,074**	$ 18,805
Non-current assets	**1,630**	-
Current liabilities	**1,272**	915
Non-current liabilities	**51**	-
Shareholders' equity	**$ 24,381**	$ 17,890

Revenue

Revenue was $114 for fourth quarter 2013 and for 2013 compared to $Nil for fourth quarter 2012, and for 2012. The change is a result of the acquisition of Sunwave during fourth quarter 2013 and reflects the impact of the acquisition of Sunwave.

Cost of sales

Cost of sales was $78 for fourth quarter 2013 and for 2013 compared to $Nil for fourth quarter 2012,and for 2012. The increase is the result of the acquisition of Sunwave during the fourth quarter 2013. Supply is generally delivered to the LDCs on a constant basis throughout the year, while consumption by the customer may fluctuate, depending on the season.

Selling

Selling expenses include commissions and other compensation paid to sales representatives, brokers and consultants. Marketing expenses include the development of sales programs and materials, costs of sales collateral and costs to maintain an online presence for web sales. Sales and marketing expenses were $218 in fourth quarter 2013 and for 2013 compared to $Nil for the fourth quarter 2012 and for 2012. The expense arises from sales activity during the fourth quarter 2013, which include launching an online presence, establishing a regional office in the eastern Ontario region, and increasing the size of the direct sales force.

General and administrative

General and administrative expenses include human resources, professional fees, occupancy, information technology, and other administrative overheads for the Corporation. A summary of the key components of general and administrative expenses is set out below:

	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Personnel	**$ 536**	$ 101	**$ 694**	$ 267
Professional fees	**375**	148	**1,342**	371
Litigation costs	**283**	1,159	**996**	2,528
Occupancy	**42**	6	**51**	24
Office and other expenses	**170**	5	**466**	61
Depreciation	**62**	-	**62**	-
Management services income	**(37)**	-	**(37)**	-
Management services agreement	**-**	-	**-**	1,244
Total general and administrative expenses	**$ 1,431**	$ 1,419	**$ 3,574**	$ 4,495

Personnel

Personnel costs include wages, salaries, benefits, termination payments and share-based payments.

During the three and twelve months ended August 31, 2013, the Corporation incurred $536 and $694, respectively, in personnel costs compared to $101 and $267 respectively for the same periods in 2012, resulting from the Sunwave acquisition, which increased its employee count to over 20.

Professional fees

Professional fees are comprised mainly of legal, accounting, audit and filing fees. For the three and twelve months ended August 31, 2013, professional fees increased by $227 to $375 and $971 to $1,342 respectively, from $148 and $371 for the three and twelve months ended August 31, 2012. Expenses were incurred during 2013 for corporate reorganization activity and the Transaction.

Litigation costs

Litigation costs are the costs, largely legal fees, related to the Statement of Claim in the Ontario Superior Court of Justice as discussed under section 10(e). For the three and twelve months ended August 31, 2013, legal fees decreased by $876 to $283 and by $1,532 to $996 respectively, compared to $1,159 and $2,528 for the three and twelve months ending August 31, 2012. The higher level of expense in 2012 compared to 2013 arose out of the amount of preparatory work performed at the onset of the Statement of Claim and during trial. 2013 benefited from this initial work along with a lower level of trial activity.

Finance income

For the three and twelve months ended August 31, 2013, interest income recognized on liquid assets totaled $50 and $221 respectively (2012 – $55 and $274 respectively). The decrease was due mainly to lower, on average, cash and short term investments during fiscal 2013.

Loss from operations

The loss from operations, for the three and twelve months ended August 31, 2013, amounted to $1,563 and $3,535 or $0.009 and $0.024 per basic and diluted share respectively, compared with a loss from operations of $1,364 and $4,221 or $0.009 and $0.030 per basic and diluted share respectively for the three and twelve months ended August 31, 2012.

5. EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ("EBITDA")

The following table reconciles EBITDA to net loss for the respective periods as determined under IFRS:

	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Net loss for the period	**$ (1,563)**	$ (1,364)	**$ (3,535)**	$ (4,221)
Add:				
Depreciation and amortization	**62**	-	**62**	-
Less:				
Finance income	**50**	55	**221**	274
EBITDA[(1)]	**$ (1,551)**	$ (1,419)	**$ (3,694)**	$ (4,495)

[(1)] Management views EBITDA as an important measure of operating performance of the Corporation; however, since EBITDA does not have any standardized meaning prescribed by IFRS, it may not be considered in isolation of IFRS measures such as (1) net loss, as an indicator of operating performance, or (2) cash flows from operating, investing and financing activities, as a measure of liquidity. We believe, however, that it is an important measure as it allows us to assess our ongoing business without the impact of depreciation or amortization expenses as well as non-operating factors. It is intended to indicate our ability to incur or service debt and invest in capital assets while allowing us to compare our business to our peers and competitors. This measure is not a defined term under IFRS and might not be comparable to similar measures presented by other issuers.

6. QUARTERLY FINANCIAL RESULTS

The table below sets out financial information for the past eight quarters:

	Fiscal 2013				Fiscal 2012			
	Aug 31	**May 31**	**Feb 28**	**Nov 30**	**Aug 31**	**May 31**	**Feb 29**	**Nov 30**
Revenue	$114	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cost of sales	78							
Gross margin	36	-	-	-	-	-	-	-
Operating expenses before depreciation and amortization, interest and finance charges, and finance income	1,587	1,186	587	370	1,419	1,140	1,097	839
EBITDA	(1,551)	(1,186)	(587)	(370)	(1,419)	(1,140)	(1,097)	(839)
Depreciation and amortization	(62)	-	-	-	-	-	-	-
Finance income	50	56	57	58	55	61	78	80
Net loss from operations	$(1,563)	$(1,130)	$ (530)	$ (312)	$(1,364)	$(1,079)	$(1,019)	$ (759)
Loss per share								
Basic and diluted ($)	(0.009)	(0.008)	(0.004)	(0.002)	(0.010)	(0.007)	(0.008)	(0.005)

7. LIQUIDITY AND CAPITAL RESOURCES

The Corporation held cash and short-term investments of $22,961, as at August 31, 2013, compared to $18,156 as at August 31, 2012. Cash, totaling $8,630 (August 31, 2012 - $147), consists of all bank balances. Short-term investments, totaling $14,331 (August 31, 2012 - $18,009), include variable rate guaranteed investment certificates with original maturities of less than 365 days.

During the twelve months ended August 31, 2013, $2,650 of short-term investments were redeemed, and $1,012 matured. As at August 31, 2013, the effective annual interest rate on the GICs was 1.33% and they are fully redeemable at any time by the Corporation, at its discretion. The fair value of short-term investments has been valued using Level 1 inputs.

The change in cash is summarized as follows:

	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Cash used in operating activities	**$ (2,353)**	$ (713)	**$ (4,391)**	$ (2,649)
Cash provided by investing activities	**1,818**	510	**3,879**	9,545
Cash provided by (used in) financing activities	**8,995**	-	**8,995**	(6,985)
Increase (decrease) in cash	**$ 8,460**	$ (203)	**$ 8,483**	(89)

Cash used in operating activities for the three and twelve months ended August 31, 2013, totaling $2,353 and $4,391 respectively, was $1,640 or 230% and $1,742 or 66% higher than the three and twelve months ended August 31, 2012 respectively. Change in non-cash operating assets and liabilities for the three months ending August 31, 2013 was reduced by $1,543, made up in part by the repayment of accounts payable of $738 in 2013 compared to a $159 increase in the same period last year, and the use of prepaid legal advances of $545 in 2012. For the twelve months ending August 31, 2013, change in non-cash operating assets and liabilities decreased by $2,574 made up in part by: i) repayments of accounts payable of $152; ii) an increase of $24 in accounts receivable; and iii) the use of prepaid expenses of $2,388 in 2012. Net loss decreased by $686 in the twelve months ending August 31, 2013 compared to the respective period in 2012.

Cash provided by investing activities for the three and twelve months ended August 31, 2013 totaled $1,818 and $3,879 respectively, made up of the redemption or maturity of short-term investments totaling $1,812 and $3,662 plus the receipt of interest on investments totaling $21 and $232, net of the purchase of property and equipment, and intangible assets of $15 and $15. Cash provided by investing activities for the twelve months ended August 31, 2012 totaled $9,545, due to the redemption of short-term investments of $9,188, and the receipt of interest on investments of $357.

Cash provided by financing activities during the three and twelve months ended August 31, 2013, was $8,995 and $8,995 compared to $Nil and the use of cash of $6,985 in the same periods in 2012. The increase was a result of a private placement of shares of $9,000 for the three month period ended August 31, 2013. Cash used in financing activities during the twelve months ended August 31, 2012, totaling $6,985, was pursuant to the Corporation's return of capital to the holders of its multiple and subordinate voting shares, equivalent to $0.05 per share, on March 13, 2012. During three months ended August 31, 2013, the Corporation issued $1,000 of shares as consideration for the acquisition of Sunwave.

The Corporation's working capital, as at August 31, 2013, was $22,802, compared with $17,890 as at August 31, 2012. The increase was due to cash received upon the completion of the private placement offset by cash used in current operations.

8. SHARE CAPITAL

As at August 31, 2013, there were 99,995 multiple voting shares and 111,136 subordinate voting shares issued, totaling 211,131 shares issued and outstanding (August 31, 2012 – 66,165 multiple voting shares, 73,537 subordinate voting shares, totaling 139,702).

In July 2013, the Corporation granted 17,537 options to purchase subordinate voting shares in the capital of the Corporation to officers, employees and service providers of the Corporation. The options vest over a four- or five-year period, are exercisable at a price of $0.14 per share, and expire in July 2023.

In determining diluted loss per share for the three and twelve months ended August 31, 2013 and 2012, the weighted average number of shares outstanding was not increased for stock options outstanding as the Corporation was in a net loss position.

As at October 24, 2013, there were no changes to the number of issued and outstanding shares.

9. STOCK BASED COMPENSATION

During the three and twelve months ended August 31, 2013, stock based compensation totaling $26 (2012 - $Nil) was expensed to general and administrative, and related to options issued to employees, which has been recorded in contributed surplus.

10. RELATED PARTY TRANSACTIONS

a) Premises sublease

The Corporation subleases its premises from OZZ Clean Energy Inc. ("OCE"), who was Sunwave's former controlling shareholder and is a current shareholder of the Corporation. The sublease expires November 2017. For the three and twelve months ended August 31, 2013, $51 and $51 respectively was charged to the Corporation (2012 - $Nil and $Nil respectively). No amounts are currently outstanding.

b) Electricity revenue

For the three and twelve months ended August 31, 2013, the Corporation supplied electricity totaling $5 and $5, respectively, to a company that is controlled by the controlling shareholder of OCE, based on the Corporation's standard supply agreement for electricity at a negotiated price per kilowatt hour ("kWh"). The balance outstanding as at August 31, 2013 was $2 (August 31, 2012 - $Nil).

c) Management services income

The Corporation provides certain commodity management and general administrative services, under a management services agreement, to Canadian RiteRate Energy Corporation ("RiteRate"), a company that is controlled by the controlling shareholder of OCE. RiteRate paid for certain consultant fees on behalf of the Corporation during three months ending August 31, 2013, for which the Corporation reimbursed RiteRate. For the three and twelve months ending August 31, 2013, the Corporation charged RiteRate $37 and $37, respectively. As at August 31, 2013, $19 is outstanding from RiteRate.

d) Unique Broadband Systems, Inc.

Related party transactions and balances with Unique Broadband Systems, Inc. (the Corporation's former parent company, which previously controlled the Corporation and with whom the Corporation had previously entered into transactions either directly or through its wholly-owned subsidiaries – collectively "UBS"), are as follows:

	Three months ended August 31,		**Twelve months ended August 31,**	
	2013	2012	**2013**	2012
Management fees expense	**$ -**	$ -	**$ -**	$ 1,244
Rent revenue	**-**	(6)	**(2)**	(24)

(i) Management fees expense

Under the original terms of the Management Service Agreement entered into between the Corporation and UBS on May 19, 2004 ("MSA"), the Corporation had been required to pay an annual fee of $2,400 to UBS. In September 2007, the Corporation advanced $2,400, which was included in prepaid expenses and deposits. Effective January 1, 2011, the $2,400 prepayment was expensed at approximately $145 per month over the remaining term of the MSA, which expired on May 19, 2012.

(ii) Rent revenue

During the three months ended November 30, 2012, the Corporation subleased a portion of its premises to UBS for $2 (three and twelve months ended August 31, 2012 - $6 and $24 respectively), which was on a month-to-month basis and was recorded as a reduction of general and administrative expenses. On September 30, 2012, UBS terminated its lease agreement with the Corporation.

e) Statement of Claim in connection with the payment of Restructuring Awards

On July 6, 2011, the Corporation issued a Statement of Claim (the "Claim") in the Ontario Superior Court of Justice (the "Court") against certain former directors and certain former officers of the Corporation in connection with the payment of approximately $20,000 of "restructuring awards" paid in 2009 (the "Sale Awards"), of which approximately $15,700 was paid to the directors and senior officers named in the Claim (or their personal holding companies, as applicable) from the net proceeds of approximately $64,000 realized by the Corporation on the sale of its spectrum license in, as outlined in the following table:

	Number of options relinquished	Number of Share Appreciation Rights (SARs) relinquished	Equity related payment	Compensation related payment	Total payments
First Fiscal Management Ltd.[1] /Michael Cytrynbaum	727	7,384	$1,746	$2,400	$ 4,146
Jolian Investments Ltd.[2] / Gerald McGoey	335	14,769	3,166	2,400	5,566
DOL Technologies Inc.[3] / Alex Dolgonos	-	7,384	1,551	2,400	3,951
Former Directors and Senior Management	4,325	3,194	1,585	1,976	3,561
Total	**5,387**	**32,731**	**$8,048**	**$9,176**	**$17,224**

(1) First Fiscal Management Ltd. is a company controlled by the former Chairman of the Board of Directors of the Corporation, Michael Cytrynbaum.
(2) Jolian Investments Ltd. is a company controlled by the former Chief Executive Officer ("CEO") and Vice-Chairman of the Board of Directors of the Corporation, Gerald McGoey.
(3) DOL Technologies Inc. is a company controlled by the former Chief Technology Consultant to the Corporation, Alex Dolgonos.

The former officers and directors named in the Claim collectively resigned effective July 21, 2010. None of the allegations in the Claim have been proven before the Court.

The Corporation continues to vigorously pursue its claims against the former directors and former officers named in the Claim (as well as their personal holding companies, as applicable) for payments, which the Corporation believes were not in the Corporation's or its shareholders' best interests.

f) 2010 legal advances

During June and July 2010, the former Board of Directors of the Corporation approved $1,550 of advances to various professional firms as retainers for future legal fees the directors and officers expected would be incurred answering shareholder complaints and regulatory enquiries. Approximately $1,464 of the advances was expensed, up to August 31, 2013, and $86 remains in accounts receivable and other receivables, as a result of a settlement agreement executed between the Corporation and a former director.

The Corporation is seeking recovery of these 2010 legal advances.

On September 28, 2012, the Ontario Superior Court of Justice (the "Court") dismissed applications and motions made by certain of the Corporation's former officers and directors and personal service companies for interim advances to finance their costs of defending claims made against them by the Corporation.

The Court denied the advances sought by certain of the former officers and directors and the personal service companies, but held that the former chief technology consultant (but not his personal service company) is entitled to advances for his defense of the claims made against him. On June 18, 2013, the Corporation advanced $150 to the former chief technology consultant.

g) Support agreement regarding share purchase ("Support Agreement")

On December 18, 2012, the Corporation entered into a Support Agreement, led by a director of UBS and other independent parties, to acquire up to 45,000 of the Corporation's multiple voting shares, at $0.11 per share, up to a 49.9% equity interest in the Corporation. On March 25, 2013, the Corporation terminated the Support Agreement and paid a $225 termination fee.

h) Compensation of key management personnel

The Corporation's key management personnel are comprised of the Board of Directors and members of the executive team of the Corporation.

	Three months ended August 31,		Twelve months ended August 31,	
	2013	2012	**2013**	2012
Salaries, fees, and short-term employee benefits	**$ 278**	$ 86	**$ 507**	$ 225
Stock based compensation	**24**	-	**24**	-
	$ 302	$ 86	**$ 531**	$ 225

Concurrently with the Transaction, the Corporation's former chief executive officer resigned and was awarded $100 in termination payments. These payments are included in the table above.

11. OPERATING RISKS AND UNCERTAINTIES

Management of capital

The Corporation determines capital to include shareholders' equity. The Corporation's overall strategy with respect to management of capital is to hold low-risk highly-liquid cash accounts and short-term investments.

The Corporation currently does not use other sources of financing that require fixed payments of interest and principal and is not subject to any externally imposed capital requirements.

The Corporation invests its capital in short-term investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Corporation's short-term obligations while maximizing liquidity and returns of unused capital.

On March 13, 2012, the Corporation paid a distribution of $6,985 to the holders of its multiple voting shares and subordinate voting shares, as a return of capital.

Financial instruments and risk management

The Corporation's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Corporation's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligations. Financial instruments, which are potentially subject to credit risk for the Corporation, consist primarily of cash, short-term investments, accounts receivable and other receivables.

Credit risk associated with cash and short-term investments is minimized by placing these assets with financial institutions with high credit ratings.

The LDCs provide collection services and assume the risk of any bad debts from customers. Therefore, the Corporation receives the collection of customer account balances directly from the LDCs. Management believes that the risk of the LDCs failing to deliver payment to the Corporation is minimal.

Other receivables are comprised primarily of refundable taxes receivable from the Canada Revenue Agency ("CRA"). Refundable taxes are subject to review by the CRA, which may delay receipt. Management believes the risk of the CRA failing to deliver payment to the Corporation is minimal.

The Corporation's maximum exposure to credit risk at the end of the reporting period under its financial instruments is summarized as follows:

Accounts receivable and other receivables	**August 31, 2013**	August 31, 2012
Currently due	**$ 188**	$ 108
Past due by 90 days or less not impaired	**71**	116
Past due by greater than 90 days not impaired	**703**	404
	$ 962	$ 628

All of the Corporation's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with this institution is not significant. The Corporation's maximum assessed exposure to credit risk, as at August 31, 2013 and 2012, is the carrying value of its accounts receivable and other receivables.

Liquidity risk

Liquidity risk is the risk the Corporation will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or other financial assets. The Corporation's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed by senior management to ensure a sufficient funding exists for normal operating activities.

Contractual Obligations

In the normal course of business, ONEnergy is obligated to make future payments under various non-cancellable contracts and other commitments.

The Corporation's financial liabilities are comprised of its accounts payable and accrued liabilities, accrued restructuring liabilities, payments received in advance of consumption and financial leases. As at August 31, 2013, the payments due by period are set out in the following table:

	Payment due by period			
	Less than one year	**Between one and five years**	**More than five years**	**Total**
Trade and other payables	$ 1,123	$ -	$ -	**$ 1,123**
Payments received in advance of consumption	121	-	-	**121**
Non-cancellable leases	147	434	-	**581**
Finance lease obligation	28	51	-	**79**
	$ 1,419	$ 485	$ -	**$ 1,904**

Interest rate risk

The Corporation had no significant exposure, as at August 31, 2013 and 2012, to interest rate risk through its financial instruments.

Currency risk

The Corporation's operations are currently in Ontario and as such there is no exposure to fluctuations in foreign currency rates. The Corporation has launched operations in the United States, and expects to generate both revenue and costs in US dollars in the future. This may expose the Corporation to both transaction and translation risk, but this is not expected to be material.

Fair Values

IFRS 7 Financial Instruments: Disclosure requires disclosure of a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement.

The fair values of short-term financial assets and liabilities, including cash, accounts receivable, deposits, due from related party, accounts payable and accrued liabilities, loans and advances, as presented in the Condensed Consolidated Interim Statements of Financial Position, approximate their carrying amounts due to the short period to maturity of these financial instruments.

Supplier Risk

Sunwave purchases all of the natural gas and electricity delivered to its customer through long-term contracts with various suppliers. The Corporation has an exposure to supplier risk based on its reliance on the ongoing operations of these suppliers and their ability to fulfill their contractual obligations to deliver natural gas and electricity to its customers. For the three and twelve months ended August 31, 2013, 100% of these natural gas purchases were with one supplier (2012 – Nil). Sunwave also has supply agreements with two other major commodity wholesalers.

12. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The minimum payments required under the terms of non-cancellable leases are as follows:

	August 31, 2013	August 31, 2012
Less than one year	**$ 147**	$ -
Between one and five years	**434**	-
More than five years	**-**	-
	$ 581	$ -

(b) Contingencies

In the normal course of its operations, the Corporation may be subject to other litigation and claims.

The Corporation indemnifies its directors, officers, consultants, and employees against claims and costs reasonably incurred and resulting from the performance of their services to the Corporation, and maintains liability insurance for its directors and officers. As a result of the current litigation, the Corporation may be liable for costs if unsuccessful in pursuing the Claim.

13. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management's discussion and analysis of operating results and financial condition are made with reference to the Corporation's unaudited condensed consolidated interim financial statements for the three and twelve months ended August 31, 2013 and 2012, and the notes thereto, which have been prepared in accordance with IFRS. The Corporation's significant accounting policies are summarized in detail in Note 2 of the Corporation's consolidated financial statements for the year ended August 31, 2012 and in Note 2 of the Corporation's unaudited condensed consolidated interim financial statements for the three and twelve months ended August 31, 2013.

14. SIGNIFICANT CURRENT EVENTS

a) Change of directors and management

On July 9, 2013, Henry Eaton resigned as director of Look Communications Inc. ("Look"). Stanley H. Hartt and Stephen J.J. Letwin were appointed to the ONEnergy board as independent directors, and David Rattee and Lawrence Silber continue to serve as ONEnergy's two other independent directors.

On July 9, 2013, Grant McCutcheon resigned as chief executive officer of Look and was awarded a severance payment of $100 for his services to Look.

On July 9, 2013, Mark J. Lewis was appointed chief executive officer and Robert Weir was appointed chief operating officer of ONEnergy. C. Fraser Elliott continues to serve as ONEnergy's chief financial officer.

b) TSX listing

Effective July 11, 2013, the Corporation's multiple voting shares and subordinate voting shares were listed and posted for trading on the TSX Venture exchange under the symbols OEG and OEG.A respectively.

c) Change of year-end

ONEnergy's principal operating subsidiary Sunwave has historically operated on a fiscal year ending December 31. Management believes it is in the best interest of shareholders to continue to report consolidated results consistent with a December 31 year-end. An application was made to the Ontario Securities Commission to change ONEnergy's fiscal reporting period to the 16 months ending December 31, 2013, which was approved on August 15, 2013. This change will result in the Annual Report for fiscal 2013 to cover a period representing 16 months to December 31, 2013. Beginning in 2014, ONEnergy's fiscal year will be the twelve months ending December 31.

15. ADDITIONAL INFORMATION

Additional information regarding the Corporation's financial statements and corporate documents is available on SEDAR at www.sedar.com and on the Corporation's website at www.ONEnergyinc.com.

SHAREHOLDER INFORMATION

Board of Directors

Chairman of the Board
Stephen J.J. Letwin
President & CEO, IAMGOLD Corporation

Directors
Stanley H. Hartt
Counsel, Norton Rose Fulbright Canada LLP

David Rattee
Corporate Director

Lawrence Silber
Partner, Kelly Santini LLP

Officers
Mark J. Lewis
Chief Executive Officer

C. Fraser Elliott
Chief Financial Officer

Robert Weir
Chief Operating Officer

Auditors
BDO Canada LLP
60 Columbia Way, Suite 300
Markham ON L3R 0C9
905.946.1066

Transfer Agent and Registrar
Computershare Trust Company of Canada
1500 University Street, Suite 700
Montreal, Québec
H3A 3S8

Shareholder enquiries
ONEnergy Inc. Investor Relations
2225 Sheppard Avenue East, Suite 1600
Toronto, Ontario
M2J 5C2
416-444-8810

Stock exchange listing
ONEnergy's shares are listed on Tier 1 of the TSX Venture Exchange under the symbols OEG and OEG.A

Decide with Confidence

EXPRESS Club

Here are the products and reports you have purchased

View Receipt

Print this page

NOTE: Do NOT close this window before you print & save the reports below. Once you close this window you will not be able to view the reports again.

Qty	Company	Report Name	Price
1	**Legal Name:** ONEnergy Inc	Business Information Report	$86.84

All prices are quoted in Canadian dollars.

Business Information Report

Back to Top

```
      *IN DATE*

25-975-4943                                 LAST FULL REVISION: AUG 29 2013
                                            MOST RECENT UPDATE: AUG 29 2013

ONEnergy Inc                                RATING      ER4
(Formerly:  Look Communications Inc)                    Also branches
(Subsidiary of
Unique Broadband Systems Inc,               SUMMARY
Milton, ON)
  Look Ultrafast                            CONTROL YR  2003
  Nine Nine Five                            SALES     F  0
  Look Plus                                 WORTH     F  17,890,000
  Look Super                                EMPLOYS     76
                                                       (76 here)
2225 Sheppard Ave E Suite 1600              RECORD      Clear
Toronto ON M2J 5C2                          OPERATION   Telecommunication
                                            SIC         4899


TEL:  416 444-4848
FAX:  647 253-2525

Mark Lewis, Chief Executive


SPECIAL EVENTS

          08-29-2013 investigation revealed the following:
          Subject name changed to ONEnergy Inc 07-08-2013.
          Subject is located at Toronto.


PAYMENTS
______________________________________________________________________________

D&B Canada receives millions of payment experiences each year. We enter these
new and updated experiences into D&B Reports as this information is received.
Below is a summary of the company's payments, segmented by the amount of
credit extended.

                                                     % TOTAL HIGH CREDIT AMOUNT
                              NUMBER  AMOUNT       DISCT    ---- DAYS SLOW ----
IN FILE:                      OF EXP      ($)     PROMPT   1-30   31-60   61-90   91+
                                                       %      %       %       %     %
```

12 months ending Jun 2012	6	3330	98	0	0	0	2
3 months ending Jun 2012	0	0	0	0	0	0	0
Credit extended: $100.+	0	0	0	0	0	0	0
($000) $50-99.9	0	0	0	0	0	0	0
$15-49.9	0	0	0	0	0	0	0
$5-14.9	0	0	0	0	0	0	0
$1-4.9	0	0	0	0	0	0	0
less than $1.0	6	3330	98	0	0	0	2
Trade at net terms	6	3330	98	0	0	0	2
Trade at discount	0	0	0	0	0	0	0
Cash Experiences	0	0					
Placed for Collection	0	0					
Unfavourable Comments	0	0					

Note: In some instances, payments beyond terms can be the results of overlooked invoices or disputed accounts. Remember that accounts are sometimes placed for collection even though the existence of debt, or the amount, is disputed.

INDUSTRY PAYMENTS

Below is a summary of the company's dollar-weighted payments, segmented by the suppliers' primary industries:

	TOTAL RCV'D	TOTAL DOLLAR AMOUNTS	LARGEST HIGH CREDIT	% W/IN TERMS %	---- DAYS SLOW ---- 1-30 %	31-60 %	61-90 %	91+ %
Total in D&B's file	11	3330	800					
Payment By Industry:								
1 RET PERSNL COMPUTER	1	55	55	0	0	0	0	100
2 INTERNATIONAL TRADE	10	3275	800	100	0	0	0	0
Other Payment Categories:								
Cash experiences	0	0	0					
Payment record unknown	0	0	0					
Unfavorable comments	0	0	0					
Placed for collection								
with D&B	0	0						
other	0	N/A						

The highest "Now Owes" on file is $ 0.
The highest "Past Due" on file is $ 0.

DETAILED PAYMENT EXPERIENCES

DATE REPORTED	PAYMENT RECORD	HIGH CREDIT	NOW OWING	PAST DUE	SELLING TERMS	LAST SALE
06-2012	Ppt		0			6-12 mos
05-2012	Ppt		0			6-12 mos
02-2012	Ppt		0			4-5 mos
01-2012	Ppt	75	0	0	N30	6-12 mos
	Ppt		0			4-5 mos
12-2011	Ppt	800	0	0	N30	6-12 mos
	Ppt		0			2-3 mos
11-2011	Ppt	800	0	0	N30	6-12 mos
10-2011	Ppt	800	0	0	N30	6-12 mos
09-2011	Ppt	800	0	0	N30	6-12 mos
	Slow 120	55	0	0	N30	

FINANCE

	08-31-2010 Fiscal Consolidated 000'S	08-31-2011 Fiscal Consolidated 000'S	08-31-2012 Fiscal Consolidated 000'S
Current Assets	31,505	30,406	18,805
Current Liabs	1,190	1,310	915
Total Assets	33,243	30,406	18,805
Tangible Worth	32,053	29,096	17,890
Sales	434		
Net Income	(8,397)	(2,957)	(4,221

Prepared from Financial Statement 08-31-2012, Fiscal, Consolidated, 000's.

Cash & Deposits	147	Accts Pay & Accrual	547
Accts Receivable	628	Other Payables	189
Prepaid Expenses	21	Accruals	179
Short Term Investments	18,009		
Current Assets	18,805	Current Liabilities	915
		Capital Stock	27,499
		Accumulated Deficit	(9,609
Total Assets	18,805	Total Liabilities	18,805

Profit & Loss from statement for the 12 months ending 08-31-2012: Net income after taxes (4,221). At start amount 32,053. Net Income (2,957). At end amount 29,096.
08-29-2013 the above figures were obtained from public records.
Accountant: KPMG LLP, Toronto ON. Audited.

08-29-2013 attempts to contact principals were unsuccessful.

Outside sources confirmed ownership and general information on subject but could not provide further details.

PUBLIC RECORD

09-22-2009 suit was registered against LOOK COMMUNICATIONS INC. by 690981 ONTARIO LIMITED in connection with breach of contract. Amount: 436,605. (TORSU387554-09)

03-10-2005 suit was registered against LOOK COMMUNICATIONS INC. by REINDERS+RIEDER LTD. in connection with services rendered. Amount: 5,910. (BNSCC-05-2415)

02-25-2004 suit was registered against LOOK COMMUNICATION by CESART in connection with goods sold and delivered. Amount: 6,671. (50022094533042)

02-11-2004 suit was registered against LOOK COMMUNICATIONS INC. by HUMBERVIEW MOTORS INC. in connection with breach of contract. Amount: 22,496. (BN04-1269)

07-28-2003 suit was registered against LOOK COMMUNICATIONS INC by CRAIG WIRELESS INTERNATIONAL INC in connection with claims. (QBCI030134005)

04-24-2003 suit was registered against LOOK COMMUNICATIONS INC by OLFMAN BROTHERS INCORPORATED in connection with claims. Amount: 7,500. (QBSC030195078)

07-17-2002 suit was registered against LOOK COMMUNICATIONS by CGU COMPAGNIE D ASSURANCE DU CANADA in connection with damages. Amount: 20,263. (50022073855028)

04-14-2009 LOOK COMMUNICATIONS INC. registered financing statement in favour of UBS WIRELESS SERVICES INC. Assets covered: book debts. Amount: n/a. (652685112)

04-14-2009 LOOK COMMUNICATIONS INC. registered financing statement in favour of UNIQUE BROADBAND SYSTEMS INC. Assets covered: book debts. Amount: n/a. (652685103)

HISTORY

Public company registered ON law 04-30-1998. Business commenced 04-1998. Subject was formed 01-01-2006 by amalgamation of Corporation Edulook Inc, Look Communications Inc, 3796850 Canada Inc, Look Communications (West) Inc, 6054447 Canada Inc, Internet Now Canada Inc, 3565602 Canada Inc, Look Communications (East) Inc and Canix Internet Exchange Ltd. Present control succeeded 01-16-2003.

TRADE STYLE

Look Ultrafast.
Nine Nine Five.
Look Plus.
Look Super.
Look TV.

Lewis, Mark, Chief Executive.
Elliott, Fraser, Sec & Officer - Finance.
Weir, Robert, Officer - Operation.
Hartt, Stanley, Director.
Letwin, Stephen, Director.
Silber, Lawrence, Director.
Rattee, David, Director.

RELATED CONCERNS

Groupe Transcontinentales G T C Ltee, Montreal PQ
(DUNS: 24-458-4397)
CTV Inc, Toronto ON (DUNS: 20-719-1495)

OPERATION

65% subsidiary of Unique Broadband Systems Inc, Milton, ON
(DUNS: 24-848-7076).
4899 0008 Engaged in telecommunication 100%.

Business peaks: non-seasonal.
Principal clients: general public. Principal territory: Canada wide. Principal selling terms: special agreement 100%.
Employs 76, (76 here). (Employed 76 last year).
FACILITIES: Rents suitable space, concrete block building.
LOCATION: Industrial section.

BRANCHES

1755 boul Rene-Levesque E, Montreal PQ.

SUBSIDIARIES

Delphi Supernet Inc
Look Mobility Inc
Look Mobile Corporation
Toonie Loonie Network Inc
Look Communications LP

/** (308/825/810/000) E E 1 H 24-848-7076 **/

Scotiabank, 720 King St W, Toronto, ON.,
Tel: 416 866 3493.

Exhibit 7(a) and 8(a)

Ontario

Electricity Retailer Licence

ER-2011-0343

Sunwave Gas & Power Inc.

Valid Until

June 20, 2017

Original Signed By

Jennifer Lea
Counsel, Special Projects
Ontario Energy Board
Date of Issuance: June 21, 2012

Ontario Energy Board	Commission de l'énergie de l'Ontario
P.O. Box 2319	C.P. 2319
2300 Yonge Street	2300, rue Yonge
27th. Floor	27e étage
Toronto, ON M4P 1E4	Toronto ON M4P 1E4

Table of Contents

Page No.

1 Definitions

In this Licence:

"**Act**" means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

"**consumer**" means a person who uses, for the person's own consumption, electricity that the person did not generate;

"**Electricity Act**" means the *Electricity Act*, *1998*, S.O. 1998, c. 15, Schedule A;

"ECPA" means the *Energy Consumer Protection Act, 2010*, S.O. 2010, c. 8;

"**Licensee**" means Sunwave Gas & Power Inc;

"**Market Rules**" means the rules made under section 32 of the Electricity Act; and

"**regulation**" means a regulation made under the Act, the Electricity Act or the ECPA;

"**residential or small business consumer**" means a consumer who annually uses less than 150,000 kWh of electricity;

For the purpose of this Licence, the terms "retailer" and "retailing" do not apply to a Licensed Distribution Company fulfilling its obligations under section 29 of the Electricity Act.

2 Interpretation

2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act, the Electricity Act, or the ECPA. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence:

a) to sell or offer to sell electricity to a consumer;

b) to act as the agent or broker for a retailer with respect to the sale or offering for sale of electricity; and

c) to act or offer to act as the agent or broker for a consumer with respect to the sale or offering for sale of electricity.

3.2 The Licensee is authorized to conduct business in the name under which this Licence is issued, or any trade name(s) listed in Schedule 1.

4 Obligation to Comply with Legislation, Regulations and Market Rules

4.1 The Licensee shall comply with all applicable provisions of the Act, the Electricity Act, the ECPA and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.

4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Comply with Codes

5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board:

a) the Electricity Retailer Code of Conduct; and

b) the Retail Settlement Code.

5.2 The Licensee shall:

a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and

b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

6 Agent for Service

6.1 If the Licensee does not have an office or other place of business in Ontario, the Licensee shall ensure the continuing appointment at all times of an individual who is a resident of Ontario and is at least 18 years old, or a corporation that has its head office or registered office in Ontario, as the Licensee's agent for service in Ontario on whom service of process, notices or other documentation may be made.

7 Market Power Mitigation Rebates

7.1 The Licensee shall comply with the pass through of Ontario Power Generation rebate conditions set out in Appendix A of this Licence.

8 Provision of Information to the Board

8.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.

8.2 Without limiting the generality of paragraph 8.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

9 Customer Complaint and Dispute Resolution

9.1 The Licensee shall participate in a consumer complaints resolution process selected by the Board.

10 Term of Licence

10.1 This Licence shall take effect on June 21, 2012 and expire on June 20, 2017. The term of this Licence may be extended by the Board.

11 Fees and Assessments

11.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

12 Communication

12.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.

12.2 All official communication relating to this Licence shall be in writing.

12.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

a) when delivered in person to the addressee by hand, by registered mail, or by courier;

b) ten (10) business days after the date of posting if the communication is sent by regular mail; or

c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

13 Copies of the Licence

13.1 The Licensee shall:

a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and

b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

SCHEDULE 1 AUTHORIZED TRADE NAMES

1. Ozz Clean Energy
2. Ozz Solar
3. Sunwave Solar
4. Sunwave Gas
5. Sunwave Gas & Power Inc.

SCHEDULE 2 SPECIAL CONDITIONS

None

Exhibit 7(b) and 8(a) continued

VT INCEPIT FIDELIS SIC PERMANET

Ontario

Gas Marketer Licence

GM-2011-0299

Sunwave Gas & Power Inc.

Valid Until

June 20, 2017

Original Signed By

____

Jennifer Lea
Counsel, Special Projects
Ontario Energy Board
Date of Issuance: June 21, 2012

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th. Floor
Toronto, ON M4P 1E4

Commission de l'énergie de l'Ontario
C.P. 2319
2300, rue Yonge
27e étage
Toronto ON M4P 1E4

Table of Contents **Page No.**

1 Definitions

In this Licence:

"**Act**" means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

"**ECPA**" means the *Energy Consumer Protection Act, 2010*, S.O. 2010, c. 8;

"**low-volume consumer**" means a person who annually uses less than 50,000 cubic meters of gas;

"**Licensee**" means Sunwave Gas & Power Inc.;

"**Regulation**" means regulations made under the Act or the ECPA.

2 Interpretation

2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the ECPA. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

3.1 The Licensee is authorized, under Part IV of the Act, and subject to the terms and conditions set out in this Licence:

a) to sell or offer to sell gas to a low-volume consumer;

b) to act as the agent or broker for seller of gas to a low-volume consumer; and

c) to act or offer to act as the agent or broker of a low-volume consumer in the purchase of gas.

3.2 The Licensee is authorized to conduct business in the name under which this Licence is issued, or any trade name(s) listed in Schedule 1.

4 Obligation to Comply with Legislation and Regulations

4.1 The Licensee shall comply with all applicable provisions of the Act, the ECPA and the Regulations except where the Licensee has been exempted from such compliance by regulation.

5 Obligation to Comply with Codes

5.1 The Licensee shall at all times comply with all applicable provisions of the Code of Conduct for Gas Marketers, as issued and amended by the Board from time to time under Part III of the Act.

5.2 This Licensee shall:

a) make a copy of the Code available for inspection by members of the public at its head office and regional offices during normal business hours; and

b) provide a copy of the Code to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

6 Agent for Service

6.1 If the Licensee does not have an office or other place of business in Ontario, the Licensee shall ensure the continuing appointment at all times of an individual who is a resident of Ontario and is at least 18 years old, or a corporation that has its head office or registered office in Ontario, as the Licensee's agent for service in Ontario on whom service of process, notices or other documentation may be made.

7 Provision of Information to the Board

7.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.

7.2 Without limiting the generality of paragraph 7.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

8 Customer Complaint and Dispute Resolution

8.1 The Licensee shall participate in a consumer complaints resolution process selected by the Board.

9 Term of Licence

9.1 This Licence shall take effect on June 21, 2012 and expire on June 20, 2017. The term of this Licence may be extended by the Board.

10 Fees and Assessments

10.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

11 Communication

11.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.

11.2 All official communication relating to this Licence shall be in writing.

11.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

a) when delivered in person to the addressee by hand, by registered mail, or by courier;

b) ten (10) business days after the date of posting, if the communication is sent by regular mail; or

c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

12 Copies of the Licence

12.1 The Licensee shall:

a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and

b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

SCHEDULE 1 AUTHORIZED TRADE NAMES

1. Ozz Clean Energy
2. Ozz Solar
3. Sunwave Solar
4. Sunwave Gas
5. Sunwave Gas & Power Inc.

Sunwave Gas & Power Pennsylvania Inc.

Application for a Pennsylvania Electric Generation Supplier License

Exhibit 8(a): “Experience, Plan, Structure”

CONFIDENTIAL

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Exhibit 8(b): "Officers"

Officers and Directors of Sunwave Gas & Power Pennsylvania Inc. (an indirect wholly-owned subsidiary of ONEnergy Inc.)

Sole director: Mark J. Lewis

President: Robert Weir

Secretary: Mark J. Lewis

The business address and telephone number for the above officers and director is:

Address: 2225 Sheppard Avenue East, Suite 1600, Toronto, ON M2J 5C2 Canada

Telephone: 1 (416) 444-4848

Officers and Directors of ONEnergy Inc.

Chairman of the Board of Directors: Stephen J.J. Letwin

Director: Lawrence Silber

Director: Stanley Hartt

Director: David Rattee

Chief Executive Officer: Mark J. Lewis

Chief Financial Officer: C. Fraser Elliott

Chief Operating Officer: Robert Weir

The business address and telephone number for the above officers and director is:

Address: 2225 Sheppard Avenue East, Suite 1600, Toronto, ON M2J 5C2 Canada

Telephone: 1 (416) 444-4848

Resumes of Officers

Mark J. Lewis, Chief Executive Officer, ONEnergy Inc.

Mr. Lewis is the Chief Executive Officer of ONEnergy Inc., the parent company of Sunwave Gas & Power Inc. Mr. Lewis brings more than 20 years of executive leadership and management experience in the energy industry, and he led the acquisition of Sunwave by the former Look Communications Inc., resulting in the creation of ONEnergy

Inc. Prior to the creation of ONEnergy Inc. in July 2013, Mr. Lewis was the President and CEO of OZZ Clean Energy Inc., the former parent of Sunwave Gas & Power Inc. Previously Mr. Lewis was a Partner and Managing Director with MissionPoint Capital Partners, a Connecticut-based private investment firm investing in the transition to a lower carbon economy. Mr. Lewis co-led the firm's overall investment strategy and was a member of the investment committee. Mr. Lewis spent a number of years with GE in roles in Europe and North America, including leading the global business development activities of GE's largest industrial business, GE Energy. Mr. Lewis began his career with Credit Suisse in their energy and M&A advisory businesses. He also serves on the boards of Trilliant Inc., a global smart grid solutions provider, and UpWind Solutions Inc., a large independent provider of operations and maintenance services to the North American wind energy industry.

Robert Weir, Chief Operating Officer, ONEnergy Inc., and President, Sunwave Gas & Power Inc.

Mr. Weir has more than 20 years of international and domestic business development and executive management experience in the energy sector. Mr. Weir is currently serves in two capacities as the President of Sunwave Gas & Power Inc. and as the Chief Operating Officer of ONEnergy Inc. Prior to joining Sunwave, Mr. Weir was President of Zoom Energy, a private energy advisory and consulting company. His previous experience includes large scale cogeneration development in Australia and Canada. He led the launch of Constellation New Energy's electric retail business in Ontario and subsequently moved on to manage Constellation New Energy's commodity retail businesses in New York and New Jersey, based out of New York City.

C. Fraser Elliott, Chief Financial Officer, ONEnergy Inc.

ONEnergy Inc's Chief Financial Officer C. Fraser Elliott has a distinguished career developing and building with high-growth companies. In 2011 Mr. Elliott was appointed Chief Financial Officer of ONEnergy Inc.'s predecessor company Look Communications Inc. Previously, Mr. Elliott was a director and officer of Tangarine Payment Solutions Corp., an electronic financial payment solutions provider to small and medium sized retail businesses across Canada. Mr. Elliott has also served since 1987 as the President of CFE Financial Inc., his private investment firm that provide consulting and capital for small to medium sized businesses. Mr. Elliott also serves as Chairman of Gowest Gold Ltd., a publicly-traded Canadian gold exploration and development company.

Ramon ("Ray") de Ocampo, Vice President, Finance, ONEnergy Inc.

Ray de Ocampo is VP Finance for ONEnergy Inc. and is responsible for the financial operations for the Company. Mr. de Ocampo is a chartered accountant and brings more than 20 years of finance leadership experience. Previously, Mr. de Ocampo was head of finance for OZZ Clean Energy Inc., the former parent of Sunwave Gas & Power Inc. Prior to this, he was a member of the founding senior management team that launched Wind Mobile, Canada's fourth largest wireless telecom provider. Mr. de Ocampo has held senior finance positions in high growth or evolving environments, focusing on creating or renewing the finance function.

Sarah E. Kelly, Director, Operations, Sunwave Gas & Power Inc.

Sarah E. Kelly is the Director of Operations for Sunwave Gas & Power Inc. and is responsible for the Company's expansion into the northeast US marketplace, including the Pennsylvania market. Sarah has over 13 years of power and natural gas market experience in the residential, commercial, and industrial market segments. Prior to joining Sunwave, Sarah launch and lead HOP Energy's electricity division where she was responsible for the company's entry into three ISO's across seven states and activity sold product within thirteen utility service areas. She has extensive experience in sales, marketing, customer service, operations, EDI, regulatory/ compliance, and supplier relations. Sarah holds a MBA from Hartford University.

Laura Jurasek, Director, Customer Care, Sunwave Gas & Power Inc.

Laura Jurasek is the Director, Customer Care for Sunwave Gas & Power Inc. With over 36 years of experience in the electric industry, Laura began her career with Ontario Hydro/Hydro One (the former monopoly electric utility in Ontario). She then was with Ontario Hydro Energy (the retail affiliate of Hydro One) for a number of years, and then returned to Hydro One. Laura has extensive experience with several Ontario Energy Board, Ontario Electric Association, Ontario Gas Association committees and brings extensive knowledge of the retail industry to Sunwave Gas & Power Inc. Laura was a member of the ten-year market review for the Ontario Gas Industry, was on the Board of Directors for the Ontario Energy Marketing Association (now known as Ontario Energy Association), and brings extensive board experience from various other industries.

Imran Noorani, Director, Regulatory Affairs, Sunwave Gas & Power Inc.

Imran Noorani is the Director, Regulatory Affairs at Sunwave Gas & Power Inc. Imran has over 12 year of management experience across various sectors including energy, healthcare and management consulting. Prior to joining Sunwave, Imran was a member of the Regulatory Policy group of the Ontario Energy Board ("OEB"), the provincial energy industry regulator in Ontario. While at the OEB Imran worked on over 36 projects, notably developing Ontario's first green energy electricity price forecast, Time-Of-Use Pricing (RPP), and developed an international framework for smart grid and green energy cost allocation for the International Confederation of Electricity Regulators. Prior to his role with the OEB Imran worked as a Regulatory Program Evaluator at Union Gas Ltd, where he managed their DSM portfolio. Imran holds an MBA from the Schulich School of Business at York University. He also serves a Board Member and Treasurer for the Toronto Green Community.

Ken Hatzinikolaou, Director, Portfolio and Risk Management, Sunwave Gas & Power Inc.

Ken Hatzinikolaou is responsible for the electricity and natural gas supply portfolios, product structuring, pricing and its risk management functions as Sunwave Gas & Power's Director of Portfolio and Risk Management. Mr. Hatzinikolaou has more than 12 years of experience in the deregulated energy markets including management roles at Just Energy and Gas South (formerly Southern Company Gas). Mr. Hatzinikolaou is a graduate from Western University with an honors degree in Economics. He is a member of the International Association of Energy Economists.

Andrew Spurvey, Vice President Sales, Sunwave Gas & Power Inc.

Mr. Spurvey is the Vice President of Sales, for Sunwave Gas & Power Inc. Prior to joining Sunwave Gas & Power Inc. in November 2012, Mr. Spurvey was the Vice President of Sales for Roloplast Windows of Canada Inc., a Canadian window & door manufacturing and distribution company. Mr. Spurvey began his career working with Direct Energy Marketing Ltd., succeeding in the capacities of Field Sales, Sales Trainer and Regional Sales Manager, and subsequently becoming the direct sales proponent to Canada's first deregulated public utility offering, with Ontario Hydro Energy Inc., a whole owned subsidiary of Hydro One Networks Inc. Mr. Spurvey has also worked with the world's largest home improvement retailer, The Home Depot, where he was a District Sales Manager, responsible for installation sales for ten Home Depot retail locations in Ontario.

Tim Nerbas, Business Development Consultant

Mr. Nerbas is a business development consultant for ONEnergy Inc. and an industry veteran with more than 30 years of experience in the Canadian energy and energy retailing sectors. Prior to 2013, Nerbas was the founding Partner and President & CEO of Canadian RiteRate Energy Corporation, an online natural gas and electricity retailer. Prior to 2004, Nerbas was Director of Commodity Services at Enbridge Inc., where he led the initiative that successfully rebuilt the retail natural gas business after market deregulation. Prior to 2000, Nerbas held a variety of risk management and financial analysis positions at TransCanada PipeLines Limited and Numac Energy Inc.

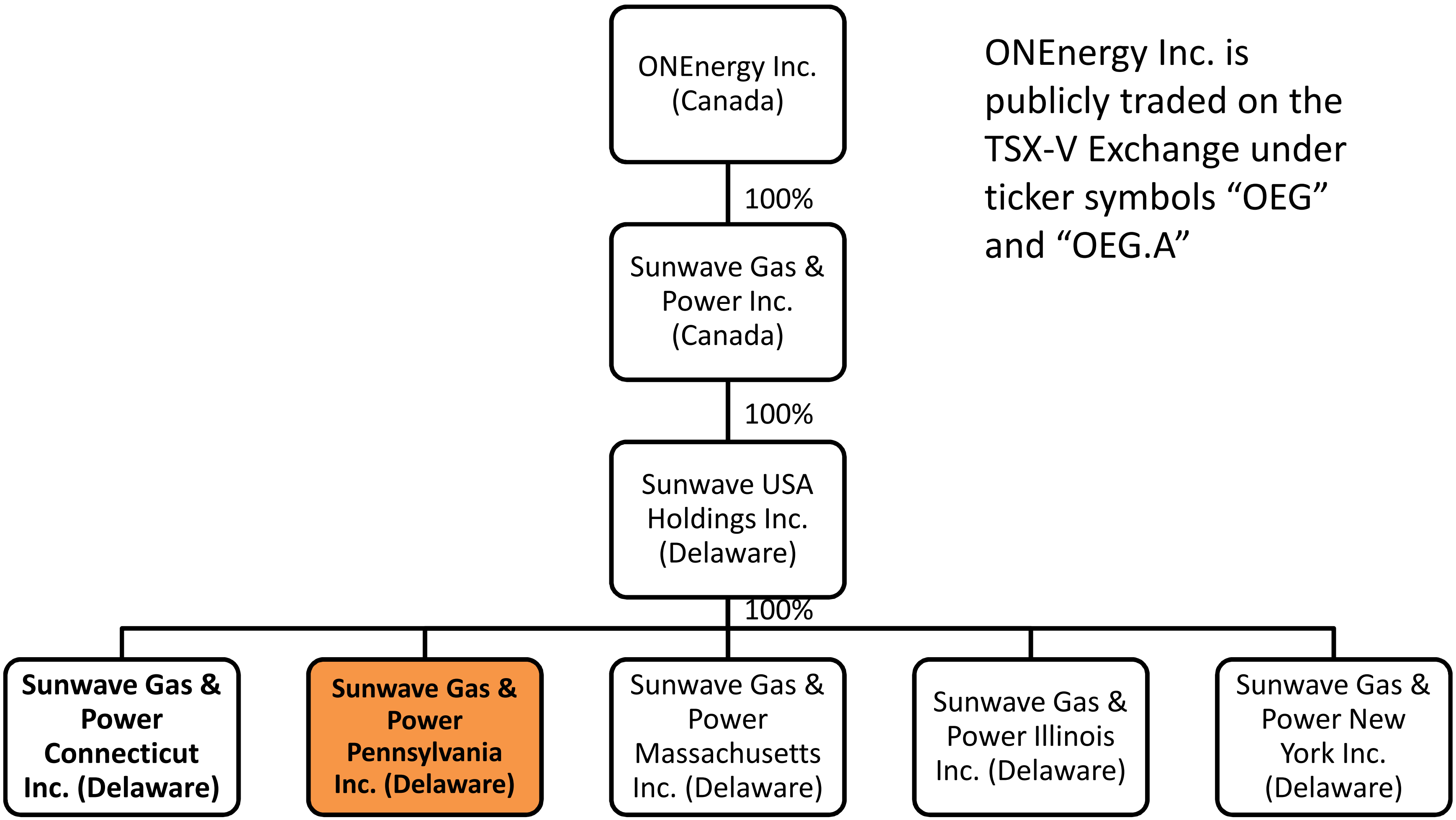
Christine Walterhouse, Vice President Human Resources, ONEnergy Inc.

Ms. Walterhouse brings a dynamic and results-oriented approach to her role as Vice-President Human Resources at ONEnergy Inc. Prior to joining ONEnergy Inc, Ms. Walterhouse was the Vice-President Human Resources of OZZ Clean Energy Inc., the former parent of Sunwave Gas & Power Inc. Previously, Ms. Walterhouse worked as the Director of Human Resources for the Con Drain Group of Companies where she created, built and managed the first dedicated Human Resource function for their four umbrella companies. Ms. Walterhouse brings more than two decades of strategic HR consulting and client service support to senior executives and managers in various industries. Ms.

Walterhouse holds her Certified Human Resources Professional designation, and is experienced in a variety of HR areas, such as Employee Relations, Compensation, Benefits, Labour Relations, Human Resources Management, Health & Safety and Training and Development.

Sunwave Gas & Power Pennsylvania Inc.
Application for a Pennsylvania Electric Supplier License

Corporate Structure



ONEnergy Inc. is publicly traded on the TSX-V Exchange under ticker symbols “OEG” and “OEG.A”

Appendix F

COMMONWEALTH OF PENNSYLVANIA PUBLIC UTILITY COMMISSION	TAX CERTIFICATION STATEMENT	

A completed Tax Certification Statement must accompany all applications for new licenses, renewals or transfers. Failure to provide the requested information and/or any outstanding state income, corporation, and sales (including failure to file or register) will cause your application to be rejected. If additional space is needed, please use white 8 1/2" x 11" paper. Type or print all information requested.

1. CORPORATE OR APPLICANT NAME
Sunwave Gas and Power Pennsylvania Inc.

2. BUSINESS PHONE NO. (647) 253-2534
CONTACT PERSON(S) FOR TAX ACCOUNTS: RAY DE OCAMPO

3. TRADE/FICTITIOUS NAME (IF ANY)

4. LICENSED ADDRESS (STREET, RURAL ROUTE, P.O. BOX NO.) (POST OFFICE) STATE) (ZIP)
20 Marshall Street, Suite 300, Norwalk, CT 06854

5. TYPE OF ENTITY ☐ SOLE PROPRIETOR ☐ PARTNERSHIP ☑ CORPORATION ☐ LLC ☐ OTHER (Describe...)

6. LIST OWNER(S), GENERAL PARTNERS, OR CORPORATE OFFICERS(S)

NAME (PRINT)	SOCIAL SECURITY NUMBER (OPTIONAL)
Mark Lewis	
Robert Weir	

7. LIST THE FOLLOWING STATE & FEDERAL TAX IDENTIFICATION NUMBERS (**ALL ITEMS A,B, & C MUST BE COMPLETED**)
Applicant must provide explanation if submitting N/A for any items
Item A- Designated by the Pennsylvania Department of Revenue.
Item B - Designated by the Internal Revenue Service.
Item C – Designated by the Pennsylvania Department of Revenue. The Corporate Box number may also be referred to as the Corporate Account number.

A. SALES TAX LICENSE (8 DIGITS) APPLICATION PENDING N/A ☐
86-11412091-2

C. CORPORATE BOX NUMBER (7 DIGITS) APPLICATION PENDING ☐ N/A ☐
8512414215

B. EMPLOYER ID (EIN) (9 DIGITS APPLICATION PENDING ☐ N/A ☐
46-3931457

8. Do you have PA employees, resident or non-resident? ☐ YES ☒ NO
9. Do you own any assets or have an office in PA? ☐ YES ☑ NO

NAME AND PHONE NUMBER OF PERSON(S) RESPONSIBLE FOR FILING TAX RETURNS

PA SALES AND USE TAX	EMPLOYER TAXES	CORPORATE TAXES
Ray de Ocampo	Ray de Ocampo	Ray de Ocampo
PHONE: 647-253-2534	PHONE: 647-253-2534	PHONE: 647-253-2534

Telephone inquiries about this form may be directed to the Pennsylvania Department of Revenue at the following numbers: (717) 772-2673, TDD# (717) 772-2252 (Hearing Impaired Only)

Appendix G
Sunwave Gas and Power Pennsylvania Inc.
Electric Supply Disclosure Statement – Agreement Enrollment Form

Customer Information:		**Account Information:**	
Full Name (as it appears on your utility bill)		Electric Utility Company Name	
Authorized Full Name (if different)		Account Number/ Customer Number*	
Service Address			
City/Town		Variable Price (per kWh)	$
State/ZIP		Fixed Price (per kWh)	$
Telephone Number		Initial Term (months)	
E-mail Address		Rate Class	

Billing Address (if different from above):

Billing Address			
City/ Town			
State/ ZIP		Sunwave's Customer Care	(855) 478-6928

*Please refer to your most recent electric utility company bill for your PECO/ PPL account number, MetEd Customer Number.

Background

Sunwave Gas and Power Pennsylvania Inc ("Sunwave") is licensed by the Pennsylvania Public Utility Commission to offer and supply electric generation services in Pennsylvania. Our PUC license number is X-XXXX-XXX-XXXX. As a licensed electric supplier, Sunwave sets the generation prices and charges that you pay. The Public Utility Commission regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

Billing and Payment: You will continue to receive a single bill processed and provided by your local electric utility company that will contain Sunwave's electric generation service charge for the amount of electricity used. Your local utility company will continue to read your meter each month. Payment is due to the local utility company in accordance with their standard billing practices.

Right of Rescission: You may cancel this agreement, without penalty, at any time before midnight of the third business day after you receive this disclosure in your Welcome package by calling Sunwave at the Customer Care phone number noted above. Your Welcome package will include a Welcome Letter and Sunwaves's Terms and Conditions. The Welcome package shall be considered to have been received by you within five (5) business days from the date on your Welcome Letter.

Definitions:

Generation Charge - Charge for production of electricity.

Transmission Charge - Charge for moving high voltage electricity from a generation facility to the distribution lines of an electric distribution company.

Terms & Conditions

1. **Basic Service Prices**: Sunwave will supply 100% of your electric generation service, to be delivered by your local electric utility company, subject to the terms and conditions of this Agreement. You will receive electric generation service from Sunwave at the Fixed Price or at a Monthly Variable Price defined above for the Initial Term defined above. Price includes Generation and Transmission Charges and will include applicable state and local Sales Taxes.

   Fixed Price – If you choose the Fixed Price option, your Fixed Price will not change during the initial term of this Agreement.
   Variable Price – If you choose the Variable Price option, your Variable Price is effective for the first month of this Agreement and will change each month thereafter. The Variable Price will be based on your usage as provided by the local utility company multiplied by the Real Time Locational Based Marginal Price for the zone in which your account is located as published by the PJM Interconnection, averaged for all hours during the billing period. PJM is the regional transmission organization responsible for the transmission grid in which your account is located. The Variable Price will include all energy related charges incurred by Sunwave for serving your account during the applicable billing period including, without limitation, congestion, capacity, transmission, line losses, ancillaries, renewable portfolio charges and a reasonable profit margin determined by Sunwave. Since the Variable Price is a monthly market based price, it is likely to change for each billing period and, as a result, may be higher or lower than your utility price. You may call Sunwave at (855) 478-6928 for current variable prices.
2. **Length of Agreement:** Under this Agreement, your service with Sunwave will be in effect for the Initial Term which will begin on your service start date set by your local utility company which will take affect when your account is successfully switched to Sunwave and will end when the local utility company successfully switches your account to another electric supplier or to the local utility company.
3. **Special Terms and Conditions:** Not applicable.
4. **Special Services:** Not applicable
5. **Penalties, Fees, Exceptions:** IN THE EVENT THAT YOU CANCEL THE FIXED PRICE OPTION FOR THIS AGREEMENT FOR ANY REASON AFTER THE 3 DAY RESCISSION PERIOD AND BEFORE THE END OF THE INITIAL TERM, , YOU WILL PAY A CANCELLATION FEE OF $12.50 PER MONTH, FOR THE REMAINING MONTHS DURING YOUR INITIAL TERM, AS NOTED IN YOUR WELCOME LETTER. THIS CANCELLATION FEE IS MEANT SOLELY FOR THE PURPOSE OF COMPENSATING SUNWAVE FOR THE DIRECT AND INDIRECT COSTS OF THE ELECTRICITY WE HAVE PURCHASED INADVANCE ON YOUR BEHALF FOR YOUR INITIAL TERM.
6. **Cancellation Provisions:** You may cancel this Agreement at any time for any reason by providing Sunwave at least 30 days advance notice. You must contact Sunwave at (855) 478-6928 to cancel this Agreement. The cancellation will become effective

when your local utility company successfully switches your account to another electric supplier or back to the local utility company. Cancellation will not relieve you of any payment obligations for service under this Agreement. If you have selected the Fixed Price option and you cancel this Agreement for any reason, Sunwave will charge you the early cancellation fee described in section 4, above.

7. **Renewal Provision/Agreement Expiration/Change in Terms:** If you have selected the Fixed Price option and your Fixed Price term is approaching its expiration **or** if Sunwave proposes to change the terms of service under this Agreement, Sunwave will send Customer two (2) advance notices between 45 and 90 days before either the expiration date or the effective date of any changes. Sunwave will explain your renewal options in these two advance notices.
8. **Dispute Resolution:** You should contact Sunwave at (855) 478-6928 or by mail at 200 Marshall Street, Suite 300, Norwalk, CT 06854 regarding any dispute related to this Agreement. If Sunwave cannot resolve a dispute in an efficient, fair and timely manner, Customer may also contact the Pennsylvania Public Utility Commission at (800) 692-7380 or by mail at P.O. Box 3265, Harrisburg, PA 17105-3265.
9. **Contact Information:** I

   In the event of an emergency, you should contact its local electric utility company at the emergency phone numbers listed below:
   PECO: (800) 841-4141
   PP&L: (800) 342-5775
   Met-Ed: (888) 544-4877
   You can contact its local utility company's universal service program for bill payment assistance as follows:
   PECO – Customer Assistance Program (CAP) at (800) 774-7040
   PPL – Customer Assistance Program (OnTrack) at (800) 358-6623
   Met-Ed (FirstEnergy) - Customer Assistance Program (CAP) at (800) 545-7741
   You can contact its local utility company for non-emergency matters as follows:
   PECO Customer Service: (800) 494-4000 PPL Customer Service: (800) 342-5775
   Met-Ed (FirstEnergy): (800) 545-7741
   You can contact the Pennsylvania Public Utility Commission as follows:
   Public Utility Commission (PUC)
   P.O. Box 3265
   Harrisburg, PA 71705-3265
   Choice Hotline Number (800) 692-7380
   You can contact Sunwave for customer service and generation service charge questions at (855) 478-6928.
10. **Assignment**: Sunwave may assign, sell, transfer, or pledge this Contract and Your service to another electric supplier or other entity as authorized by PUC. In the event that Sunwave assigns, sells, transfers or pledges this Contract, Sunwave will notify You of such assignment no less than thirty (30) days prior to the effective date of the assignment. Such assignment will not result in any service interruption for You. You may not assign Your interest in or delegate Your obligations under this Contract without the express written consent of Sunwave.
11. **Entire Agreement:** This Agreement is the entire Agreement between you and Sunwave. You understand that Sunwave's obligations under this Agreement are subject to present and future law and/or regulations of any governmental authority having jurisdiction over this Agreement and the services provided by Sunwave to you. Sunwave may modify, reassign or terminate this Agreement if changes in such law and/or regulations adversely impact Sunwave's ability to perform hereunder. Sunwave shall provide 90 and 45 day advance notices of any changes to this Agreement.
12. **Customer Information:** You authorize your local utility company to release to Sunwave with information necessary for Sunwave to facilitate this Agreement, including account number, usage and payment history. Privacy of your information is governed by 52 Pa Code 54.8 of which Sunwave shall comply.
13. **Warranty Disclaimer:** You understand and agree that there are no warranties, express or implied, associated with the electric generation service sold under this Agreement. Sunwave shall bear no liability to you or any third party for consequential, incidental, punitive, special or other indirect damages.
14. **Title:** Title and risk of loss to the electricity sold hereunder shall pass from Sunwave to you when it is delivered to the Point of Delivery under this Agreement. Point of Delivery is a point or points on the PJM Interconnection Grid identified by your local utility company for such deliveries. Delivery to your account(s) will be made by your local utility company. You will indemnify and defend Sunwave from all claims for any loss, damage, or injury to persons or property arising from or related to the distribution or consumption of electricity at and after the Point of Delivery.
15. **Force Majeure:** In the event of circumstances beyond its control such as events of force majeure as defined by your local utility company or any transmitting or transportation entity, acts of God, sabotage or acts of terrorism, Sunwave shall not be responsible for supplying electricity to you until such events have been cured and Sunwave is able to resume service under this Agreement.

Appendix H

Notice of Publication

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
NOTICE

Application of ***Sunwave Gas and Power Pennsylvania Inc.*** *For Approval To Offer, Render, Furnish Or Supply Electricity Services As A Supplier Of Electric Power To The Public In The Commonwealth Of Pennsylvania.*

Sunwave Gas and Power Pennsylvania Inc. will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity as a supplier of electric power. **Sunwave Gas and Power Pennsylvania Inc.** proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of ***Sunwave Gas and Power Pennsylvania Inc.*** may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to ***Sunwave Gas and Power Pennsylvania Inc.*** address listed below.

Sunwave Gas and Power
20 Marshall Street, Suite 300
Norwalk, CT 06854
Phone: (203) 286-0404
Fax: (203) 286-0588

SUPPLIER COMPANY CONTACTS

Company Name: Sunwave Gas and Power Pennsylvania Inc

Date Submitted: 10/29/2013

Company d/b/a:

Company License Number: X-XXX-XXX-XXXX

	M.	First Name	Last Name	Prof. Title	Street	City	State	Zip	Phone	FAX	E-Mail
EXAMPLE:	Mr.	Robert	Bennett	Manager	P.O. Box 3265	Harrisburg	PA	17105-3265	(717) 787-5553	(717) 772-1933	bennettr@puc.state.pa.us
1 **Statutory Agent:**		Corporation Services Company			2595 Interstate Drive, Suite 103	Harrisburg	PA	17110	800-927-9800	302-636-5454	
2 **CEO/President:**	Mr.	Rob	Weir	President	20 Marshall Street, Suite 300	Norwalk	CT	06854	647-253-2508	647-253-2525	rweir@sunwavegas.com
3 **Regulatory Contact:**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	203-286-0404	203-286-0588	skelly@sunwavegas.com
4 **Tariff Contact:**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	203-286-0404	203-286-0588	skelly@sunwavegas.com
5 **Annual Reports:**	Mr.	Ray	de Ocampo	VP, Finance	2225 Sheppard Ave, East, Suite 1600	Toronto	CA	M2J 5C2	647-253-2534	647-253-2525	·deocampo@onenergyinc.com
6 **Assessments:**	Mr.	Ray	de Ocampo	VP, Finance	2225 Sheppard Ave, East, Suite 1600	Toronto	CA	M2J 5C2	647-253-2534	647-253-2525	·deocampo@onenergyinc.com
7 **PEMA Contact:**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	203-286-0404	203-286-0588	skelly@sunwavegas.com
8 **Customer Service:**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	855-478-6928	203-286-0588	skelly@sunwavegas.com
9 **Legal Counsel:**	TBD										
10 **Complaints Contact:**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	203-286-0404	203-286-0588	skelly@sunwavegas.com
11 **EDI Transactions:**	TBD										
12 **Electric Phase-In Committee**	Ms.	Sarah	Kelly	Director, Operations	20 Marshall Street, Suite 300	Norwalk	CT	06854	203-286-0404	203-286-0588	skelly@sunwavegas.com

Document No. 152725
29-10-2013