Wanted Technologies Corporation

Interim Consolidated Financial Statements
September 30, 2011

NOTICE FROM MANAGEMENT

The attached interim consolidated financial statements have not been reviewed nor audited by the Company's external auditors.

Wanted Technologies Corporation
Interim Consolidated Statement of Financial Position

(in Canadian dollars)
(unaudited)

	Notes	**September 30, 2011**	June 30, 2011	July 1, 2010
		$	$	$
ASSETS				
Current assets				
Cash		**892 067**	902 840	898 606
Investments	8	**523 875**	523 875	1 532 307
Trade and other receivables	9	**467 399**	722 664	290 709
Tax credits for research and development receivable		**355 383**	288 191	246 096
Prepaid expenses		**166 805**	237 467	168 139
		2 405 529	2 675 037	3 135 857
Non-current assets				
Property, plant and equipment	10	**833 894**	851 507	556 960
Intangible assets	11	**529 995**	570 765	733 845
Goodwill		**2 058 456**	2 058 456	2 058 456
Total assets		**5 827 874**	6 155 765	6 485 118
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	12	**713 443**	814 480	450 228
Deferred revenue		**574 532**	496 072	351 017
Income taxes payable		**31 901**	100 713	91 788
Instalments on long-term debt	14	**69 684**	79 841	441 104
		1 389 560	1 491 106	1 334 137
Non-current liabilities				
Deferred lease incentives		**21 692**	22 968	
Long-term debt	14	**104 088**	111 048	
Deferred Income Taxes		**254 398**	273 967	352 246
Total liabilities		**1 769 738**	1 899 089	1 686 383
EQUITY				
Equity attributable to shareholders of Wanted Technologies Corporation				
Share capital	15	**10 690 212**	10 690 212	10 690 212
Stock options	16	**305 631**	294 128	290 425
Contributed surplus		**2 011 268**	2 011 268	1 892 265
Deficit		**(8 948 975)**	(8 738 932)	(8 074 167)
Total equity		**4 058 136**	4 256 676	4 798 735
Total equity and liabilities		**5 827 874**	6 155 765	6 485 118

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

Wanted Technologies Corporation
Interim Consolidated Statement of Changes in Equity
For the three months ended September 30, 2011 and 2010
(in Canadian dollars)
(unaudited)

	Attributable to shareholders of Wanted Technologies Corp.				
	Share Capital	Stock options	Contributed surplus	Deficit	Total
	$	$	$	$	$
Balance at July 1, 2011	10 690 212	294 128	2 011 268	(8 738 932)	4 256 676
Loss and comprehensive loss for the period				(210 043)	(210 043)
Stock-based compensation		11 503			11 503
Balance at September 30, 2011	**10 690 212**	**305 631**	**2 011 268**	**(8 948 975)**	**4 058 136**
Balance at July 1, 2010	10 690 212	290 425	1 892 265	(8 074 167)	4 798 735
Loss and comprehensive loss for the period				(19 888)	(19 888)
Stock-based compensation		16 596			16 596
Balance at September 30, 2010	10 690 212	307 021	1 892 265	(8 094 055)	4 795 443

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

Wanted Technologies Corporation
Interim Consolidated Statement of Income (Loss) and Comprehensive Income (Loss)
For the three months ended September 30, 2011 and 2010
(in Canadian dollars)
(unaudited)

	Notes	Three-month periods ended September 30, 2011	2010
		(unaudited)	(unaudited)
		$	$
Revenues	7	**1 320 055**	1 247 345
Cost of sales	18	**(111 797)**	(135 977)
Gross margin		**1 208 258**	1 111 368
Research and development expenses	18	**(547 068)**	(377 131)
Marketing and selling expenses	18	**(608 056)**	(480 929)
Administrative expenses	18	**(310 502)**	(248 798)
Other financial expenses		**(4 691)**	(3 572)
Other losses-net	17		(2 075)
Operating loss		**(262 059)**	(1 137)
Finance income		**2 538**	2 468
Finance costs		**63 973**	(21 993)
Finance costs-net	21	**66 511**	(19 525)
Loss before income tax		**(195 548)**	(20 662)
Current Income Tax		**(34 064)**	(18 795)
Deferred Income Tax		**19 569**	19 569
Net loss and comprehensive loss for the period		**(210 043)**	(19 888)
Basic and diluted net loss per share	22	**(0,0087)**	(0,0008)

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

Wanted Technologies Corporation
Interim Consolidated Statement of Cash Flows
For the three months ended September 30, 2011 and 2010
(in Canadian dollars)
(unaudited)

	Notes	2011	2010
		$	$
Cash flows from the following activities:			
Operating activities			
Net loss and comprehensive loss for the period		**(210 043)**	(19 888)
Adjustments for:			
Amortization of property, plant and equipment	10	**61 369**	51 988
Amortization of intangible assets	11	**40 770**	40 770
Deferred income taxes		**(19 569)**	(19 569)
Deferred lease incentives		**(1 276)**	
Loss on disposal of property, plant and equipment			2 075
Stock-based compensation		**11 503**	16 596
Finance costs-net	21	**(66 511)**	19 525
Net gains (losses) on foreign exchange		**67 007**	(20 119)
Changes in working capital items			
Trade and other receivables		**255 265**	(155 278)
Tax credits for research and development receivable		**(67 192)**	(72 983)
Prepaid expenses		**70 662**	37 881
Accounts payable and accrued liabilities		**(101 037)**	35 895
Deferred revenue		**78 460**	(83 364)
Income taxes		**(68 812)**	(48 936)
Cash flows from operating activities		**50 596**	(215 407)
Investing activities			
Purchases of property, plant and equipment		**(11 133)**	(102 525)
Proceeds from sale of property, plant and equipment			7 000
Interest received		**2 538**	2 468
Cash flows from investing activities		**(8 595)**	(93 057)
Financing activities			
Repayment of debt		**(49 740)**	(403 371)
Interests paid		**(3 034)**	(1 874)
Cash flows from financing activities		**(52 774)**	(405 245)
Net decrease in cash		**(10 773)**	(713 709)
Cash, beginning of period		**902 840**	898 606
Cash, end of period		**892 067**	184 897
Cash paid for income tax		**(102 876)**	(67 731)

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

Wanted Technologies Corporation
Notes to Interim Consolidated Financial Statements
For the three months ended September 30, 2011 and 2010

(in Canadian dollars)
(unaudited)

1 General information

Wanted Technologies Corporation and its subsidiary Wanted USA, Inc. (together "the Company") provide real-time business intelligence for the talent marketplace. The Company has offices in Canada and the United States and sells mainly in those countries.

The Company is incorporated under the Canada Business Corporation Act and is listed on the TSX Venture Exchange. The head office is located at 400, Jean-Lesage Blvd., suite 500 Hall East, Quebec (Quebec), Canada.

2 Basis of preparation and adoption of IFRS

The interim consolidated financial statements of Wanted Technologies Corporation for the three months ended September 30, 2011 have been prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*. As disclosed in note 4, there is no impact of transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company's financial statements for the year ended June 30, 2011.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS") which are expected to be both in effect at June 30, 2012 and adopted by the Company in its annual financial statements. The accounting policies described herein have been applied on a consistent basis for all annual financial statements. The accounting policies described herein have been applied on a consistent basis for all reported periods, unless otherwise indicated. Previously, the consolidated financial statements of the Company were prepared according to Canadian GAAP in effect before the changeover (“GAAP”).

These are the Company’s initial interim consolidated financial statements prepared in the initial year of application of IFRS and the Company has applied IFRS 1, *First-time Adoption of International Financial Reporting Standards.*

The interim consolidated financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended June 30, 2011.

3 Significant accounting policies

The principal accounting policies applied in the preparation of these unaudited interim consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of evaluation

These interim consolidated financial statements have been prepared under the historical cost convention, with the exception of financial assets and financial liabilities that are revalued at fair value through profit or loss.

Principle of consolidation

The consolidated financial statements of the Company include the accounts of its subsidiary, Wanted USA, Inc.

Subsidaries are all entities over which the Company has control, where control is defined as the power to govern financial and operating policies. Generally, the Company has a shareholding of more than 50% of the voting rights in its subsidiaries. The effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether control exists. Subsidaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date the control ceases.

3 Significant accounting policies (continued)

Principle of consolidation (continued)

Inter-company transactions, balances and unrealized gains on transactions between the Company's entities are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Segment reporting

The Company primarily operates in one reportable segment.

Foreign currency translation

The consolidated financial statements are presented in Canadian dollars (CAD), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at end of period exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Classification of financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, financial assets at amortized cost, loans and receivables and financial liabilities at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) At fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in net earnings. Gains and losses arising from changes in fair value are presented in the income statement in the period in which they arise.

(b) Financial assets at amortized cost

Financial assets at amortized cost are held-to-maturity investments.

3 Significant accounting policies (continued)

Classification of financial instruments (continued)

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. Financial assets classified as loans and receivables are recognized initially at the amount expected to be received less, when material, a discount to reclass the loans and receivables to fair value. Subsequently, they are measured at amortized cost using the effective interest method less a provision for impairment. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables include trade and other receivables, cash and cash equivalents and term deposits.

(d) Financial liabilities at amortized cost

Financial liabilities include accounts payable and accrued liabilities and long-term debt and are initially recognized at the amount required to be paid less, when material, a discount to reduce the payable to fair value. Subsequently, they are measured at amortized cost using the effective interest method, which corresponds to par value due to their short-term maturity.

Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade-date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are substantially carried at fair value. Loans and receivables are subsquently carried at amortized cost using the effective interest method.

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other (losses)/gains-net in the period which they arise.

Impairment of assets

The carrying amount of the Company's assets (which include property, plant and equipement and intangible assets) is reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independant of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3 Significant accounting policies (continued)

Impairment of assets (continued)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful live, for example goodwill, are not subject to amortization and are tested annually for impairment.

Cash and cash equivalents

Cash and cash equivalents consist of cash and investments with an original maturity of three months or less at the acquisition date.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquincy in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the income statement within "Administrative expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "Administrative expenses" in the income statement.

Research and development costs and tax credits for a Company registered at the Centre National des Nouvelles Technologies de Québec (CNNTQ), for the Development of E-Business and for research and development

Research and development costs are expensed as they are incurred. However, development costs are deferred when they meet the generally accepted criteria to the extent that their recovery can reasonably be regarded as assured.

Tax credits for a Company registered at the CNNTQ, for the Development of E-Business and for research and development are applied against research and development costs during the year in which the costs are incurred, provided that the Company is reasonably certain that the credits will be received. These tax credits must be examined and approved by the tax authorities and it is possible that the amounts granted will differ from the amounts recorded.

Wanted Technologies Corporation
Notes to Interim Consolidated Financial Statements
For the three months ended September 30, 2011 and 2010

(in Canadian dollars)
(unaudited)

3 Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the following methods, annual rates and periods to allocate their cost or revalued amounts to their residual values over the estimated useful lives, as follows:

Furniture and equipment	Diminishing balance	20%
Computer equipment & software	Diminishing balance	30%
Leasehold improvements	Straight-line	5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other (losses)/gains-net" in profit or loss.

Intangible asset

The client list has a finite useful life and is carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the client list of 7.5 years.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3 Significant accounting policies (continued)

Leases

Leases are classified as either operating or finance, based on the substance of the transaction at inception of the lease. Classification is re-assessed if the terms of the lease are changed.

(a) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under an operating lease (net of any incentives received from the lessor) are recognized in the income statement on a straight-line basis over the period of the lease.

(b) Finance lease

The Company leases certain property, plant and equipment. Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance oustanding. The corresponding rental obligations, net of finance charges, are included in the long-term debt. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the useful life.

Long-term debt

Debt is initially recognized at fair value, net of transaction costs incurred. Debt is subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the term of the debt using the effective interest method.

Debt is classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Employee benefits

(a) Bonus plan

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(b) Stock-based compensation

The Company maintains a stock option plan, which is described in note 16. In accordance with IFRS, the Company uses the fair value method to account for options granted to employees. Accordingly, all stock-based compensation awards are expensed in the financial statements. Any consideration received from plan participants upon the exercise of stock options is credited to share capital.

3 Significant accounting policies (continued)

Provisions

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present legal obligation as a result of past events; it is more likely that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at management's best estimate of the expenditures expected to be required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material. The increase in the provision due to passage of time is recognized as interest expense. Changes in assumptions or estimates are reflected in the period in which they occur. The discount rate used is based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, excluding the risks for which future cash flows estimates have already been adjusted.

The Company had no provisions as at September 30, 2011, June 30, 2011 and July 1, 2010.

Income taxes

Tax expense comprises current and deferred tax. Tax is recognized in the income statement.

(a) Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period, and which are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilized; and are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination.

3 Significant accounting policies (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below.

(a) Sales of services

The Company sells database access. These services are provided as a fixed-price contract and are generally recognized on a straight-line basis over the term of the contract generally ranging from 12 to 24 months.

(b) Interest income

Interest income is recognized using the effective interest method.

Share capital

Ordinary shares are classified as equity.

Share capital issued for non-monetary consideration is generally recorded at the quoted market price. Share issue expenses are applied against share capital.

Basic and diluted earnings per share

Basic earnings per share are determined using the weighted average number of participating shares outstanding during the period. Diluted earnings per share are determined using the weighted average number of participating shares outstanding during the period, plus the effects of dilutive potential participating shares outstanding during the period. The calculation of diluted earnings per share is made using the treasury stock method, as if all dilutive potential shares had been exercised at the later of the beginning of the period or the date of issuance, as the case may be, and that the funds obtained thereby be used to purchase participating shares of the Company at the average market value of the participating shares during the period.

3 Significant accounting policies (continued)

New accounting standards issued but not yet in effect

The IASB issued the following standards which are relevant but have not yet been adopted by the Company: IFRS 9, Financial instruments, IFRS 10, Consolidated Financial Statements, IFRS 12, Disclosure of Interests in Other Entities, IFRS 13, Fair Value Measurement and amended IAS 27, Separate Financial Statements. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the requirements.

IFRS 9 – Financial instruments – classification and measurement

IFRS 9, Financial Instruments, was issued in November 2009. It addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39, Financial Instruments – Recognition and Measurement, for debt instruments with a new mixed measurement model with only two categories: amortized cost and fair value through profit or loss.

Requirements for financial liabilities were added in October 2010. They largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit or loss would generally be recorded in other comprehensive income. The application of IFRS 9 is required for accounting periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt it early.

IFRS 10 – Consolidation

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, Consolidation – Special Purpose Entities and parts of IAS 27, Consolidated and Separate Financial Statements.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off-balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interest in other entities.

IFRS 13 – Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an assets, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

3 Significant accounting policies (continued)

Amendments to Other Standards

In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 and 13.

4 Transition to IFRS

The Company's interim consolidated financial statements have been prepared in accordance with IAS 34. These are the Company's first financial statements prepared under IAS 34. IFRS 1, *First-time Adoption of IFRS* has been applied. The Company's transition date is July 1, 2010, (''transition date''). The Company prepared its opening IFRS statement of financial position at that date.

As at July 1, 2010, September 30, 2010 and June 30, 2011 and for the three-month period ended September 30, 2010 and the year ended June 30, 2011, there is no effect on equity or on the statement of income (loss) and comprehensive income (loss) and on cash flows arising from the transition to IFRS.

First-time Adoption exceptions and exemptions

Upon transition, IFRS 1 requires certain mandatory exceptions and permits certain optional exemptions to retrospective application.

The following mandatory exceptions apply to the Company:

· The estimates used by the Company under IFRS on the date of transition to IFRS and for the comparative period are consistent with the estimates used under GAAP at the same date, adjusted for accounting policy differences where necessary;

· The Company applied the derecognition provisions in IAS 39, *Financial Instruments: Recognition and Measurement* prospectively for transactions occurring on or after the date of transition as permitted by an amendment to IFRS 1 issued in October 2010 and early-applied as of July 1, 2010.

The Company will apply the following exemptions:

· The Company has elected not to apply IFRS 3, *Business Combinations* retrospectively to business combinations that occurred before the date of transition (July 1, 2010).

· The Company has elected not to apply retrospectively the recognition of borrowing costs relating to qualifying assets.

· The Company has elected not to apply IFRS 2, *Share-based Payments* retrospectively, to options granted before November 7, 2002 and to options granted after November 7, 2002 that vested before the date of transition.

5 Financial risk management and financial assets and liabilities

5,1 Financial risks factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

(a) Market risk

(i) Currency risk

The Company is subject to a variety of currency risks, including the risks that currencies will not be convertible at satisfactory rates, that the official conversion rates between the different currencies in which the Company operates may not accurately reflect the relative value of goods and services available or required in the foreign jurisdictions in which the Company operates and that inflation will lead to the devaluation of the currencies in the foreign countries in which the Company has operations.

As at September 30, 2011, the Company has trade accounts receivable denominated in U.S. dollars amounting to $432,015 ($719,558 as at June 30, 2011), accounts payable denominated in U.S. dollars amounting to $344,176 ($469,580 as at June 30, 2011) and cash denominated in U.S. dollars amounting to $214,982 ($281,646 as at June 30, 2011).

A five (5) cent increase or decrease in the exchange rate of the Canadian dollar compared to the U.S. dollar, assuming that all other variables are constant, would have resulted in a $27,000 increase or decrease in the Company’s net loss for the three-month period ended September 30, 2011.

The Company does not use derivative instruments to reduce its currency risk exposure.

(ii) Cash flow and fair value interest rate risk

The term deposit and the term loan bear interest at a fixed rate and the Company is therefore exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The bank loan bears interest at a variable rate and the Company is, therefore, exposed to the cash flow risks resulting from interest rate fluctuations.

Management considers that fluctuations of the interest rates would not have a material impact on the results of the Company.

The Company does not use derivative instruments to reduce its interest rate risk exposure.

Wanted Technologies Corporation
Notes to Interim Consolidated Financial Statements
For the three months ended September 30, 2011 and 2010

(in Canadian dollars)
(unaudited)

5 Financial risk management and financial assets and liabilities (continued)

5,1 Financial risks factors (continued)

(b) Credit risk

The carrying amount on the statement of financial position of the Company's financial assets exposed to credit risk represents the maximum amount exposed to credit risk.

The following table summarizes the Company's exposure to credit risk:

	2011-09-30	2011-06-30
	$	$
Cash	**892 067**	902 840
Investments	**523 875**	523 875
Trade and other receivables	**467 399**	722 664

The Company's management considers that all the above financial assets that are not impaired are of good credit quality.

In the normal course of its operations, the Company evaluates the financial condition of its customers on an ongoing basis.

As at September 30, 2011, the Company had a concentration of $874,334 in cash ($870,870 as at June 30, 2011) and a term deposit of $523,875 ($523,875 as at June 30, 2011) with a well-known financial institution. Management considers this financial institution to be at low risk of loss.

(c) Liquidity risk

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the Company has financing sources such as bank loans for a sufficient authorized amount. The Company establishes budget and cash estimates to ensure it has the necessary funds to fulfil its obligations.

As at September 30, 2011, the Company's liabilities have contractual maturities (including interest payments where applicable) as summarized below:

	Less than 1 years	1-5 years
	$	$
Loan	36 401	94 730
Obligations under finance leases	42 641	
Accounts payable and accrued liabilities	713 443	
	792 485	94 730

5,2 *Capital risk management*

The Company manages its capital with the objective to generate return to its shareholders. The Company aims at keeping a flexible financial structure with a ratio of debts that allows the Company to adequately sustain the daily operations and that will permit the Company to have access to the required sources of financing to continue its growth plan. The Company manages it capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or conclude new financing through debts.

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5 Financial risk management and financial assets and liabilities (continued)

5,2 *Capital risk management (continued)*

The Company's capital is described to be shareholder's equity and long-term debt less cash and investments ($2,815,966 as at September 30, 2011; $3,020,850 as at June 30, 2011).

The Company’s credit facilities include certain covenants affecting, among others, ratios such as the working capital ratio, the interest coverage ratio and the debt-to-capital ratio. These ratios are closely monitored by management and the Company is not in compliance with one of the ratios as at September 30, 2011. Other than covenants related to its credit facilities, the Company is not subject to any other externally imposed capital requirements.

5,3 *Fair value estimation*

The following methods and assumptions were used to determine the estimated fair value of each class of financial instruments:

The fair value of the term deposit is determined by discounting future cash flows using the rate that the Company could use for investments with similar terms and conditions and maturity dates, i.e. 0.75% and does not differ significantly from the carrying amount.

The fair value of the term loan and the obligations under finance leases is determined by discounting future cash flows using rates that the Company could use for loans with similar terms and conditions and maturity dates. The fair value of these long-term debts, assuming an interest rate of 8% for the term loan and 4% for the obligations under finance leases, does not differ significantly from the carrying amount.

5,4 Financial instrument classification

The carrying amount of the Company's financial assets and liabilities, as recognized on the statements of financial position, may be classified as shown in the following table:

	2011-09-30 (unaudited)	2011-06-30 (unaudited)	2010-07-01 (unaudited)
	$	$	$
Current assets			
Loans and receivables			
Cash	**892 067**	902 840	898 606
Investments - term deposit	**523 875**	523 875	522 308
Trade and other receivables	**467 399**	722 664	290 709
Financial assets at amortized cost			
Investments - banker's acceptances			1 009 999
	1 883 341	2 149 379	2 721 622
Current liabilities			
Financial liabilities at amortized cost			
Accounts payable and accrued liabilities	**713 443**	814 480	450 228
Non-current liabilities			
Financial liabilities at amortized cost			
Long-term debt (including short-term installments)	**173 772**	190 889	441 104

5 Financial risk management and financial assets and liabilities (continued)

5,4 Financial instrument classification (continued)

Hierarchy of fair value measurements

The Company classifies its financial assets and liabilities measured at fair value into three levels, where necessary, according to the observability of the inputs used in their measurement.

Level 1: This level includes assets and liabilities measured at fair value based on adjusted quoted prices for identical assets and liabilities in active markets that the Company can access on the measurement date.

Level 2: This level includes measurements based on directly or indirectly observable inputs other than quoted prices included in Level 1. Financial instruments in this category are measured using valuation models or other standard valuation techniques that rely on observable market inputs.

Level 3: The measurements used in this level rest on inputs that are unobservable, unavailable, or whose observable inputs do not justify the largest part of the fair value of instruments.

6 Signifiant accounting jugements and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities reported in the financial statements. Those estimates and assumptions also affect the disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

(a) Impairment of goodwill and non-current assets

At the end of each reporting period, the Company assesses whether there is any indication that the goodwill and non-current assets have been impaired. If any such indication exists, the recoverable amount of the asset is determined. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In the measurement of the value in use, estimates of future cash flows are discounted. The use of different assumptions could result in different fair values and therefore, in different carrying amounts for non-current assets.

(b) Stock-based compensation

The estimation of stock-based compensation costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen, these inputs requiring estimates based on historical data and future estimates. The Company has made estimates as to the volatility of its own shares, the probable life and the time of exercise of stock options granted. The model used by the Company is the Black-Scholes valuation model.

(c) Income taxes

The Company computes an income tax provision in each of the jurisdictions in which it operates. However, actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant authorities, which occur subsequent to the issuance of the financial statements. Additionally, estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions before they expire against future taxable income. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings would be affected in a subsequent period.

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6 Signifiant accounting jugements and estimates (continued)

(d) Depreciation of assets

Management reviews the depreciation methods on an annual basis. Management considers the useful lives of assets to be the period of time over which these assets are expected to be used by the Company. Actual useful lives could differ from estimates.

(e) Allowance for doubtful accounts

The Company must make an assessment of whether accounts receivable are collectible from customers. Accordingly, management establishes an allowance for estimated losses arising from non-payment taking into consideration customer creditworthiness, current economic trends and past experience. If future collections differ from estimates, future earnings would be affected.

7 Segmental information

(a) Primary reporting format - business segments

The Company has one reportable operating segment.

(b) Secondary reporting format - geographical segments

The Company's operations are broken down between Canada and the U.S. as follows:

	As at September 30, 2011		
	Canada	USA	Total
	$	$	$
Revenues	125 808	1 194 247	1 320 055
	125 808	1 194 247	1 320 055

	As at September 30, 2010		
	Canada	USA	Total
	$	$	$
Revenues	92 737	1 154 608	1 247 345
	92 737	1 154 608	1 247 345

Revenues are attributed to various countries based on the country of domicile of the client.

As at September 30, 2011, two customers represented 22% and 18%, respectively (18% and 11% as at June 30, 2011) of total revenues.

Assets by geography

	As at September 30, 2011		
	Canada	USA	Total
	$	$	$
Property, plant & equipment	833 258	636	833 894
Intangible assets		529 995	529 995
Goodwill		2 058 456	2 058 456
	833 258	2 589 087	3 422 345

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7 Segmental information (continued)

	As at June 30, 2011		
	Canada	USA	Total
	$	$	$
Property, plant & equipment	850 837	670	851 507
Intangible assets		570 765	570 765
Goodwill		2 058 456	2 058 456
	850 837	2 629 891	3 480 728

8 **Investments**	**2011-09-30 (unaudited)**	2011-06-30 (unaudited)	2010-07-01 (unaudited)
	$	$	$
Banker's acceptances, 0.602%, maturing in October 2010, at cost (market value of $505,760) *(held-to maturity investments)*			504 999
Banker's acceptances, 0.875%, maturing in December 2010, at cost (market value of $505,702) *(held-to maturity investments)*			505 000
Term deposit, 0.75% maturing in June 2012 (0.75% as at June 30, 2011)	**523 875**	523 875	522 308
	523 875	523 875	1 532 307

9 Trade and other receivables

	2011-09-30 (unaudited)	2011-06-30 (unaudited)	2010-07-01 (unaudited)
	$	$	$
Trade receivables (a)	**513 209**	765 913	344 795
Less: allowance for doubtful accounts (b)	**(71 575)**	(67 181)	(63 189)
Net trade receivables	**441 634**	698 732	281 606
Other receivables	**25 765**	23 932	9 103
	467 399	722 664	290 709

(a) All of the trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance has been recorded accordingly. The impaired trade receivables mostly result from customers in the media market that are experiencing financial difficulties.

As of September 30, 2011, the aging of the unimpaired trade receivables is as follows:

	2011-09-30 (unaudited)
	$
Current	**202 187**
Past due 0-30 days	**52 106**
Past due 31-120 days	**158 939**
Past due over 121 days	**28 402**
Unimpaired trade accounts receivable	**441 634**

As at September 30, 2011, the amounts receivable from two customers represented 35% and 11%, respectively (14% and 11% as at June 30, 2011) of total trade receivables.

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9 Trade and other receivables (continued)

(b) The movement in the allowance for doubtful accounts can be reconciled as follows:

	Three-month periods ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	$	$
Balance, beginning of period	**67 181**	63 189
Increase in the allowance during the period	**1 630**	6 024
Amounts recovered during the period	**(3 000)**	
Variation from exchange rates during the period	**5 764**	(2 077)
Balance, as at September 30	**71 575**	67 136

The creation and release of provision for impaired receivables have been included in "Administrative expenses" in the income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentionned above. The Company does not hold any collateral as security.

10 Property, plant and equipment

	Furniture and equipment	Computer equipment	Software	Leasehold improvements	Total
	$	$	$	$	$
As at July 1, 2010					
Cost	160 082	1 705 913	112 496		**1 978 491**
Accumulated depreciation	(123 412)	(1 198 646)	(99 473)		**(1 421 531)**
Net carrying amount	36 670	507 267	13 023		**556 960**
Acquisitions	13 628	327 492	42 340	150 066	**533 526**
Depreciation for the period	(8 585)	(195 252)	(13 704)	(21 438)	**(238 979)**
Balance as at June 30, 2011	41 713	639 507	41 659	128 628	**851 507**
Cost	173 710	2 033 405	154 836	150 066	**2 512 017**
Accumulated depreciation	(131 997)	(1 393 898)	(113 177)	(21 438)	**(1 660 510)**
Net carrying amount	41 713	639 507	41 659	128 628	**851 507**

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10 Property, plant and equipment (continued)

As at July 1, 2011

Cost	173 710	2 033 405	154 836	150 066	**2 512 017**
Accumulated depreciation	(131 997)	(1 393 898)	(113 177)	(21 438)	**(1 660 510)**
Net carrying amount	41 713	639 507	41 659	128 628	**851 507**
Acquisitions		43 756			**43 756**
Depreciation for the period	(2 051)	(49 125)	(3 047)	(7 146)	**(61 369)**
Balance as at September 30, 2011	39 662	634 138	38 612	121 482	**833 894**
Cost	173 710	2 077 161	154 836	150 066	**2 555 773**
Accumulated depreciation	(134 048)	(1 443 023)	(116 224)	(28 584)	**(1 721 879)**
Net carrying amount	39 662	634 138	38 612	121 482	**833 894**

Depreciation of $48,442 ($40,630 in 2010) has been charged in "Research and development expenses", $4,854 ($4,870 in 2010) in "Marketing and Selling expenses", $3,436 ($2,613 in 2010) in "Administrative expenses" and $4,637 ($3,875 in 2010) in "Cost of sales".

Computer equipement include the following amounts where the Company is a lessee under a finance lease:

	2011-09-30	2011-06-30	2010-07-01
	(unaudited)	(unaudited)	(unaudited)
	$	$	$
Cost - capitalised finance leases	**810 336**	777 713	543 806
Accumulated depreciation	**(421 494)**	(391 401)	(270 465)
Net carrying amount	**388 842**	386 312	273 341

The Company leases computer equipment under non-cancellable finance lease agreements. The lease terms are 12 months and ownership of the assets lies within the Company.

During the three-month period ended September 30, 2011, the Company acquired $32,623 in property, plant and equipment by way of finance leases.

11 Intangible assets

	Client list
	$
As at July 1, 2010	
Cost	**1 223 079**
Accumulated amortization	**(489 234)**
Net carrying amount	**733 845**
Amortization for the period	**(163 080)**
Balance as at June 30, 2011	**570 765**
Cost	**1 223 079**
Accumulated amortization	**(652 314)**
	570 765

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11 Intangible assets (continued)

As at July 1, 2011

Cost	**1 223 079**
Accumulated amortization	**(652 314)**
Net carrying amount	**570 765**
Amortization for the period	**(40 770)**
Balance as at September 30, 2011	**529 995**
Cost	**1 223 079**
Accumulated amortization	**(693 084)**
Net carrying amount	**529 995**

Amortization of $40,770 ($40,770 in 2010) related to the client list is included in "Marketing & selling expenses".

12 Accounts payable and accrued liabilities

	2011-09-30 (unaudited)	2011-06-30 (unaudited)	2010-07-01 (unaudited)
	$	$	$
Accounts payable	**150 391**	200 259	35 554
Social security and other taxes	**224 631**	308 637	216 377
Accrued expenses	**338 421**	305 584	198 297
	713 443	814 480	450 228

13 Bank loan

A Canadian bank loan of an authorized amount of $500,000, bearing interest at the prime rate plus 1% (4.0%), is secured by accounts receivable. The bank loan is renewable in October 2011. Under the credit agreement, the Company is required to respect certain covenants. As at September 30, 2011, the Company is not in compliance with one of these covenants.

14 Long-term debt

	2011-09-30 (unaudited)	2011-06-30 (unaudited)	2010-07-01 (unaudited)
	$	$	$
Loan, 8%, payable in monthly instalments of $3,033, principal and interest, maturing in December 2015 (other financial liabilities)	**131 131**	137 567	
Term loan, 6.65%, secured by movable hypothec of $750,000 on all of the Company's assets, payable in blended monthly instalments of $14,727, principal and interest, maturing in July 2010 *(other financial liabilities)*			343 094
Obligation under finance leases, without interest, payable in monthly instalments maturing on different dates until September 2012 *(other financial liabilities)*	**42 641**	53 322	98 010
	173 772	190 889	441 104
Instalments due within one year	**69 684**	79 841	441 104
	104 088	111 048	–

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14 Long-term debt (continued)

Instalments on long-term debt for the next years are as folllows:

	Less than one year	1-5 years
	$	$
Obligations under finance leases	42 641	
Other loans	27 043	104 088
	69 684	104 088

15 Share capital

Authorized
Unlimited number of class "A" shares without par value, voting and participating
Unlimited number of class "B" shares without par value, non-voting, non-participating, issued in series, the term of each serie to be determinated on the issue date

Issued and fully paid

	Number of Class "A"	Amount
		$
Balances as at July 1, 2010, June 30, 2011 and September 30, 2011	24 011 326	10 690 212

16 Stock options

The Company has established a stock option plan for directors, officers, employees and consultants. All options granted under the plan may be exercised within a maximum of ten years from the grant date. The Board of Directors designates the beneficiaries and determines the number of class "A" shares subject to these options, the vesting period, exercise price, expiration date, acquisition terms and restrictions on the exercise of these options. The share acquisition price must not be less then 75% of the closing price on the day prior to the date of grant of these shares.

The maximum number of class "A" shares issued under the terms of the plan was established to 10% of the issued and outstanding class "A" shares. The maximum number that may be granted to a director, officer or employee of the Company cannot exceed 5% of all the outstanding class "A" shares. As for a consultant, the maximum cannot exceed 2%.

Vesting generally occurs in stages, i.e., 20% upon signing and the remaining 80% vests gradually at 20% per annum over a period of 48 months. For underwriters, vesting is upon the signing of contracts.

The Company issued, during the year ended June 30, 2011, 740,000 stock options (600,000 in 2010). The weighted average fair value of the options granted during the year ended June 30, 2011 is $ 0.14 per option ($0.09 in 2010). The weighted average fair value of each option granted is estimated at the grant date using the Black-Scholes option pricing model. The valuation was carried out using the following weighted average assumptions: expected volatility of 76%, risk-free interest rate of 2.51%, expected life of 60 months and no expected dividend (78%, 2.16%, 47 months and none, respectively, in 2010).

During the three-month period ended September 30, 2011 no stock options were granted. An amount of $988 ($2,214 in 2010) is included in the statement of income (loss) under "Research and development expenses", $1,463 ($1,181 in 2010) under "Marketing and selling expenses" and $9,052 ($13,201 in 2010) under "Administrative expenses". An amount of $11,503 ($16,596 in 2010) was included in Equity under "Stock options".

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16 Stock options (continued)

The following table presents information on stock options outstanding and exercisable :

	2011-09-30	
	Number of options outstanding	Weighted average exercise price
		$
Outstanding, beginning and end of the period	1 860 000	0,46

	2010-09-30	
	Number of options outstanding	Weighted average exercise price
		$
Outstanding, beginning and end of the period	2 070 000	0,45

	2011-06-30	
	Number of options outstanding	Weighted average exercise price
		$
Outstanding, beginning of the year	2 070 000	0,45
Options granted	740 000	0,40
Options expired	(950 000)	0,40
Outstanding, end of the year	1 860 000	0,46

The options outstanding as at September 30, 2011 are detailed as follows :

Options outstanding and exercisable			
Exercise price	Number of options outstanding	Weighted average life	Number of options exercisable
$			
0.40	1 565 000	42 months	853 000
0.76	295 000	10 months	270 000
	1 860 000		1 123 000

The options outstanding as at September 30, 2010 are detailed as follows :

Options outstanding and exercisable			
Exercise price	Number of options outstanding	Weighted average life	Number of options exercisable
$			
0.40	1 775 000	24 months	1 160 000
0.76	295 000	22 months	211 000
	2 070 000		1 371 000

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16 Stock options (continued)

The options outstanding as at June 30, 2011 are detailed as follows :

	Options outstanding and exercisable		
Exercise price	Number of options outstanding	Weighted average life	Number of options exercisable
$			
0,40	1 565 000	45 months	853 000
0,76	295 000	13 months	236 000
	1 860 000		1 089 000

The following table presents the stock option activity:

	Number of options	Weighted average exercise price	Stock options
		$	$
Options outstanding, July 1, 2011	1 860 000	0,46	294 128
Stock-based compensation			11 503
At September 30, 2011	1 860 000	0,46	305 631

The underlying expected volatility was determined by reference to historical data of WANTED's shares over a period of time since its listing on the TSX Venture Exchange.

17 Other losses-net

	Three-month periods ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	$	$
Loss on disposal of property, plant and equipment	–	2 075

18 Expenses by nature

Cost of Research and developement, Marketing and selling and Administrative expenses include the following:	Three-month periods ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	$	$
Employee benefit expense (note 19)	**1 082 163**	690 271
Depreciation and amortization (notes 10 and 11)	**97 502**	88 883
Research and development expenses	**48 578**	48 115
Tax credits relating to research and development	**(67 192)**	(72 983)
Consulting and professional fees	**89 717**	125 100
Operating lease	**34 217**	44 564
Transportation expenses	**46 676**	31 081
Software and licenses	**38 694**	27 423
Other Marketing and selling expenses	**48 210**	67 642
Other Administrative expenses	**47 061**	56 762
Total	**1 465 626**	1 106 858

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18 Expenses by nature (continued)

Cost of sales include the following:	Three-month periods ended September 30, 2011 (unaudited)	2010 (unaudited)
	$	$
Employee benefit expense (note 19)	**63 305**	71 454
Software and licenses	**37 371**	49 431
Depreciation and amortization (notes 10 and 11)	**4 637**	3 875
Other expenses	**6 484**	11 217
Total	**111 797**	135 977

19 Employee benefit expenses

	Three-month periods ended September 30, 2011 (unaudited)	2010 (unaudited)
	$	$
Wages and salaries	**965 307**	608 880
Social security costs	**103 642**	70 155
Stock-based compensation	**9 327**	9 707
	1 078 276	688 742

20 Compensation of key management

Key management includes the Company's executive officers and members of the Board of Directors. Compensation awarded to key management included:

	Three-month periods ended September 30, 2011 (unaudited)	2010 (unaudited)
	$	$
Salaries and other benefits	**319 716**	189 449
Stock-based compensation	**11 503**	16 596
	331 219	206 045

21 Finance costs, net

	Three-month periods ended September 30, 2011 (unaudited)	2010 (unaudited)
	$	$
Interest expenses		
Long-term debt	**3 034**	1 874
Net losses (gains) due to changes in foreign currency exchange rates	**(67 007)**	20 119
Finance costs	**(63 973)**	21 993
Interest income		
Interest income on "loans and receivables "	**2 538**	2 074
Interest income on "held-to-maturity investments"		394
Finance income	**2 538**	2 468
Net finance costs	**(66 511)**	19 525

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22 Loss per share

a) Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Company and held as treasury shares.

b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares in issue during the period excluding ordinary shares purchased by the Company and held as treasury shares. The Company has one category of dilutive potential ordinary shares: share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as below is compared with the number of shares that would have been issued assuming the exercice of the share options.

	Three-month periods ended September 30,	
	2011	2010
	(unaudited)	(unaudited)
	$	$
Net loss	**(210 043)**	(19 888)
Basic and diluted weighted average number of shares outstanding	**24 011 326**	24 011 326
Basic and diluted net loss per share	**(0,0087)**	(0,0008)

23 Commitments

The Company has entered into a long-term lease agreement expiring in December 2015, which calls for lease payments of $455,526 for the rental of offices. The minimum lease payments for the next twelve-month periods ending September 30, are $107,183 in 2012, 2013, 2014 and 2015 and $26,794 in 2016.

This lease contains a renewal option for an additional period of 3 years or 5 years which the Company may exercice by giving a six-month notice.

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24 Other annual disclosure required under IFRS

Income taxes

The Company's effective income tax rate differs from the combined federal and provincial income tax rate in Canada. This difference arises from the following items:

	June 30, 2011
	$
Net loss before income taxes	(662 285)
Income taxes calculated using the combined federal and provincial income tax rate in Canada	29,15%
	(193 056)
Increase (decrease) in income taxes resulting from the following:	
Unrecognized future income tax assets	(163 256)
Undeductible accounting amortization of intangible assets	47 538
Undeductible stock-based compensation	35 769
Difference between American and Canadian income tax rate relating to foreign operations revenue	34 107
Other	241 378
	2 480

Future income tax assets of $641,470 ($478,214 in 2010) are not reflected in the financial statements. The components of this amount are summarized as follows:

	June 30, 2011
	$
Future income tax assets	
Non-capital losses	419 134
Research and development costs and CNNTQ	159 394
Temporary differences attributable to amortization of property, plant and equipment	(72 265)
Temporary differences attributable to amortization of share issue expenses and financing expenses	1 763
Temporary differences attributable to deferred revenues	133 444
	641 470
Unrecorded net future income tax assets	(641 470)
Net future income tax assets	

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24 Other annual disclosure required under IFRS (continued)

Tax losses which are available to reduce income taxes in future years and eligible research and development costs are detailed as follows:

	Federal	Provincial
	$	$
Amount of the loss carry-forwards for tax purposes expiring within the following years:		
2013		89 870
2014	100 496	109 342
2015	75 102	78 932
2026	78 275	24 027
2030	71 907	50 076
2031	1054715	1429766
	1 380 495	1 782 013
Eligible research and development costs that can be carried over an indefinite period	898 837	857 912
	2 279 332	2 639 925

25 Authorization of Financial Statements

The unaudited interim consolidated financial statements for the three-month period ended September 30, 2011 (including comparative figures) were authorized by the Board of Directors on December 14, 2011.