



HIRE INTELLIGENCE ON DEMAND™

MANAGEMENT'S DISCUSSION AND ANALYSIS

OCTOBER 2nd, 2008

WANTED TECHNOLOGIES CORPORATION

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The following analysis concerns the financial situation, operating results and cash flow of WANTED Technologies Corporation ("WANTED" or the "Company") for the fiscal year ended June 30, 2008, as compared with the fiscal year ended June 30, 2007. This management report, prepared as at October 2nd, 2008, is intended to complement and supplement the audited consolidated financial statements and should be read in conjunction with these consolidated financial statements and the related notes. The consolidated financial statements and the management report are designed to provide investors with a reasonable basis for evaluating the Company's operating results and financial performance.

The audited consolidated financial statements were prepared in accordance with Canadian generally accepted accounting principles ("GAAP") as established by the Canadian Institute of Chartered Accountants. Unless otherwise specified, all of the financial information presented below is in Canadian dollars.

Overview

[WANTED Technologies](#) Corporation is the leading source of on demand intelligence for the employment marketplace. WANTED's proprietary technology and services deliver enriched market research and sales productivity tools, which help clients improve their marketing and sales performance. Clients include leading media companies offering advertising-based recruiting services, as well as staffing agencies and career transition agencies. WANTED's products and services are delivered electronically via annual subscription and its revenues are based on recurring fees tied to the number of individual users or "seats" within the client's organization.

2008 Highlights

- **Revenue growth of 84% for the 2008 fiscal year compared with fiscal 2007.**
- **Earnings before other revenue and expenses of \$594,677 for fiscal 2008, representing a 43% increase over fiscal 2007.**
- **Eight consecutive profitable quarters, achieving net earnings of \$360,194 or \$0.015 per share for the fiscal year ended June 30, 2008, compared to net earnings of \$229,917 or \$0.011 per share in fiscal year 2007, an increase of 57% or 36% per share.**
- **Successful integration of the New York based Corzen Inc. acquired on June 30, 2007.**
- **Closing of significant new agreements for WANTED's latest integrated product suite, including deals, with Lee Enterprises, Tribune Company and Cox Newspapers as well as renewing important existing agreement such as The Conference Board and Hearst Corporation.**

- **Recurring revenue base growing from \$4.5 million to \$5.1 million during 2008.**

Key Performance Indicators

WANTED monitors its overall performance using key financial indicators, including revenues and EBITDA* before other items and net earnings. These items are described in the appropriate sections below. Management also monitors performance using a number of operating indicators, including growth of recurring monthly revenues.

Main Annual Financial Data

	2008	2007	2006
	\$	\$	\$
Sales	5,676,077	3,093,115	1,909,295
EBITDA* before other items	1,070,711	565,422	(373,626)
Net earnings (Net loss)	360,194	229,917	(671,841)
Net earnings (net loss) per share – basic and diluted	0.015	0.011	(0.037)
Total assets	5,805,221	5,004,600	2,580,209
Long-term liabilities	505,973	218,917	175,483

* Definition of EBITDA: Earnings (loss) before interest, tax on earnings, depreciation, amortization, loss in value of physical assets and intangible assets. The EBITDA is provided as an additional measure to help readers assess the Company's ability to generate cash flow from its activities and to meet its financial obligations. This indicator is also generally used for valuation purposes. As the generally accepted accounting principles in Canada do not provide a standardized definition for this measure, it may not be comparable to similar measures used by other companies.

Operating Results

Revenues

For the fiscal year ended June 30, 2008, WANTED posted revenues of \$5,676,077, compared to \$3,093,115 for the fiscal year ended June 30, 2007, for an increase of \$2,582,962 or 84%.

Contributing to WANTED's revenue growth were:

- Inclusion of the existing customer base of Corzen, Inc., acquired on June 30, 2007;
- Successful integration and commercialization of the product and services offerings from WANTED and Corzen into a new product suite;
- Signature of agreements with major companies such as Lee Enterprises, Tribune Company and Cox Newspapers introducing the latest generation of lead scoring and CRM enable services; and,

- High-level of customer satisfaction which translated into contract renewals.

WANTED's revenues are primarily derived from renewable annual contracts that generate recurring revenues for the Company. As at June 30, 2008, contracts in hand represented approximately 5.1 million dollars in annualized recurring revenues while contracts in hand, including contracts acquired through the acquisition of Corzen Inc., represented, as at June 30, 2007, approximately 4.5 million dollars in annualized revenues, an increase of 13%.

The concept of recurring annualized revenues assumes that all current customer contracts will be renewed as of the calculation date. The majority of WANTED's customer contracts are 12-month agreements. For the fiscal year ended June 30, 2008, recurring revenues represented approximately 84% of total revenues compared to 97% for the fiscal year ended June 30, 2007. The change in percentage of recurring revenues is due to the introduction of new data hygiene and analytical services. These services enable WANTED client's to take advantage of WANTED's latest generation of proprietary Sales Lead Scoring and CRM-enabled services.

Ninety-four per cent (94%) of WANTED's revenues for the fiscal year ended June 30, 2008 came from sales in US dollars. This is compared to ninety per cent (90%) for the year ended June 30, 2007.

NOTES: The majority of WANTED's revenues are generated in U.S. dollars. Because of unfavorable fluctuation in the U.S. dollar versus the Canadian dollar, revenues for the fiscal year ended June 30, 2008 were significantly impacted. The average exchange rate went from 1.1323 for the fiscal year ended June 30, 2007 to an average of 1.0104 for the fiscal year ended June 30, 2008, a negative change of 12 %. Had the exchange rate remained constant from fiscal year 2007, WANTED revenues for 2008 would have been higher by approximately \$645,000.

Cost of goods sold

Certain WANTED services are based on enriching the content of business databases which are licensed from third parties and re-sold to WANTED's clients. The licensing costs of these business databases represent the majority of WANTED's cost of goods sold. For fiscal year 2008, the cost of goods sold associated with this type of revenue amounted to \$247,375, compared to \$9,314 for fiscal year 2007.

For the fiscal year ended June 30, 2008, revenues related to this type of transaction totalled \$483,071, from \$17,373 for fiscal year ended June 30, 2007.

Research and development expenses

Research and development costs, net of tax credits for a company established at the Centre national des nouvelles technologies de Québec (CNNTQ – Quebec Center for new technologies) and net of tax credits for research and development totalled, for the fiscal year ended June 30, 2008, \$1,607,885, compared with \$892,530 for fiscal 2007, an increase of \$715,355 or 80%.

The increase in research and development costs is mainly due to:

- The incorporation of the R&D resources responsible for the development and maintenance of the Corzen products and services; and,
- The development of new products and services designed to enable WANTED to further diversify its customer base to serve the recruiting services, the financial research and the government markets.

For the fiscal year ended June 30, 2008, WANTED recorded \$176,289 in tax credits for a company established at the Centre national des nouvelles technologies de Québec (CNNTQ) and for research and development, compared with \$242,486 last year.

Marketing and selling expenses

For the fiscal year ended June 30, 2008, marketing and selling expenses totalled \$1,517,467, compared with \$975,363 for the previous year, an increase of \$542,104 or 56%.

This increase in marketing and selling expenses is mainly due to:

- The integration of resources from Corzen Inc; and,
- Marketing investments to support the introduction of the integrated suite of new WANTED products and services following the Corzen acquisition.

General and Administrative expenses

For the fiscal year ended June 30, 2008, administrative expenses totalled \$1,432,424, compared with \$808,436 for fiscal 2007, an increase of \$623,988 or 77%.

This increase is mostly due to additional consulting and professional fees resulting from the integration and operations of Corzen Inc. following its acquisition, combined with an increase in salaries associated with new hiring to support the growth. Also, a charge of \$205,220 recorded as stock-based compensation for the fiscal year ended June 30, 2008 contributed to the increase in administration expenses. This represents an increase of \$147,434 over the amount of \$57,786 recorded in fiscal year ended June 30, 2007. The increase in stock-based compensation is mostly explained by the grant of a total 1,060,000 stock options during fiscal 2008.

Financial expenses

Net financial expenses mainly consist of interest expenses on long-term debt and on the convertible debenture, net of interest income on short-term investments.

For the fiscal year ended June 30, 2008, net financial expenses totalled \$67,005, compared with net financial revenue of \$9,368 for fiscal 2007. The variation of \$76,373 is mostly due to the following elements:

- Increase in interest expenses on long-term debt of \$42,169 mainly attributable to a mortgage loan of \$750,000 concluded in the first quarter of fiscal 2008 partially offset by a decrease of \$34,856 due to the conversion, also in the first quarter of fiscal 2008, of the debenture;

- Financing fees of \$32,770 related to a mortgage loan of \$750,000. According to the Company's accounting policy, these costs are fully expensed immediately; and,
- Decrease of \$39,384 in interest revenues resulting from the conversion of short term investments into liquidities for the purpose of acquiring Corzen Inc. on June 30, 2007.

Earnings before other revenue and expenses

For the fiscal year ended June 30, 2008, earnings before other revenue and expenses totalled \$594,677, compared with \$416,840 for fiscal 2007, an increase of \$177,837, or 43%.

This significant increase is primarily due to significant growth in the revenues partially offset by investments in the operational, commercial and administrative structures and resources required to allow WANTED to continue to sustain future growth.

Earnings before other revenue and expenses were also affected by expenses related to new financing concluded in the first quarter of fiscal 2008 as well as by the amortization of the intangible assets acquired from Corzen Inc. on June 30, 2007. The amortization of the intangible assets totalled \$209,244 for the fiscal year ended June 30, 2008. No such charge was recorded in fiscal 2007.

Net earnings

Net earnings for fiscal 2008 totalled \$360,194, compared with \$229,917 for fiscal 2007, an increase of \$130,277, or 57%. The following items contributed to this increase:

- Revenue growth of \$2,582,962, or 84%, offset by an increase of \$2,167,064, or 81%, in operating expenses, moving earnings before other revenue and expenses from \$416,840 for fiscal 2007 to \$594,677 for fiscal 2008;
- Currency exchange loss totalling \$13,895 for the fiscal year ended June 30, 2008, compared with a currency exchange loss of \$51,923 in 2007, a variance of \$38,028; and,
- Following the departure of the Company's president and chief executive officer on March 31, 2008, a severance premium of \$225,000 has been recorded. This amount is payable over a period of twelve months. On June 30, 2007, a severance premium of \$135,000 was recorded following the departure of the former president and chief executive officer of Wanted. This premium was payable over a period of 6 months.

Earnings per share (basic and diluted) totalled \$0.015 for the fiscal year ended June 30, 2008, compared with earnings per share (basic and diluted) of \$0.011 for fiscal 2007, an increase of 36%.

Main Quarterly Financial Data

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	\$	\$	\$	\$	\$
Year ended June 30, 2008					
Revenues	1 447,989	1 428,657	1 334,141	1,465,290	5,676,077
EBITDA* before other items	265,958	225,000	307,959	271,794	1,070,711
Net earnings	113,404	106,935	7,281	132,574	360,194
Net earnings per share – basic and diluted	0.005	0.004	0.0003	0.006	0.015
Year ended June 30, 2007					
Revenues	656,345	758,643	843,064	835,063	3,093,115
EBITDA* before other items	52,694	100,581	173,734	238,413	565,422
Net earnings	15,834	75,546	125,623	12,914	229,917
Net earnings per share – basic and diluted	0.001	0.004	0.006	0.001	0.011

* Definition of EBITDA: Earnings (loss) before interest, tax on earnings, depreciation, amortization and loss in value of physical assets and intangible assets. The EBITDA is provided as an additional measure to help readers assess the Company's ability to generate cash flow from its activities and to meet its financial obligations. This indicator is also generally used for valuation purposes. As the generally accepted accounting principles in Canada do not provide a standardized definition for this measure, it may not be comparable to similar measures used by other companies.

Financial results for the fourth quarter of 2008

During the fourth quarter of fiscal 2008, WANTED recorded revenues totalling \$1,465,290, an increase of 75% over the \$835,063 recorded for the same period of the previous fiscal year. This also represents an increase of \$131,149, or 10%, over the third quarter of fiscal 2008.

Net earnings for the fourth quarter of 2008 amounted to \$132,574 (or \$0.006 per share), compared with net earnings of \$12,914 (or \$0.001 per share) for the same period in 2007.

Cash Flow

As at June 30, 2008, the cash position totalled \$261,735, compared with \$120,436 at the beginning of the fiscal year.

Operating activities

During the year ended June 30, 2008, cash flows generated from operating activities were \$412,584, compared to \$594,797 in previous year, a decrease of \$182,213. This variation is mainly due to:

- Improvement in the Company's profitability by \$130,277 (net earnings of \$360,194 for the fiscal year ended June 30, 2008 compared to net earnings of \$229,917 for the fiscal year ended June 30, 2007);
- Amortization expenses for property, plant and equipment totaling \$199,785 for the fiscal year ended June 30, 2008 compared to \$157,950 for the corresponding period in the previous year, an increase of \$41,835. This increase is mostly attributable to the amortization expense recorded on property, plant and equipment acquired during the year ended June 30, 2008 for \$202,891.
- Amortization of intangible assets acquired from Corzen Inc. on June 30, 2007 resulting in an expense of \$209,244 for the year ended June 30, 2008. No such expenses were recorded during the previous year;
- Stock-based compensation totalling \$205,220 for the year ended June 30, 2008 compared to \$57,786 in previous year, an increase of \$147,434; and,
- A negative variance of \$690,591 in the working capital items for the fiscal year ended June 30, 2008 compared to the previous year. This variation is mostly due to an increase in accounts receivable as of June 30, 2008 compared to June 30, 2007 combined with a decrease in accounts payable and deferred revenues for the same period.

Investing activities

For fiscal 2008, investing activities required cash assets totalling \$744,643, compared with \$1,010,858 for the previous year, a decrease of \$266,215. This variance is mostly the result of the following elements:

- A disbursement of \$2,134,689 in fiscal 2007 for the acquisition of Corzen Inc. on June 30, 2007. During fiscal 2008, WANTED disbursed additional amounts totalling \$187,876 related to this acquisition for unpaid acquisition costs of \$179,680 as at June 30, 2007 which were presented in the accounts payable and accrued liabilities as of that date and, a purchase price adjustment of \$8,196 in favour of the former shareholders of Corzen inc.;
- During the fiscal year ended June 30, 2008, WANTED invested \$479,341 in short-term investments, while for the fiscal year ended June 30, 2007, WANTED converted \$1,175,205 from short-term investments into liquidity for the acquisition of Corzen, a variance of \$1,654,546; and,
- Liquidities used for the purchase of property, plant and equipment were higher in fiscal 2008 where they totalled \$81,838 compared to \$58,874 for fiscal 2007, an increase of \$22,964.

Financing activities

The cash flows generated by financing activities totalled \$473,358 in the fiscal year ended June 30, 2008 compared with \$432,226 for the fiscal year ended June 30, 2007, an increase of \$41,132. This variation is mostly the result of the following elements:

- A mortgage loan of \$750,000 obtained in the first quarter of fiscal 2008. No such financing was obtained during fiscal 2007;
- During the year ended June 30, 2007, the Company obtained \$540,128 in liquidity subsequent to the exercise of warrants; and,
- Liquidity used for the repayment of long-term debts totalled \$292,642 during the fiscal year ended June 30, 2008, compared to \$127,902 for the fiscal year ended June 30, 2007, an increase of \$164,740.

Note that during the fiscal year ended June 30, 2008, WANTED obtained financing in the amount of \$121,053 for the acquisition of fixed assets by way of capital lease. Similar financing was obtained in the year ended June 30, 2007 for an amount of \$241,547.

For the fiscal year ended June 30, 2008, the net increase in the cash position was \$141,299, compared to an increase of \$16,165 during the last fiscal year, a positive variation of \$125,134.

Financial Situation

Assets

As at June 30, 2008, WANTED had \$1,265,871 in cash and short-term investments, compared with \$645,231 as at June 30, 2007. This increase of \$620,640 in the Company's liquidity during fiscal 2008 is mainly the result of a positive cash flow of \$412,584 generated by the operating activities combined with additional cash inflow derived from the financing activities for \$473,358. These increases were partially offset by cash used in investing activities for \$265,302 net of short-term investments.

As at June 30, 2008, short-term assets totalled \$2,692,950, compared with \$1,694,387 at June 30, 2007, an increase of \$998,563. This increase is mainly attributable to an increase of \$620,640 in cash and short-term investments, to an increase of \$452,451 in accounts receivable and to a decrease in prepaid expenses by \$67,900. The increase in accounts receivable results from an increase in sales.

As at June 30, 2008, property, plant and equipment totalled \$543,937, compared with \$540,831 on June 30, 2007. This variation of \$3,106 is the result of the purchase of \$202,891 in property, plant and equipment to maintain adequate online response times for new products and a growing user base, which was partially offset by an amortization charge of \$199,785 recorded in fiscal year ended June 30, 2008.

As at June 30, 2008, intangible assets stood at \$1,152,337 compared to \$1,361,581 as of June 30, 2007. This decrease is attributable to the recording of an amortization expense of \$209,244 during the year ended June 30, 2008. Intangible assets consist of the value allocated to the client list acquired through the Corzen transaction as well as the value allocated to the non-competition agreements signed by the former shareholder's of Corzen.

As at June 30, 2008, goodwill stood at \$1,415,997, which represents an increase of \$8,196 over the \$1,407,801 recorded as at June 30, 2007. This increase is the result of a purchase price adjustment in favour of the former shareholders of Corzen. This purchase price adjustment was allocated to goodwill. The value of \$1,407,801 recorded as at June 30, 2007 represented the excess of the cost of the acquired enterprise over the net of the amounts assigned to assets acquired and liabilities assumed, as determined by management's estimate. Additional information on goodwill can be found in note 3 of the Company's consolidated financial statements for the fiscal year ended June 30, 2008. As at June 30, 2008, goodwill was tested for impairment. The test indicated a fair value in excess of the carrying amount. As a result, no impairment adjustment has been recorded.

As at June 30, 2008, total assets stood at \$5,805,221, compared with \$5,004,600 as at June 30, 2007, an increase of \$800,621. This variance is mainly due to an increase in short-term assets, partially offset by a decrease in intangible assets resulting from amortization.

Liabilities

As at June 30, 2008, total liabilities were \$1,594,138, compared with \$1,566,414 on June 30, 2007, an increase of \$27,724. The increase is primarily due to the following factors:

- A decrease of \$244,930 in accounts payable and accrued liabilities, which totalled \$685,782 as at June 30, 2008, compared with \$930,712 as at June 30, 2007. This decrease is primarily due to unpaid acquisition costs in the amount of \$179,680 as at June 30, 2007, that were related to the acquisition of Corzen Inc. The accounts payable and accrued liabilities, as of June 30, 2008, included a total of \$183,683 related to severance premiums associated with the departure of former presidents and chief executive officers of the Company. As of June 30, 2007, a similar provision was accounted for \$135,000;
- A \$114,274 decrease in deferred revenues as at June 30, 2008 compared to June 30, 2007;
- An increase in long-term debt (including short-term instalments) of \$578,411 for a total of \$722,350 as at June 30, 2008, compared with \$143,939 as of June 30, 2007. This increase is mainly due to a mortgage loan of \$750,000 obtained in the first quarter of fiscal 2008; and,
- The conversion in total, on July 23, 2007, of the convertible debenture held by Innovatech Quebec, resulting in a decrease of \$191,483 in liabilities. The conversion increased the total number of Class "A" shares by 333,333 and increased the value of the capital stock by \$226,283.

Contractual obligations

Required payments by period

	Total \$	Less than 1 year \$	2 to 3 years \$	4 to 5 years \$
(In Canadian dollars)				
Long-term debt	722,350	216,377	505,973	-
Use of office space	258,967	109,877	149,090	-
(In American dollars)				
Purchases of data and information	81,496	81,496	-	-

Shareholders' equity

Capital stock

Authorized capital stock is distributed as follows:

- Unlimited number of class "A" non-par value, voting and participating shares.
- Unlimited number of class "B" non-par value, non-voting and non-participating shares, issued by series, where the terms and conditions of each series are determined on the issue date.

Issued and fully paid	June 30, 2008 \$	June 30, 2007 \$
23,787,993 class A shares as at June 30, 2007		10,510,300
24,161,326 class A shares as at June 30, 2008	10,756,962	

As at June 30, 2008, shareholders' equity totalled \$4,211,083 compared with shareholders' equity of \$3,438,186 as at June 30, 2007. The increase of \$772,897 in the Company's shareholders' equity is mainly due to the following elements:

- A \$246,662 increase in capital stock resulting from the conversion in total, on July 23, 2007, of the convertible debenture held by Innovatech Quebec for a value of \$226,283 and the exercise of stock options during the year for a value of \$20,379;
- A decrease of \$34,800 in the equity component of the convertible debenture following its conversion;
- An increase of \$62,283 in the value assigned to stock options. This increase is due to an expense of \$205,220 for stock-based compensation partially offset by the forfeiture of 935,000 stock options having a total value of \$138,558 and by the exercise of 40,000 stock options having a value of \$4,379;

- A \$138,558 increase in the amounts recorded to the contributed surplus subsequent to the forfeiture of 935,000 stock options; and;
- A reduction in the accumulated deficit subsequent to net earnings of \$360,194 for the fiscal year ended June 30, 2008.

Upon the closing of the qualifying transaction on September 20, 2005, 10,593,284 class “A” shares were escrowed and could not be transferred, hypothecated, pledged or otherwise disposed of without the authorization of the regulatory authorities. These shares are being released in stages over a period not exceeding 36 months beginning on September 20, 2005. As at June 30, 2008, 1,610,656 of these shares were still escrowed.

Stock options

Each stock option entitles the bearer to acquire one class “A” share of capital stock.

Quantity	June 30, 2008	June 30, 2007
Stock options	1,515,000	1,430,000

Additional information on these items can be found in notes 13 and 14 of the Company’s consolidated financial statements for the fiscal year ended June 30, 2008.

Significant Accounting Policies

The Company’s consolidated financial statements are prepared in accordance with Canadian GAAP, which require management to make estimates and assumptions that affect the amounts of the assets and liabilities, the information provided regarding contingent assets and liabilities as of the date of the financial statements, as well as revenue and expense amounts for the periods in question. Items in the financial statements that require a greater use of estimates include: costing of options, provisions for bad debt expenses, evaluation of certain accrued liabilities, evaluation of receivable tax credits for a company established at the Centre national des nouvelles technologies de Québec (CNNTQ) and for research and development and evaluations pertaining to the intangible assets and goodwill. Though actual results may differ from these estimates, management does not consider that they will differ significantly from the announced results.

Changes in Accounting Policies

Accounting changes

On July 1, 2007, in accordance with applicable transitional provisions, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook, Section 1506, "Accounting Changes". This section establishes the criteria for changing accounting policies together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors. The recommendations also require the Company to disclose the new primary source of generally accepted accounting principles of Canada (GAAP) published but not yet applied. The new recommendations have no impact on the results of the Company.

Additional information on the effect of these new accounting standards no yet implemented can be found in note 20 of the Company's consolidated financial statements for the fiscal year ended June 30, 2008.

Financial instruments

On July 1st, 2007, in accordance with applicable transitional provisions, the Company adopted retroactively, without restatement of the financial statements of the previous years, the new recommendations of CICA Handbook, Section 1530, "Comprehensive income", 3855, "Financial Instruments – Recognition and Measurement" and Section 3861, "Financial Instruments – Disclosure and Presentation". These sections describe standards for the classification, recognition, measurement, disclosure and presentation of financial instruments (including financial derivatives) and non-financial derivatives in the financial statements. The details of these changes and their impact on the financial statements are described in note 2 of the consolidated financial statements for the fiscal year ended June 30, 2008.

The Company also adopted as an accounting policy to record the transaction costs related to other financial liabilities immediately in the statement of earnings. These costs are presented with the financial expenses.

Risks and Uncertainties

History of recent losses

The Company experienced operating losses during previous years. Although the Company has generated net earnings for the last eight consecutive quarters, the Company's ability to meet its obligations by the established due dates and to finance its future activities depends on its ability to reach a level of profitability or on the support of shareholders and creditors. These financial statements were prepared based on the continuity of operations assumption.

Competition

The Company is pursuing its growth in a relatively new and competitive field. New players, new alliances and new technological solutions may very well emerge in this market. In order to maintain its competitive edge, the Company must retain its key employees and continue to invest in research and development.

WANTED provides state-of-the-art products. However, nothing can guarantee the speed with which clients will embrace these products, particularly within the new markets of recruiting services, financial services and government which WANTED is entering. Though the Company has proven that its products can meet the needs of clients in the media market, it is difficult to assess the precise potential of its solutions for other targeted markets.

Dependence on a single client

For the fiscal year ended June 30, 2008, WANTED had no client that represented more than 10% of the total revenues. For the fiscal year ended June 30, 2007, WANTED's largest client represented \$483,138, or approximately 16% of total revenues.

Economy

Adverse changes in the economy, both in Canada and in the United States, have had a negative impact on WANTED's media clients. These clients' primary source of revenues from recruitment advertising fees has been negatively affected by the slowdown in the U.S. economy. Unemployment rates in the U.S., the primary driver of recruitment advertising spending have reached their highest level in five years. When unemployment rates are high, employers have an easier time hiring new workers and consequently are not required to advertise aggressively to attract new candidates. Further changes in the economy, both in Canada and in the United States, could therefore have a negative impact on Wanted financial results.

WANTED's initiatives to diversify its customer base beyond the media sector are designed to diminish to the extent possible the impact of fluctuations in advertising demand.

Credit risk

The financial instruments that could expose the company to a credit concentration risk mainly include: cash, term deposit, banker's acceptance and accounts receivable. Cash, term deposit and banker's acceptance are held by top-rated financial institutions. As at June 30, 2008, the Company had \$230,216 in cash, a term deposit of \$504,136 and a banker's acceptance of \$500,000 with a one well-known financial institution considered at very low risk by management. Consequently, management believes that the risk of non-performance associated with these instruments is very low.

There is no specific concentration of the credit risk. Generally speaking, in terms of accounts receivable, the Company does not require additional guarantees from its clients. However, credit is granted to clients only following an assessment of their solvency. The Company reassesses the credit of its clients on an ongoing basis and, should an account be deemed irrecoverable, a bad debt provision is established.

As at June 30, 2008, the accounts receivable from two customers represented 26% of total accounts receivable. As at June 30, 2007, one client represented 22% of total accounts receivable.

Exchange risk

Due to its US sales the accounts receivable associated with these sales and its cash position in U.S. dollars, the Company is exposed to exchange risk. The vast majority (94%) of the Company's sales for the year ended June 30, 2008 were in US dollars.

Interest risk

The short-term investments and the long-term debt bear interest at a fixed rate. The Company is therefore exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The Company feels that it vigorously monitors these risks and uncertainties. It invests in research and development with the aim to ensure constant product improvement and development. WANTED continually monitors its competitive environment and its market evolution.

Outlook

WANTED has successfully completed the integration of the commercial activities and products of Corzen, Inc., acquired on June 30, 2007. As a result of this integration, WANTED is now offering a new set of integrated products and services within the market and has secured significant new client agreements for these new services. A large percentage of WANTED's existing client base remains poised to adopt these new services, representing significant upsell opportunities for the company.

In addition, WANTED's investment in R&D during the year has resulted in the ability to introduce WANTED's products and services into the new markets of government and financial research. The successful deployment of its products and services into these new markets will enable WANTED to both increase revenues and diversify its customer base. The diversification of its customer base will insulate WANTED from fluctuation in market conditions that disproportionately affect the media sector.

As previously mentioned, the majority of WANTED's revenues primarily comes from renewable annual contracts generating recurring revenues for the Company. Based on all of the contracts with current clients and assuming the renewal of these contracts over the next 12 months, WANTED had, as at June 30, 2008, contracts representing annualized recurring revenues of approximately 5.1 million dollars. Recurring revenues counted, for the year ended June 30, 2008, for approximately 84% of total revenues.

Prospective Statements

Apart from historical data, the financial analysis by management contains information and statements concerning the future results of the Company which should be considered as prospective. These statements reflect the current vision of the Company concerning future events; they are based on information currently available to the Company and on reasonable hypotheses. These prospective statements are subject to risks, uncertainties and other factors likely to influence the results, the performance and the achievements of the Company such that they could differ substantially from the results, performance and achievements prospective statements of this nature might imply. More information on these risk factors is available in section "Risks and Uncertainties". Unless required by Canadian and Provincial securities legislation, the Company does not intend to revise these prospective statements on the basis of new information, future events, etc.

Further Information

The Company is an issuer under the legislation governing securities. Consequently, the Company is required to submit financial statements, a proxy circular, as well as an annual information form to the various regulatory authorities governing securities. These documents can be obtained by sending a request to the Company or from the Internet at www.sedar.com.

Martin Auclair, CA
VP Finance and Chief Financial Officer