BRAINHUNTER INC.

ANNUAL INFORMATION FORM

Date of Issue:	**December 29, 2006**
Last Fiscal Year End:	**September 30, 2006**

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2.0 CORPORATE STRUCTURE

2.1 Name and Incorporation

Brainhunter Inc. ("BH" or the "Company")

Executive Office:
Suite 700, 2 Sheppard Avenue East, Toronto, ON, M2N 5Y7

Other Business Offices:
1155 Boul Rene Levesque Ouest, Bureau 2500, Montreal, QC, H3B 2K4
1545 Carling Avenue Suite 600 Ottawa, ON, K1Z 8P9
14505 Bannister Road SE, Suite 102, Calgary, AB, T2X 3J3
10665 Jasper Avenue, Suite 900, Edmonton, AB, T5J 2K4
100 Park Royal, Suite 200, West Vancouver, BC, V7T 1A2
H.No 8-2-351/1/12, Ground Floor, Fortune -54, Avenue 8, Road No.3, Banjara Hills, Hyderabad – 500 034, Andhra Pradesh, India

Registered Office:
Suite 300, 2355 Skymark Avenue, Mississauga, ON, L4W 4Y6

Brainhunter Inc. was incorporated on January 14, 2000 as Red Lantern Corporation under the *Business Corporations Act* (Alberta) and was classified as a Junior Capital Pool Corporation as defined by Alberta Securities Rule 46-501. The shares of Red Lantern Corporation were listed on the Canadian Venture Exchange on August 23, 2000, which exchange subsequently became the TSX Venture Exchange.

On June 21, 2002, Red Lantern Corporation was continued into Ontario and concurrently changed its name to TrekLogic Technologies Inc.

On May 20, 2004, TrekLogic Technologies Inc. changed its name to Brainhunter Inc.

2.2 Inter-Corporate Relationships

As at September 30, 2006, the BH corporate structure was as follows:
Subsidiary companies. all 100% owned:

- TrekLogic Inc.
- Xycorp Inc.
- Brainhunter Limited.
- Protec Employment Services Limited
- Brainhunter (Ottawa) Inc.
- Promethean Systems Consultants Inc.

- Vision2Hire Solutions Inc.
- AJJA Information Technology Consultants Inc.
- Brainhunter Integrated Staffing Services Inc. (formerly iGate Mastech Ltd.)
- Brainhunter Recruiting (India) Private Limited

On October 1, 2006, the following amalgamations were effected:

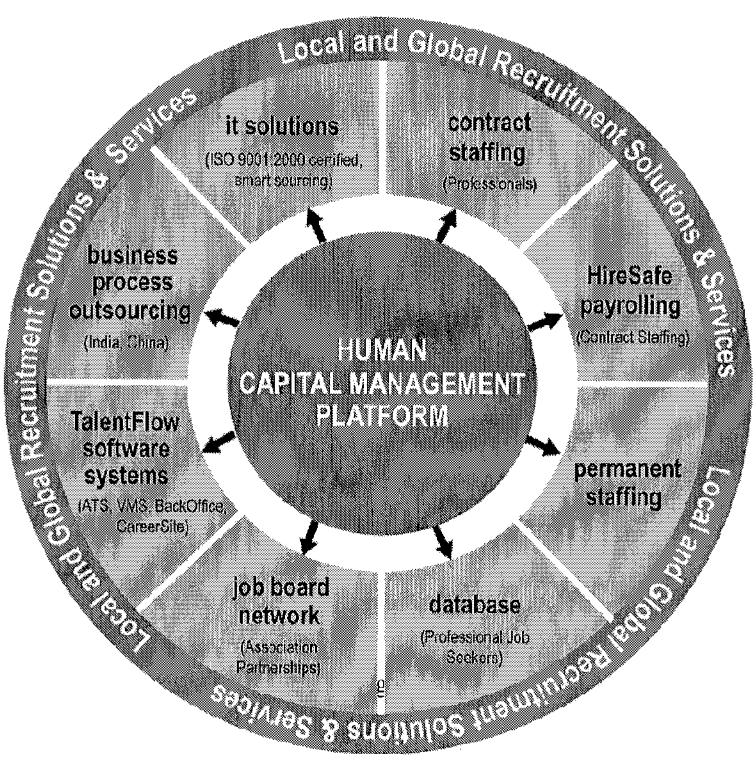
- Brainhunter Limited and Brainhunter Integrated Staffing Services Inc. were amalgamated, under the new name of Brainhunter Canada Inc.
- Brainhunter (Ottawa) Inc. and AJJA Information Technology Consultants Inc were amalgamated under the continuing name Brainhunter (Ottawa) Inc.
- TrekLogic Inc., Promethean Systems Consultants Inc. and Xycorp Inc. were amalgamated under the continuing name TrekLogic Inc.

All subsidiaries are incorporated or continued under the laws of Ontario or the laws of Canada, except Brainhunter Recruiting (India) Private Limited which is incorporated under the laws of India.

3.0 GENERAL DEVELOPMENT of the BUSINESS

3.1 Overview

Brainhunter (or the "Company") is a leader in the global delivery of Human Capital Management ("HCM") Solutions, Services and Software. Focused on all aspects of Staffing Procurement within organizations, Brainhunter provides end-to-end capability on a very robust, highly scalable, web enabled technology platform.



Brainhunter specializes in providing end-to-end recruiting and staffing solutions and services for IT, Engineering, Industrial and Health Care professionals, on a full time and contract basis, along with web enabled software solutions handling all aspects of the recruiting and staffing relationship between customer, contractor and agency. Functionality extends to all back office functions and the outsourcing of specialized business processes. Technology and services are provided to customers throughout Canada, the United States and globally under the brand Brainhunter, and drives a multifaceted revenue stream in related practice areas, including:

1. **Contract Staffing** (Annuity Revenue) – **High Growth**
   - Full Service
   - HireSafe Payrolling
   - Recruiting Support
   - BackOffice Processing

2. **Permanent Staffing** (Transaction Fees / Retainers) – **Strategic**
   - Full Service
   - Virtual Agency

3. **Specialized Job Boards** (Posting Fees / Subscriptions) – **High Growth**
   - Traditional Job Posting Model (Customers)
   - Reverse Job Posting Model (Job Seekers)
   - Database Access Model (Customers)

4. **TalentFlow Software Systems** (Licenses / Services) – **Strategic**
   - Applicant Tracking System
   - Vendor Management System
   - BackOffice Systems
   - CareerSite Systems

5. **Business Process Outsourcing** (India / China) (Annuity Revenue) - **High Growth**
   - 24/7 Recruiting / Sales and Customer Support
   - 24/7 Telemarketing
   - Outsourcing of Specialized Business Processes
   - SmartSourcing of Software Support and Development

6. **Professional Services / Solutions Delivery** (Project Revenue) - **Strategic**
   - Brainhunter Technology Platform Development, Support, Customization
   - Outsourcing / SmartSourcing®

Brainhunter's Human Capital Management Platform, supported by best practices, is believed to deliver the most cost effective, flexible and customizable recruiting and staffing solutions, services and processes in the marketplace today. The Platform is deployed internally and is delivered externally in a modular capacity, or as a fully integrated end-to-end solution. Software is sold on an ASP Model to customers in conjunction with Brainhunter's extensive Job Board Technology and Job Seeker Database capability (over 1.2 million resumes). It is supported by the Company's Professional Services division, which employs approximately 50 highly specialized, fully billable technical staff, operating on a highly profitable outsourcing business model.

Brainhunter is a publicly traded company with a senior listing on the Toronto Stock Exchange. Brainhunter deploys over 1,600 Contractors/Consultants with an internal staff of over 250 personnel. The Company has delivery capability in Toronto, Ottawa, Winnipeg, Montréal, Calgary, Edmonton, Vancouver, Maritimes as well as activities in Dalian, China and in Hyderabad, India.

3.2 History

3.2.1 Company Formation

TrekLogic Inc. ("TrekLogic") was incorporated under the *Business Corporations Act* (Ontario) as a private company on August 27, 1997. The purpose of TrekLogic was to provide software solutions to clients, primarily Sun Microsystems Inc. In 1999, TrekLogic earned the highly-desired designation "Sun Microsystems Strategic Partner", due to its extensive knowledge of UNIX and the Sun operating systems, knowledge which allows it to be a leader in consulting and migration projects relating to Sun operating systems.

On October 1, 2001, TrekLogic amalgamated with Stepping Solutions Inc. with the resulting company named TrekLogic Inc. Stepping Solutions Inc. was formed in 1999 and was in the business of providing contract staffing, primarily to the Government of Ontario. A wholly-owned subsidiary of Stepping Solutions Inc., Next Millennium Inc., became a wholly-owned subsidiary of TrekLogic Inc. Next Millennium Inc. was in the business of reselling software.

On June 21, 2002, Red Lantern Corporation, an Alberta company classified as a Junior Capital Pool Corporation as defined by Alberta Securities Rule 46-501, was continued into Ontario and concurrently changed its name to TrekLogic Technologies Inc.

On June 25, 2002, TrekLogic Inc. completed a reverse take-over transaction with TrekLogic Technologies Inc. Under the terms of the transaction agreement, TrekLogic Technologies Inc. acquired 100% of the shares of TrekLogic Inc. in an exchange for shares of TrekLogic Technologies Inc. so that the controlling shareholders of TrekLogic Inc. became the controlling shareholders of TrekLogic Technologies Inc. and TrekLogic Inc. became a 100% owned subsidiary of TrekLogic Technologies Inc. The reverse take-over transaction is being accounted for in the financial statements of TrekLogic Technologies Inc. as a purchase with TrekLogic Inc. as the purchaser.

On July 22, 2002 the TSX-Venture Exchange announced that it was accepting for filing the qualifying transaction of TrekLogic Technologies Inc. (formerly Red Lantern Corporation), that being the acquisition of TrekLogic Inc.

On November 14, 2003, TrekLogic Technologies Inc. was listed and began trading on the Toronto Stock Exchange.

On May 20, 2004, TrekLogic Technologies Inc. changed its name to Brainhunter Inc.

3.2.2 Acquisitions

Xycorp Inc.
On July 25, 2002 the Company acquired Xycorp Inc., a privately held company, located in Toronto, Ontario, which is in the business of providing contract IT personnel to major companies such as IBM and Manulife Insurance, and various ministries of the Government of Ontario. In addition, it places IT personnel on a permanent basis. Purchase price was $1,000 plus future payments based on cash flow to a maximum of $300,000.

Brainhunter.com Ltd.
Effective March 31, 2003, the Company acquired all of the issued and outstanding shares of Brainhunter.com Ltd. ("Brainhunter"), a web-enabled end-to-end recruitment technology platform. Consideration for the purchase, totalling $4,083,831, consisted of 2,186,110 Series A preferred shares of the Company valued at $1,093,055, three-year vendor-take-back notes totalling $1,298,749 of which $840,367 is paid in cash as a percentage of revenue over time and $458,382 is paid in Company common shares at the prevailing market price at maturity, net cash of $1,643,527, and transaction costs of $48,500.

InBusiness Solutions Inc.
Effective May 1, 2003, the Company acquired 62.3% of the issued and outstanding shares of InBusiness Solutions Inc. ("InBusiness"), an information technology solutions and services company listed on the TSX Venture exchange. Consideration for the purchase consisted of $2,000,000 in cash plus transaction costs of $37,433. Because the Company acquired control of InBusiness, the InBusiness acquisition has been accounted for in accordance with the purchase method of accounting.

On December 11, 2003 the Company issued an offer to acquire all issued and outstanding common shares including options and warrants of not already owned by the Company for a cash price of $0.15 per share. On December 11, 2003 the Company held 30,000,000 of the 48,157,307 issued and outstanding common shares of InBusiness as well as 30,000,000 common share purchase warrants exercisable at $0.10 per warrant for the period ending April, 2005.

In April, 2004, the Company, having obtained all outstanding shares of InBusiness, obtained regulatory consent to have InBusiness cease to be a reporting issuer in Canada.

IT Assets of Thinkpath Inc.
On June 27, 2003, the Company acquired the information technology ("IT") assets of Thinkpath Inc. ("Thinkpath"). These assets include the ongoing business of contract IT staff and the use of the Thinkpath brand in Canada for IT staffing. The assets were acquired for $200,000 cash, a promissory note for $60,000, and transaction costs of $19,136.

Advanced Solutions Group Inc.
Effective June 30, 2003, the Company acquired all of the issued and outstanding shares of Advanced Solutions Group Inc., an information technology solutions company. Consideration for the purchase, totalling $254,269, consisted of 100,000 common shares of the Company valued at $135,000, 50,000 common share purchase warrants of the Company valued at $5,865, net cash of $82,608, and transaction costs of $30,796.

ProTec Employment Services Limited
Effective July 31, 2003, the Company acquired all of the issued and outstanding shares of ProTec Employment Services Limited, operating as "ProTec Global Staffing, an engineering and industrial staffing company. Consideration for the purchase, totalling $1,570,293, consisted of 1,000,000 common shares of the Company valued at $1,200,000, a promissory note for $300,000, 101,000 common share purchase warrants of the Company valued at $48,055 and transaction costs of $22,238. Additionally, a contingent consideration may be incurred of up to $500,000 in cash and additional warrants based on certain income benchmarks, through September 30, 2007.

Prolink Consulting Inc.
Effective October 1, 2003, the Company acquired 100% of the shares of Prolink Consulting Inc. ("Prolink"), an information technology staffing company. Consideration for the purchase, totalling $1,857,675, consisted of 550,000 common shares of the Company with a deemed value of $2 per share, 355,000 common share purchase warrants valued at $108,154, net cash of $457,311, and transaction costs of $108,390. All shares have escrow periods of up to three years tied to management contracts and performance criteria. Results of Prolink are included in the consolidated financial statements of the Company as of the effective date.

Sirius Consulting Group Inc.
Effective November 1, 2003, The Company acquired 100% of the shares of Sirius Consulting Group Inc. ("Sirius"), an information technology staffing company. Consideration for the purchase, totalling $5,741,818, consisted of a $1.0M two-year transferable convertible note at an interest rate tied to the 90-day treasury bills rate, exercisable at $3.00 per common share of the Company, net cash of

$4,123,739, and transaction costs of $474,848. The convertible note has quarterly repayment terms over a two-year period. Results of Sirius are included in the consolidated financial statements of the Company as of the effective date.

Vision2Hire Solutions Inc.

Effective November 30, 2004, Vision2Hire Solutions Inc ("V2H") was acquired for a total consideration of $689,964 consisting of cash of $100,798, a zero-interest note payable of $446,054 convertible for a term of 3 years to Brainhunter shares at an exercise price of $2.00 per share, and transaction costs of $143,112. One senior technical sales executive joined Brainhunter as a result of the acquisition and all technology and sales support has been taken over by Brainhunter.

Promethean Systems Consultants Inc.

Effective January 1, 2005, 100% of Promethean Systems Consultants Inc. ("Promethean") was acquired for a total consideration of $294,252 consisting of 150,000 shares of the Company and 511,125 share purchase warrants of the Company exercisable at a price of $1.00 per share for a period of 4 years. In addition, the Company guaranteed bank debt of the former shareholders of Promethean in the amount of $100,000 and incurred transaction costs of $26,000. Promethean was acquired to expand the range of solutions services offered and to consolidate existing opportunities in the Contract Staffing sector. Results of Promethean are included in the consolidated financial statements of the Company as of the effective date.

AJJA Information Technology Consultants Inc.

On October 11, 2005, 100% of the common and preference shares of AJJA Information Technology Consultants Inc. ("AJJA"), an information technology staffing company, were acquired for cash, convertible notes, and zero-interest vendor-take-back loans. The convertible notes have a nominal value of $4,000,000 and are to be repaid $325,000 quarterly plus interest beginning December 31, 2006 and $337,500 quarterly plus interest beginning June 30, 2007. Interest is payable on each payment date at the rate equivalent to that on a 90-day Canadian Treasury Bill for the 90-day period immediately preceding each payment date, with interest accruing from October 1, 2006. The notes are convertible over their term to common shares of the Company at an exercise price of $1.00 per share. In accordance with CICA 3860, the convertible notes are to be separated into two components: a financial liability to make future payments and an equity instrument that is effectively a call option granting the holder the right, for a specified period of time, to convert into common shares of the Company. The Company has calculated the fair value of the financial liability component of the convertible notes to be $3,122,573 by discounting the quarterly payments of principal plus estimated interest using an effective interest rate of 15% per annum. This discount on the convertible notes is being charged to interest expense over the term of the loan. The carrying amount of the equity instrument, $877,427, was determined by deducting the fair value of the financial liability from the amount of the convertible notes as a whole. The zero-interest vendor-take-back loans have a nominal value of $2,200,000 and are to be repaid $36,667 monthly for 60 months. The Company has calculated the fair value of the vendor-take-back loans to be $1,541,268 by discounting the monthly payments using an effective interest rate of 15%. This discount on the vendor-take-back loans is being charged to interest expense over the term of the loans. The results of AJJA have been consolidated commencing October 11, 2005.

iGate Mastech Ltd.
On November 16, 2005, 100% of the common shares of iGate Mastech Ltd. ("iGate"), an information technology staffing company, were acquired for cash and a promissory note. The promissory note has a nominal value of $500,000 that is due November 16, 2007. The promissory note pays interest only quarterly at the rate equivalent to that on a 90-day Canadian Treasury Bill for the 90-day period immediately preceding each payment date. The Company has calculated the fair value of the promissory note to be $399,829 by discounting the nominal value plus the stream of estimated quarterly interest payments using an effective interest rate of 15% per annum. This discount on the promissory note is being charged to interest expense over the term of the note. The results of iGate have been consolidated commencing November 16, 2005. On March 24, 2006 iGate was renamed Brainhunter Integrated Staffing Services Inc.

3.2.3 Financings

$430,325 Private Placement
On December 23, 2002, the Company received regulatory approval and closed off a private placement of $430,325, for which it issued 1,229,500 units, each unit consisting of one common share and one purchase warrant. Each warrant entitled the holder to acquire one common share at $0.35 in the first year and at $0.40 in the second year

$4,000,000 Private Placement
On April 15, 2003, the Company closed a Private Placement Financing for a total of $4,000,000 in gross proceeds. In connection with the Financing, 6,000,000 common shares and 2,000,000 Convertible Preferred Shares were issued, all shares issued at $0.50 per share. The Convertible Preferred Shares are convertible to 2,000,000 common shares at the option of the holder of the Convertible Preferred Shares. All shares are subject to a four-month hold period, normal for

Private Placement Financing of this size and nature. As part of the costs of the financing, the Company issued, to the broker who arranged the financing, 600,000 warrants as a Compensation Option, exercisable for two years from date of closing at $0.50 per share.

$3,300,000 Private Placement

On July 10, 2003, the Company closed a Private Placement Financing for a total of $3,300,000 in gross proceeds. In connection with the Financing, 4,285,714 common shares and 428,571 Convertible Preferred Shares were issued, all shares issued at $0.70 per share. The Convertible Preferred Shares are convertible to 428,571 common shares at the option of the holder of the Convertible Preferred Shares. As part of the costs of the financing, the Company issued, to the broker who arranged the financing, 257,142 warrants as a Compensation Option, exercisable for two years from date of closing at $0.70 per share. Additionally, a financial advisor was paid 50,000 Options on the same terms for corporate services.

$10,000,000 Private Placement
On February 2, 2004, the Company completed a private placement of 5,555,556 common shares at $1.80 per share for gross proceeds of $10.0M. In connection with this private placement, the Company issued compensation warrants exercisable to acquire an aggregate of 283,335 common shares at $1.88. Insiders acquired approximately $3.7M of the financing.

$20,000,000 Term Facility
On November 16, 2005, the Company obtained a revolving demand credit facility of $20,000,000 from a Schedule "A" bank, with a term of two years, bearing interest at prime plus 0.5% to 1.5%, depending on a specific bank covenant ratio, collateralized by a general security agreement that constitutes a first charge over all the assets of the Company. A portion of the proceeds was used to retire the $10,000,000 facility in place on September 30, 2005. On September 22, 2006, the facility was increased to $22,000,000.

$5,000,000 Debenture
On November 16, 2005, the Company issued a debenture for $5,000,000, repayable on December 15, 2008, paying interest only during the term on a quarterly basis at 12% per annum. The debenture is collateralized by a floating charge on all assets, subordinated only to the general security agreement held by the Company's bank. The lender was issued 1,000,000 common share purchase warrants of the Company, exercisable at $1.00 per common share at any time, with total return to the lender guaranteed at 15%.

$7,856,000 Convertible Notes
In November 2005, the Company issued convertible notes of $7,856,000 with a term of three years, paying interest only during the term at 8% per annum. The notes are collateralized by a floating charge on the Company's assets, subordinated to the security of the Company's bank and the debenture. The notes are convertible at $1.50 of the face value per common share at any time, and were accompanied by 500 common share purchase warrants of the Company per $1,000 face value, exercisable at $1.00 per common share at any time. After a year, should the Company's common shares trade above a weighted average

trading price of $2.00 over 20 days, the Company retains the option to require holders of these convertible notes to convert or redeem them.

3.3 Dispositions

The Company has made no dispositions of companies or businesses since inception.

3.4 Industry Trends

Management believes that there are trends in North America, which will provide the Company with significant opportunities over the immediate future to profitably expand the business of the Company:

- The continuing trend by primary IT users to "outsource" IT development projects to Solutions providers like Brainhunter to avoid having a large IT infrastructure
- The continuing trend by large scale Information Technology users and Systems Integrators to use IT contractors for projects in lieu of using permanent employees

Management believes that the IT development sector will continue to expand over the coming years as the economy generally recovers from the economic doldrums of the first years of the 21st century.

Management believes that the time is opportune to effect a consolidation strategy within the IT Contract Staffing industry.

4.0 NARRATIVE DESCRIPTION of the BUSINESS

4.1 Introduction

Brainhunter is a high value added technology company providing end-to-end HCM Solutions based on proprietary technology and processes under the brand BRAINHUNTER to a wide variety of corporate and government clients on a national scale. Brainhunter's HCM solutions are structured across two primary categories:

1. **Contract & Permanent Staffing Services** are the key focus of the Company. This is a high growth opportunity where revenue is driven from annuity contract and permanent staffing placements. The HCM marketplace, in particular contract staffing solutions, represents over 10% of the North American GDP, and approximately $5.89 billion of contract Staffing Services in Canada alone. Brainhunter's HCM technology platform provides a significant competitive advantage allowing Brainhunter to create, develop and manage Strategic Staffing Services relationships with clients where the focus is on providing the client with an end-to-end staffing solution with emphasis on becoming the dominant provider of annuity contract staffing and permanent staffing placements in Canada.

2. **Solutions Delivery** is comprised of approximately 75 highly specialized technical employees supporting a strong core, highly profitable solutions business that is an enabler in managing the Brainhunter HCM technology platform providing the engine driving Brainhunter's high growth Staffing Services consolidation strategy. Additionally, the Solutions division manages the research and development initiatives and ASP infrastructure that drives an ever-increasing licensing fees revenue stream from HCM Solutions sales; and fast growing posting revenues generated from over 85 internally-hosted specialized job boards.

4.2 Staffing Business

Staffing Business Overview

The Staffing Business is composed of the businesses of Brainhunter Limited, Brainhunter (Ottawa) Inc., Xycorp Inc., Protec Employment Services Limited, Promethean Systems Consultants Inc., AJJA Information Technology Consultants Inc., and iGate Mastech Ltd.

Nature of Business
Brainhunter is creating a staffing business, focused on providing contract consultants primarily to the Information Technology (IT) sector and secondarily to the engineering sector using a technologically advanced recruiting platform (the Brainhunter recruiting platform) that offers a significant competitive advantage and a strong point of differentiation from competitive staffing providers. Based on this competitive advantage as well as the Company's management expertise in the contract staffing industry, Brainhunter will execute a consolidation strategy to become the leading technology staffing firm in Canada.

Brainhunter Technology Advantage
The core technology for the Brainhunter recruiting platform is the database engine that captures, screens, and presents candidates to clients in an accurate and timely manner. The proprietary matching algorithms rely on translating our recruiting and screening techniques developed over the past 20 years into an automated computer system. The platform offers a cost effective WEB based enterprise total staffing solution with the same or better level of service than traditional employment agencies. Management believes that the Brainhunter technology currently has no significant direct competitor that provides a WEB-based total staffing solution exactly similar to Brainhunter.

Business Process Outsourcing ("BPO") centre in India
In March 2005, the Company launched its BPO centre in India. The BPO centre is a core component of Brainhunter's strategy to provide its customers with the most comprehensive recruiting and staffing services and solutions in the marketplace today. Together with a fully integrated technology platform encompassing Applicant Tracking Systems, Vendor Management Systems, Back Office Systems, a network of over 100 specialized Job Boards and one of the largest active databases of professionals in North America, the BPO Centre adds to Brainhunter 24/7 recruiting capability for contract staffing in both Canada and the United States, telemarketing support for Job Board sales initiatives and supports strategic initiatives in India focussed on total outsourcing solutions. Initially, Brainhunter's BPO services will focus on industry verticals where Brainhunter has strong domain knowledge, expertise and business relationships, namely systems integration & consulting, financial services, insurance, petrochemical, telecom, retail and healthcare. Emphasis is on business processes where Brainhunter has specialized knowledge and where the value proposition for our customers has an immediate ROI impact. Additionally, the BPO Centre is providing contract and permanent staffing services to multinational corporations with a presence in India.

Target Market
Brainhunter is targeting a select set of clients across all major industries and geographic locations and especially Fortune 1000 clients and emerging growth companies utilizing skilled or professional labor, as well as Canadian federal and provincial government ministries and agencies. Geographically the main target areas are Toronto, Ottawa, Montreal, Calgary, Edmonton, Vancouver and will selective support its base of global customers internationally.

Toronto is extremely attractive because of the historical relationship and existing brand equity through the staffing entities acquired by the Company: Thinkpath IT, Xycorp, Brainhunter. Prolink, ProTec, Promethean, and iGATE. Most of these companies have been in existence for many years (between 6 and 28 years) with substantial staffing relationships and Vendor of Record status. We can therefore continue to penetrate the existing accounts and win more business in this large market in a short period of time, through the application of the sophisticated technology advantage. It is our belief that the build up of the critical mass, our combined size and capability will also allow us to effectively compete against large players for the major accounts in our target market. This belief has been supported by several major client "wins" over the last 12 months. In the IT staffing market, size, financial strength and stability factors are all important in winning major accounts.

Ottawa represents the Canadian City with the largest demand for technology professionals, and has been and will continue to be the home to most of the Canadian emerging technology growth companies, when the economical cycle reverses. This market is also fortunate to have the bulk of the federal government IT business. InBusiness, Sirius, and AJJA, our Ottawa based acquisitions, have an established presence in Ottawa spanning 25 years. They have substantially penetrated the federal government and Brainhunter continues to build its combined market share within the government entities.

Consolidation Opportunity
The highly fragmented nature of the industry, combined with the scalability of Brainhunter's front-end marketing & recruiting platform, back-end financial system and management and financial expertise present a large consolidation business opportunity.

The US has experienced a high degree of consolidation over the last 30 to 40 years. Most of the large US staffing firms referenced were grown through large amounts of acquisition.

In Ontario alone, there is an estimated 576 technology staffing companies with sales ranging from less than $1 million to approximately $200 million. Many of the operators run their business operation at a very unsophisticated small business level. Also, many of these operators are at or nearing retirement without a clear exit strategy to capitalize of the value built in the business.

Because staffing is a service business, there are very little fixed assets to dispose of or integrate into the post merged entity. The integration efforts are primarily focused on receivables, client relationships, consultant's relationships, the sales & recruiting team and forging a common corporate cultures, business values and to use established business practices.

Brainhunter's infrastructure, financial position, operational Best Practices, sound management and operational capability is extremely well positioned to execute a similar, "tried & true", proven consolidation strategy in the Canadian market to develop and emerge as the largest, leading technology staffing firm in the country.

Industry Analysis----The Staffing Industry Size and Growth Drivers

The North American staffing industry has been estimated to be worth in excess of $US102 billion (SI Report). The industry has experienced a growth rate of over 14% from 1993 through 2000, slowed in 2001 and 2005. This growth rate is expected to continue into the future (SI Report). There is healthy growth rate within the industry-by-industry segment. The temporary help segment continues to dominate the market. This growth trend is expected to continue as more professional and technical workers pursue alternate employment options and the provision of their services as consultants as opposed to being full-time employees. Even though the PEO (Professional Employment Organization) is in a separate category, there is also a compelling argument that this may well be classified as temporary help.

Business expansion continues to drive job growth in North America. The technology sector (engineering and information technology) and Health Care continues to be forecasted as the main areas of growth. Despite the cyclical downturn in the economy, a severe shortage of technology and Health Care professionals is expected to plague Canada and the US.

The latter half of 2006 has seen a tightening of the supply/demand gap for Technical Professionals. This has been accompanied by an increase in the billing and wage rates for IT Contractors. (HCM Report Reference, SunTrust Robinson Humphrey^{SM}, Safari Snapshots, December 1, 2006)

Moreover, this growth is also fueled by business expansion in the non-technology sectors. The accounting and finance sector is experiencing job growth between 30%-40% per annum (SI Report). There is also substantial growth in the management, sales and marketing, technical recruiting and other general non-technology areas.

Demand for health care services are also increasing. Many health care workers themselves are retiring and requiring health care services. For instance, the average U.S. nurse is 49 years old. The health care industry is now positioned to rival IT as the staffing sector with the greatest shortage of skilled personnel. The U.S. Bureau of Labour statistics project that nearly half of the 30 fastest growing occupations between 1999 and 2006 will be health services related.

Structure

The US and Canadian staffing industry is highly competitive and fragmented. There is specialization along many lines. For example, some agencies may specialize along verticals such as engineering, accounting and finance, health care, IT, sales and marketing and many other verticals along job function. Other agencies have developed sub-specialization and are focused on certain market niches within verticals. For example, some agencies sub-specialize in IT contracting and may further focus on the provision of specific IT skill-sets or software solution such as SAP programs or JD Edwards System specialists. Moreover, these smaller agencies tend to be local and operate within narrow geographic segments.

While there is very little start up capital required entering the agency business, there are substantial barriers to growth. Specialization, low barriers to entry and limited geographic focus have resulted in high fragmentation. There are, however, a number of very large agencies. These agencies are generalists serving many employment verticals, international, national or at least spanning many geographic areas, and are often publicly traded companies. These companies have market capitalization of over US$400 million, ranging to the largest, Adecco SA, with a market capitalization of US$13.1 billion.

4.3 Solutions Delivery Business

Brainhunter Inc.'s subsidiary's TrekLogic Inc. ("TrekLogic") and a portion of the recent acquisition of Promethean Systems Consultants Inc. ('Promethean") are an Information Technology ("IT") Services company's providing software solutions services to a high profile client base primarily in the U.S. and are built around a number of high value-added specialty practice areas where TrekLogic have a competitive advantage, either due to specialized expertise or proprietary software tools used in the provision of services. TrekLogic is committed to making the investment in developing both software tools and highly trained personnel that results in a distinct competitive advantage.

TrekLogic are providers of IT solutions to other businesses. They are focused in the following areas:

- Software Solutions. This is the primary business. Specializing in the design, development and maintenance of software solutions that facilitate electronic commerce based upon Internet technology;
- migration of application systems and data between operating platforms;
- custom software solutions; and
- consultancy projects.

It is the view of management that there are significant benefits to be derived from the joining together of the software solutions and the contract staffing businesses. By having a contract staffing business, the software solutions business has access to a large pool of available software talent, and is able to quickly identify the most appropriate people when solutions projects require additional resources. At the same time the contract staffing business provides excellent qualified leads to upcoming major projects through its large base of relationships in the IT world.

The market for the services offered by TrekLogic is, in practical terms, limited only by the Company's ability to grow in a manner, which allows the Company to maintain its high standards of quality and customer satisfaction.

The Company's competitive advantage lies in its ability to provide services based on either a technology advantage (i.e. proprietary software tools) or a domain knowledge, (i.e. specific industry expertise).

4.4 Employees

As of the date of this Annual Information Form, the Company has approximately 225 employees in its offices in Toronto, Ottawa, Montreal, Calgary, Edmonton, Vancouver, activities in Dalian China and a BPO office in India.

4.5 Risk Factors

The Company is subject to a number of risks and uncertainties that could significantly affect the Company's future results of operations and financial condition.

Competition
The Company operates in intensely competitive markets. Market conditions may in the future be such that obtaining good margins becomes a particular challenge.

Failure of a Key Customer
The Company deals only with customers, which, in its opinion can be relied upon to pay for the services rendered. Nevertheless, there is always the possibility that some customer may experience difficulties, which may affect the collection of all of the funds owed to the Company by that customer. This risk is mitigated by the

fact that only one single customer represents 15% of revenues with all other customers representing less than 10% of revenues. The Federal Government of Canada and its agencies represented about 45% of total revenues in Fiscal 2006 and approximately 32% of its accounts receivable at September 30, 2006.

Foreign Currency Risk

The Company earns approximately 9% of its revenues in US dollars. A sudden significant shift in the exchange rates could affect the realization of funds receivable.

Interest Rate Risk

The Company is exposed to interest rate fluctuations as the interest rate on its term bank facility is tied to prime interest rates.

Legal Proceedings

The company is involved in several pieces of litigation. Management believes that any necessary provisions have been made in the accounts of the Company, but the outcome of the litigation is not certain.

5.0 FINANCIAL INFORMATION

5.1 Annual Information

Balance Sheet as at September 30 ($,000)

	2006	2005	2004
Current Assets	$41,423	$17,435	$14,791
Non-current Assets	42,285	20,658	20,312
Total Assets	**$83,708**	**$38,093**	**$35,103**
Current Liabilities	$28,376	$18,602	$13,485
Non-current Liabilities	38,754	1,055	1,120
Total Liabilities	67,130	19,657	14,605
Shareholder Equity	16,578	18,436	20,498
Total Liab and Equity	**$83,708**	**$38,093**	**$35,103**

Statement of Operations for period ending September 30 ($,000 except earnings per share)

	2006	2005	2004
Revenue	**$166,504**	**$76,061**	**$68,893**
Cost of Sales	138,830	59,984	54,869
Gross Margin	**27,673**	**16,077**	**14,024**
Other Operating Costs	24,627	15,128	10,958
EBITDA	**3,046**	**949**	**3,066**
Interest	3,602	475	426
Amortization	5,606	2,012	3,386
Earnings before Tax	**(6,162)**	**(1,538)**	**(745)**
Income Tax	(1,462)	1,853	(548)
Net Earnings	**($4,700)**	**($3,391)**	**($197)**
Earnings per share-basic	($0.11)	($0.08)	$0.00
Earnings per share-fully diluted	($0.11)	($0.08)	$0.00

6.0 MANAGEMENT DISCUSSION and ANALYSIS

6.1 Management Discussion and Analysis for the year ending September 30, 2006

Revenues

Revenues for the Fiscal year ending September 30, 2006 increased $90,442,131 or 118.9% to $166,503,522 in the current year, up from $76,061,391 in the prior year. The increase is mainly attributable to the two first quarter acquisitions of AJJA Information Technology Consultants Inc. ("AJJA") on October 11th, 2005 and iGate Mastech Ltd. ("iGate") on November 16th, 2005, and an increase in the Staffing business offset by a decline in the Solutions business.

Brainhunter's Staffing Division accounted for $161,039,668 or 96.7% of total revenues compared to $70,058,389 or 92.1% in 2005, representing an increase of $90,981,278 or 129.9% increase over the prior year period. As noted above, the increase is mainly attributable to the acquisitions of AJJA and iGate, representing approximately $81 million of the total increase, and a $11.5 million increase in the IT staffing business, mainly in Toronto, as a result of organic growth and being classified as the primary vendor on contract arrangements.

A significant portion of the Company's revenue is derived from the Federal Government of Canada. During the year, 45.8% of revenues related to various Federal Government of Canada agencies and departments, compared to 43.0% in the prior year. This increase is due to acquiring AJJA in Ottawa.

Management believes that there are trends in North America, which will provide the Company with significant opportunities in the coming years to profitably expand the business of the Company:

- The continuing trend by primary IT users to "outsource" IT development projects to Solutions providers like Brainhunter to avoid having a large IT infrastructure
- The continuing trend by large scale Information Technology users and Systems Integrators to use IT contractors for projects in lieu of using permanent employees

Management believes that these trends will significantly drive our revenue and profitability growth in 2007.

Cost of Sales & Gross Margin

Cost of sales includes all direct costs incurred in the providing of Staffing and Solutions services. These costs include contract staff, billing employees, hardware and software sold as part of a solution and travel and living expenses required to provide the service.

The overall cost of sales increased $78,846,226 or 131.4% from $59,984,183 in 2005 to $138,830,406 in 2006, an amount commensurate with the increase in revenues, and as a result of the two acquisitions. Cost of sales as a percentage of revenues increased from 78.9% to 83.4% on a year-over-year basis reflecting the evolution in the mix of the business, and the two acquisitions, which include significant vendor managed payrolling sales for several Tier-1 customer relationships. This business has lower margins than traditional full-service contract staffing sales because no recruiting function is required.

Cost of sales in the Company's Staffing Division accounted for $135,527,965 or 97.6% of the current year compared to $56,868,801 or 94.8% of the total cost of sales in 2005, representing an increase of $78,659,164 or 138.3% increase over the prior year. The gross margin related to the Staffing Division is $25,511,703 or 15.8% of related revenues in 2006 compared to $13,189,589 or 18.8% in the prior year. The decrease in gross margin percentage is a result of the acquisitions, which have gross margins in the 14-17% range and include vendor managed payrolling sales, as noted above.

Overall, the Company reported gross margins of $27,673,116 or 16.6% of revenues in the 2006, compared to $16,077,208 or 21.1% of revenues in 2005. The gross margin fluctuates as it is dependent on the level of revenue generated from each division, and changes due to demands and competition in the market place, and as noted above, it has been impacted by vendor managed payrolling sales.

Overhead expenses ("Other Staffing Costs" and "General, Selling and Administrative plus Restructuring Allowance")

Overhead expenses showed an increase in Fiscal 2006 versus Fiscal 2005 of $9,499,882 from $15,127,538 to $24,627,420 representing a 62.8% increase. As a % of Revenue, overhead expenses were 14.8%, down from 19.9% the previous year.

Other staffing costs have increased $7,908,789 or 81.5% to $17,611,171 up from $9,702,382 in the prior year. The selling, general and administrative expenses have also increased $1,591,094 or 29.3% over the prior year. The increase is attributable to the acquisition of iGate and AJJA.

The largest increases in the Overhead costs for Fiscal 2006 are as follows:

- Restructuring allowance of $1,035,000;
- Marketing and branding costs increased from $745,000 to $1,196,430
- Real estate costs increased from $1,223,000 to $1,417,597
- Management, consulting, accounting and legal fees from $2,827,287 to $3,308,760; and
- Travel and entertainment costs increased from $359,000 to $919,913.

As discussed earlier in this MD&A, in October 2005, the Company acquired AJJA Information Technology Consultants Inc. and in November 2005, the Company acquired iGate Mastech Limited. These two acquisitions approximately doubled the annual revenues of the company. As part of the process of integrating the two acquisitions into the Company, executive management determined that the Company's resulting cost structure was inappropriate for the existing business and anticipated organic growth. As a result, the Company rationalized its Toronto operations including senior management as well as positions in sales, recruiting, and administration. The expected cost savings on an annualized basis is in excess of $2,100,000.

The anticipated severance costs are approximately $790,000, and therefore an allowance in that amount was taken in 2006, as required by accounting policy. At the same time, certain leased real estate became redundant as a result of combining the operations of the acquired companies with that of existing Company facilities. The Company has determined that the cost to the Company disposing of the excess rented premises $150,000 and has recorded an allowance in that amount.

As well, the Company has determined that an allowance of $100,000 is appropriate to cover the costs of certain other items associated with acquisitions, including the costs of concluding litigation.

In total, the Company recorded a Restructuring allowance of $1,035,000 in the 2006. The Company expects to pay the bulk of the amounts involved over the next 12 months. The effect on pro-forma earnings net of allowance for income tax is approximately $1,050,000. The Company has usable tax loss carry-forwards and does not expect to pay any material income tax.

Earnings before Interest, Taxes and Amortization (EBITDA)

As the result of the above, EBITDA is reported as $3,045,696 for Fiscal 2006 versus $949,670 for Fiscal 2005. EBITDA increased as a percentage of Revenue from 1.2% in the year ending September, 2005 to 1.8% in the year ending September 2006. As noted previously, the increase is largely due to the acquisitions of AJJA and iGate which approximately doubled the revenues of the Company.

Interest

The interest costs are predominantly related to amounts paid on the Company's current line of credit, the convertible notes, and the debentures. Interest expense is composed of two components; interest expense and accreted interest. Accreted interest is a notional interest cost which represents the difference between the coupon rate of the specific piece of debt and an estimated cost of capital to the Company. When a piece of debt is incurred at a rate below the Company's estimated cost of capital, GAAP requires the debt to be discounted by the difference between the two interest rates and that discount amortized over the life of the debt as accretive or non-cash interest expense.

	2006	2005
Interest Expense	$ 2,484,580	$ 418,765
Interest Expense - accreted	$ 1,117,631	$ 55,855

Cash interest costs are increasing over time commensurate with the increase in Revenues, being the cost of financing accounts receivable for contract staffing and solutions business.

Amortization

Amortization expense of capital and intangible assets in 2006 is $1,074,318 and $3,614,336 respectively, an increase of $174,915 for capital assets and $2,501,419 for intangible assets, from prior year. The largest portion of amortization expense is the amortization of intangible assets. The increase in amortization expense is mainly due the addition of approximately $15 million in intangibles relating to the acquisition of AJJA and iGate. In addition, the Company incurred $916,991 of amortization expense for the deferred financing in Fiscal 2006.

Loss before Income Tax

Based on all of the above, the Company is reporting a loss before income taxes of $6,162,160 for 2006 compared to a loss of $1,537,270 from the prior year. As noted previously, the loss is largely the result of amortization expenses of intangible assets from acquisition activities of $3,614,336, cash interest expense of $2,484,580 from the additional debt incurred for the acquisitions of AJJA and iGate, and the restructuring cost accrued for 2006 of $1,035,000.

Income Tax Expense

The provision for income taxes differs from the expense that would be obtained by applying the statutory rate to net income before income taxes as a result of such items as, amounts not deductible for tax purposes, future tax assets and liabilities, and the benefit of loss recorded. The Company has sufficient tax losses acquired through acquisitions to reduce the payment of income taxes but is still subject to Provincial capital taxes, corporate minimum taxes, and future tax provisions. The Company's provision for income taxes amounted to a recovery of $(1,461,788) in 2006, compared to provision of $1,853,488 in 2005.

Net Earnings (Loss)

The Company is reporting a net loss of $4,700,372 or $(0.11) per share basic and diluted for year compared to a Net Loss of $3,390,758 or $(0.08) per share basic and diluted for 2005

Liquidity

Cash and Bank Indebtedness

The Company's line of credit as of September 30th, 2006 is $22,000,000. The Company's interest rate is prime plus 0.5% to 1.5%, depending on a specific bank covenant ratio. This bank line was obtained November 16th, 2005, and a portion of the proceeds was used to retire the $10,000,000 line of credit in place at September 30th, 2005.

Cash used in Operations for the year was $936,595, versus Cash used in Operations of $2,818,906 for Fiscal Year 2005. This significant improvement resulted mainly from the net change in non-cash working capital, which decreased from $(3,258,369) to $(1,368,611), primarily as a result of reducing the Company's accounts payable and accrued liabilities.

Obligations by year ($,000)				Long Term Debt		Total
			Operating Leases	Pay in Cash	Pay in Shares	
Year ending:	Sept	2007	$1,376	$3,904	$458	$5,738
	Sept	2008	$1,293	$6,481		$7,775
	Sept	2009	$1,124	$7,115		$8,238
	Sept	2010	$943	$0		$943
	Sept	2011	$944	$0		$944
	Sept	2012	$965	$0		$965
	Sept	2013	$967	$0		$967
	Sept	2014	$967	$0		$967
	Sept	2015	$432	$0		$432
	Sept	2016	$253	$0		$253
	Sept	2017	$21			$21
	Total		**$9,286**	**$17,500**	**$458**	**$27,244**

Issue of Common Shares

The Company raised $66,299 during the 2006 fiscal year on the exercise of common share options compared to $150,670 during Fiscal 2005. In addition, the Company raised $131,364 on the conversion of preferred shares into common shares in Fiscal 2006.

Advances to Related Parties and Share Purchase Loans

The company recorded net repayments of $92,009 to related parties during 2006, compared to net repayments of $48,539 in the prior year. In Fiscal 2006, the Company advanced $242,000 to individuals to acquire shares in the Company, compared to $228,500 in Fiscal 2005. The advances to acquire the shares are collaterized by the Company shares. The loans are part of employment contracts for new senior management personnel. They are accounted for as an offset to Share Capital.

Proceeds from Long-Term Obligations

In the period October, 2005 to December, 2005, the Company issued convertible term notes of $7,856,000 with a term of three years, paying interest only during the term at 8% per annum. The notes are convertible at $1.50 of the face value per Company common share at any time, and were accompanied by 500 common share purchase warrants of the Company per $1,000 face value, exercisable at $1.00 per common share at any time. After a year, should the Company's common shares trade above a weighted average trading price of $2.00 over 20 days, the Company retains the option to require holders of these convertible notes to convert or redeem them. Net proceeds of the issue were $7,234,150, of which $358,000 were received in the last quarter of fiscal 2005 and $6,876,150 in the first quarter of 2006, and were directed to the acquisitions of AJJA and iGate and to the Company's working capital.

Also on November 16th, 2005, the Company issued a debenture for $5,000,000, repayable on December 18th, 2008, paying interest only during the term on a quarterly basis at 12% per annum; the lender was issued 1,000,000 common share purchase warrants of the Company, exercisable at $1.00 per common share at any time, with total return to the lender guaranteed at 15%. Net proceeds of the issue were $4,881,984.

Repayment of Long-term Obligations

The Company repaid $587,104 of long-term debt during year, compared to a repayment of $356,000 in Fiscal of 2005. All of the repayments are scheduled payments on long-term debt.

Business Acquisitions

The Company reported cash costs of $18,786,362, net of cash acquired, to acquire AJJA and iGate in the first half of 2006. This compares to the cash costs of $54,038 recorded for the first half of 2005, when the Company completed the acquisitions of Vision2Hire and Promethean. The acquisitions of AJJA and iGate were funded primarily by the Convertible term notes and Debenture financings described above.

Capital Expenditures

The Company spent $1,699,252 on Capital Expenditures during 2006, somewhat lower than the $2,133,617 spent in the prior year. The current expenditures were made primarily in enhancing the Brainhunter software ($910,043) and in computer hardware and software ($347,568).

The Company's largest capital expenditure project has been the development of internal-use software systems to manage and execute certain processes specific to the business of the Company. To September 30, 2006 the Company has spent approximately $3.8 million on the project. Following additional expenditures of approximately $225,000, the project is expected to be completed in Q2 of Fiscal 2007.

SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

The following table provides summary financial data for our last eight quarters:

(Expressed in thousands of dollars, except per share amounts)	Quarter ended			
	Sep 30 2006	**Jun 30 2006**	**Mar 31 2006**	**Dec 31 2005**
Revenue	$47,250	$ 42,056	$ 43,336	$ 33,862
Net income (loss)	$183	($2,463)	($1,482)	($938)
Net income (loss) per share - Basic	$0.01	($0.06)	($0.04)	($0.02)
- Diluted	$0.01	($0.06)	($0.04)	($0.02)
	Sep 30 2005	**Jun 30 2005**	**Mar 31 2005**	**Dec 31 2004**
Revenue	$18,707	$ 20,017	$ 19,548	$ 17,789
Net income (loss)	($3,516)	($246)	$235	$136
Net income (loss) per share - Basic	($0.06)	($0.01)	$0.01	$0.00
- Diluted	($0.08)	($0.01)	$0.01	$0.00

The Company's quarterly results fluctuate based on a number of factors. Operations are driven by the timing of contracts, business renewals, acquisitions, reorganizations, and are subject to some quarterly seasonality due to the timing of the Federal Government of Canada's year-end, vacation periods and statutory holidays.

The Company recognizes revenue as work is performed, and revenue and profitability are negatively impacted as a result of statutory holidays and vacation periods. Typically, the Company's first and fourth quarter indicate reduced revenue and profitability levels as a result of the Christmas season and summer vacation period. The second quarter's revenue and profitability are normally positively impacted due to the Federal

Government of Canada's March 31st year-end as consultants are fully utilized and additional consultants are engaged to finalize the work.

7.0 SHARE CAPITAL

7.1 Capital Structure

The authorized capital structure of the Company consists of:

1. Unlimited number of common shares

2. Unlimited number of preferred shares

3. Unlimited number of non-cumulative, non-redeemable, non-retractable, convertible, voting Series A Preferred Shares

7.2 Trading of Securities

Brainhunter's common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "BH". The average trading volume and prices for the previous 14 months are shown below:

Year	Month	Average Daily Trading Volume	Average Daily Trading Price
2005	October	27,220	$0.93
	November	56,714	$0.96
	December	42,718	$0.84
2006	January	21,333	$0.80
	February	18,145	$0.73
	March	33,870	$0.66
	April	25,237	$0.71
	May	19,282	$0.66
	June	14,582	$0.56
	July	19,230	$0.56
	August	20,582	$0.57
	September	51,500	$0.61
	October	20,390	$0.61
	November	15,818	$0.58

7.3 Dividends

1. There are no restrictions to prevent the issuer from paying dividends.
2. No dividends have been paid in the past three fiscal years.
3. The issuer does not intend to pay dividends in the foreseeable future, as it is the issuer's intention to reinvest profits into the business.

7.4 Transfer Agent

The Company's transfer agent and registrar is Computershare Trust Company of Canada at its offices at Suite 600, 530-8th Avenue SW, Calgary, Alberta, T2P 3S8.

8.0 ESCROWED SECURITIES

Shares held in escrow at September 30, 2005 are as follows:

Description & Designation of Class	Number of Securities held in Escrow	Percentage of Class
Common Shares relating to the Protec acquisition, released at 300,000 shares per year with the final release in October 28, 2006.	150,000	0.35%
Common Shares relating to the Prolink acquisition, released at 132,000 shares per year with the final release at January 15, 2007.	66,000	0.15%

9.0 DIRECTORS AND OFFICERS

The directors of the Company are elected each year at the annual meeting of the shareholders of the Company. The next annual meeting of the shareholders will be held in March, 2007.

Directors and Officers of the Company as of date of this AIF

Name, Place of Residence	Position with Company	Present and Principal Occupation during the last 5 years	Date of Appointment as Director
John McKimm Toronto, Ontario	Director (Insider), Chairman and CEO	Brainhunter Inc. • Chairman and CEO 2001 to present Daedalian eSolutions Inc. • Executive Chairman 2000 to 2001	January 14, 2000
Honourable Michael Kirby Ottawa, Ontario	Director (Independent)	Government of Canada • Senator 1984 to present Bank of Nova Scotia • Director 2000 to present Extendicare Inc. • Director 1987 to present	June 25, 2002
James Penturn Toronto, Ontario	Director (Independent)	John Penturn & Son Limited • President 1998 to present	June 25, 2002
Matthew Shaw, West Palm Beach, Florida	Director (Independent)	Crossbow Ventures • Partner 2002 to present Centennial Ventures • Senior Associate 2000 to 2002 Prime New Ventures • Associate 1998 to 2000	June 19, 2003
Mel Steinke, Pickering, Ontario	Director (Insider)	Burntsand Inc. • President & CEO 2002 to 2003 Descartes Systems Inc. • President 2001 to 2002 CGI Inc. • Executive Vice President 1999 to 2000 Deloitte Systems • CEO 1990 to 1999	August 15, 2002
Raj Singh, Toronto, Ontario	Director (Insider), President	Brainhunter.com Ltd. • Chairman and CEO 1999 to March 2003 (when acquired by Brainhunter) Procom Inc. • 1991 to 1999 Managing Consultant	June 19, 2003
John Gillies, Oakville, Ontario	Director (Independent)	Retired Arbor Memorial Services • President and CEO 1994 to 1997	March 31, 2005
John Jaakkola, Sao Paulo, Brazil	Director (Independent)	Retired Deloitte Consulting Latin America • CEO • 2001 to 2003 ICS Deloitte Europe • CEO 1997 to 2001	March 31, 2005
Don McCreesh, Oakville, Ontario	Director (Independent)	Consultant, Chartered Director (2006) Celestica • SVP Corporate Affairs 2004, SVP, Human Resources 1999 to 2003	March 31, 2005
Adam Jasek, Ottawa, Ontario	Director (Independent)	Businessman AJJA Information Technology Consultants Inc. • Chairman and CEO 1985 to 2005	March 28, 2006

Robert Prentice Toronto, Ontario	CFO and Corporate Secretary	Brainhunter Inc. • CFO and Corp. Secretary 2000 to present	N/A

9.2 Shares held by the Directors and Officers as a Group

Issued and Outstanding Common Shares held by Directors and Officers listed above as a group as at November 30, 2006.

	Common	**%**
Shares held by Group	9,036,049	21%
Total shares outstanding	42,694,977	100%

9.3 Board Committees

Governance Committee
The mandate of the Governance Committee is to make recommendations to the Board of Directors regarding governance policies and then implement and oversee such governance policies as are approved by the Board.

The members of the Governance Committee during the period October 1, 2005 to present are Don McCreesh, (chair) John Gillies, John Jaakkola and Michael Kirby. Mr. McCreesh also serves as Lead Director.

Compensation Committee
The mandate of the Compensation Committee is to make recommendations to the Board of Directors regarding compensation policies and then implement and oversee such compensation policies as are approved by the Board.

The members of the Compensation Committee during the period October 1, 2005 to present are Michael Kirby, (chair) John Gillies and Don McCreesh.

Audit Committee
The mandate of the Audit Committee is to review and report on the integrity of the consolidated financial statements of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts.

The members of the Audit Committee at all relevant times during the period from October 1, 2005 to present have been John Gillies (chair), Don McCreesh and John Jaakkola.

10.0 OTHER

10.1 Material Contracts

The Company has not entered into any material contracts, not in the ordinary course of business, within the last three consecutive fiscal years.

10.2 Interest of Management and Others in Material Transactions

No Directors, persons with more than 10% of any class of securities or members of Management have had any interest in a material transaction of the Company with the following exception: directors collectively took up $1,808,000 of the $7,856,000 convertible financing obtained in the first quarter of Fiscal 2006 on exactly the same terms as all other parties to the financing.

11.0 ADDITIONAL INFORMATION

11.1 Information on SEDAR

Additional information may be found at www.SEDAR.com.

11.2 Information when Securities are in distribution

The Company shall provide to any person, upon request to the Secretary of the Company at 700-2 Sheppard Avenue East, Toronto, ON, M2N 5Y7

a) when the securities of the Company are in the course of a distribution under a preliminary short form prospectus or a preliminary short form prospectus has been filed in respect of a distribution of its securities:
   i. one copy of the current AIF of the Company, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the AIF;
   ii. one copy of the comparative consolidated financial statements of the Company for its most recently completed financial year for which statements have been filed together with the accompanying report of the auditors, and one copy of the most recent interim consolidated financial statements of the Company that have been filed, if any, for the period after the end of its most recently completed financial year;
   iii. one copy of the information circular of the Company in respect of its most recent annual general meeting of shareholders that involved the election of directors or one copy of any annual filing prepared instead of that information circular, as appropriate; and iv. one copy of any other documents that are incorporated by reference into the

preliminary short form prospectus or the short form prospectus and are not required to be provided under (i) to (iii) above; or

b) at any other time, one copy of any of the documents referred to in (a)(i), (ii) and (iii) above, provided that the Company may require the payment of a reasonable charge if the request is made by a person who is not a security holder of the Company.

11.3 Information in Information Circular

Additional information, including information on remuneration of directors and officers, and principal holders of securities may be found in the Company's information circular prepared for the Company's annual meeting.

11.4 Information in Financial Statements

Additional information is provided in the financial statements of the Company.