

# Investor Information Corporate Overview

The logo for Solium Capital is centered on the page. It consists of a thin grey circle with the text "Solium" in a serif font above "CAPITAL" in a sans-serif font. Two grey arrows on the circle's perimeter point clockwise, one at the top-left and one at the bottom-right.

Solium  
CAPITAL

## Forward Looking Information

This document may contain forward-looking statements and/or assumptions that involve known and/or unknown risks. Such statements and assumptions may include: the size and/or economics of the market; plans and intentions to increase market share, expand geographically and/or further develop product capabilities; the results of strategic initiatives; and the impact of competition.

These forward-looking statements and assumptions are based on the expectations of Solium and involve known and unknown risks, uncertainties and other factors that may cause or influence the actual results, market performance, or achievements to differ from any future expected results, performance or achievements expressed or implied by such forward-looking statements.

No representation can be, or is being, made by Solium that future performance and operational results will conform to any estimates and projections contained or implied in this document. Important factors that could cause or influence such differences include, but are not limited to: general business and economic conditions, the overall stock market performance, actions from competitors, the corporate governance environment and regulatory reporting requirements for Solium's clients, product capability and acceptance, the Company's ability to generate sufficient cash flow from operations to meet its current and future obligations, and the Company's ability to access external sources of financing if required.

In making an investment decision, prospective investors must make their own determinations as to the reliability of these projections, assumptions and forward-looking statements.

Solium undertakes no obligation to update any forward-looking statement, assumptions, or the other information herein in order to reflect events or circumstances that may arise after the date of this document.

The information in this document is not to be copied, printed or distributed without the prior written approval of Solium.

## Corporate Overview - Contents

	<b>Topic</b>	<b>Page(s)</b>	<b>Updated (mm/yr)</b>
1	Business Vision & Guiding Principles	4, 5	12/06
2	Strategic Intent	6	12/06
3	Corporate Data	7	03/07
4	Product Descriptions & Capabilities	8, 9	12/06
5	Revenue Model	10-12	12/06
6	Solium's Evolution & Historical Milestones	13-20	03/07
7	Governance – Guiding Principles & Philosophies	21, 22	12/06
8	Capital Structure & Insider Ownership	23-25	03/07

**Solium Capital envisions becoming the global leader in managing stock-based incentive compensation programs.**

- ▶▶ Focused on employee stock compensation programs
- ▶▶ Solium Shareworks™
  - Grant-based incentive programs- stock options, share units, share appreciations rights
  - Savings-based incentive programs- stock purchase plans, tax assisted savings plan
- ▶▶ Application Service Provider (ASP) model
- ▶▶ Diminishing marginal cost business model

## Solium's Guiding Principles

Solium  
CAPITAL

**Solium is committed to the success of all of its stakeholders: shareholders, clients, and employees.**

1. Infinitely satisfied customers
2. Compete to dominate
3. Unfailing commitment to excellence
4. Innovate to achieve technical supremacy
5. A rewarding - if not formative - experience for those who entrust Solium
6. A disruptive force

**Equals industry leading returns**

## Strategic Intent

Solium  
CAPITAL

1. Dominate the Canadian stock-based incentive compensation marketplace
2. Establish vital execution/distribution relationships to complement the Solium offering(s)
  - HSBC and Great-West Life are examples
3. Aggressively augment markets – both geographically and with new product capabilities
  - Share Purchase launched in Q1 2004
  - Established operations in US in 2006
  - Establish operations in the UK
4. Become the global leader in managing corporate incentive compensation programs

**Equals consistently superior returns for Solium shareholders**

## Solium Corporate Data

Solium  
CAPITAL

<b>Established:</b>	November, 1999
<b>Public:</b>	May, 2001 <ul style="list-style-type: none"><li>• TSX Venture Exchange: SUM</li></ul> Effective March, 2007 <ul style="list-style-type: none"><li>• TSX : SUM</li></ul>
<b>Focus:</b>	Corporate Clients (generally publicly traded) <ul style="list-style-type: none"><li>• Servicing their stock-based incentive programs<ul style="list-style-type: none"><li>- Employee stock option plans (and derivatives, such as restricted stock units, share appreciation rights, etc.)</li><li>- Employee stock purchase and savings plans</li></ul></li></ul>
<b>Operations:</b>	Calgary, Toronto, Montreal and New-York
<b>Share Capital:</b>	Basic: 28.4 million (100% Common) Diluted: 31.5 million

## Product Description

**Product is evolved/updated frequently, which provides clients with continuous improvements and always the latest version, whenever they log-on, without software installations or upgrades.**

- » Management of employee stock based compensation through a common web-based platform, including:
  - Stock options & share appreciation rights
  - Restricted shares/restricted stock
  - Employee stock purchase plans – including registered savings plans
  - Clients access their own unique bundle of service requirements
- » Complete online corporate reporting & management controls
- » Integrated with real-time stock quotes
- » Full global currency capabilities, tracking & translation
- » Blackout management tools

**Employee participants can ‘exercise’ options on-line or withdraw funds from share purchase plans electronically, including the use of limit orders, market orders, etc.**

## Product Capabilities

### **Stock Options and Awards**

- Complete financial reporting
- Fair value calculations and automated stock option expensing
- Full support for stock options, share units, share appreciation rights and tandem SAR's
- Complete history of grants and activity for employer and employees
- Comprehensive employee reports and tools

### **Share Purchase and Holdings**

- Tracking of employer & employee contributions
- Vesting capabilities
- Complete range of registered and non-registered plans
- Automated rules plan administration
- Supports plans with single stock, mutual funds and GICs

### **Solium Shareworks™ Base Platform**

- Can be interfaced with other systems
- Scalable to handle the largest of clients
- Online access 24/7
- Real time execution & settlement – handles market orders, limit orders, etc
- Unique login provides access all equity compensation plans
- System generated messages and alerts for blackouts, new grants, etc

# Revenue Model Components

## Recurring Access (License) Fees

- per participant - annual
- component-based pricing

## Transaction Fees

- activity based – exercise, etc
- usually employee borne

## Implementation Fees

- one time fees

## Service/Consulting Fees

- Fee-for-service for client-driven customization

## Revenue Model Characteristics

- ▶▶ Product/service licensing has an indefinite contract term with clients.
- ▶▶ Each corporate client has a unique access fee based on:
  - Number of participants
  - Unique set of product & service components
  - Unique complexity of plan(s)
- ▶▶ Transaction Fees are based on Shareworks™ system usage and vary depending on the service elections made by the user (employee).
- ▶▶ Financial Services Connection Fees are paid by financial services partners and relate to the seamless integration of the Solium transaction system into the systems and services provided by Solium's financial services partners, who in turn provide trade execution, global money movement, FX services, etc.

## Revenue Model Quantification

(Direct Sales )

Solium  
CAPITAL

*(Representative of both Stock Option and Share Purchase)*

### 1,000 Participant plan - example

- Access (license) fees -  $\$50 \times 1,000 = \$50,000$
- Implementation -  $\$10 \times 1,000 = \$10,000$
- Transaction revenue (estimate) - 20% of license =  $\$10,000$
- Financial Services Connection Fees (estimate) – 20% of license =  $\$10,000$

**=> Annual Revenue ~ \$70,000/yr (Implementation fees are not annual)**

**Note: The figures above are representative only and do not reflect an actual client. Fees for actual clients are customized, based on a unique set of product and service components and the unique characteristics of the client's stock compensation plan(s).**

## Solium's Evolution & Milestones

Date	Event
Q4/'99	Solium established by founders John Kenny and Mark Van Hees, Investment Advisors with a vision to create an on-line brokerage business, using employee stock options as the entry point to retail customer relationships.
Q2/'01	IPO raises \$2.0 million to finance development of technology platform and market development. IPO at \$1.00/share.
Q3/'01	First large customer (TransAlta) and associated revenue commences. Solium's technology platform is a significant success.
Q4/'01- Q1/'02	Company running out of working capital, and recruits Brian Craig as Board member, and subsequently asks Brian to re-capitalize and lead company.
Q2-3/'02	Company technically insolvent, then: <ul style="list-style-type: none"> <li>• Recapitalized with over \$1 million of new equity (common shares; warrants &amp; preferred shares). Refinancing at \$0.20/share.</li> <li>• Additional Board members appointed with the new equity investors.</li> <li>• Management team re-structured under Brian Craig.</li> </ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q2-Q3/'02	<p>New strategy developed &amp; implemented:</p> <ul style="list-style-type: none"> <li>• Focus on technology-based administration services only (no brokerage business)</li> <li>• Deal struck to acquire Bitonic Solutions and internalize technology development capability</li> <li>• Platform changed to Omnibus corporate brokerage accounts for clients (instead of individual employee participant brokerage accounts)</li> <li>• HSBC alliance established to handle securities execution &amp; settlement</li> </ul>
Q3-Q4/'02	<p>Additional Financing required:</p> <ul style="list-style-type: none"> <li>• Private placement with arms length investors adds \$650K in working capital (\$0.20/share).</li> <li>• Debenture (non-convertible) provided by Board members adds \$1 Million to working capital; in order to provide confidence to prospective clients that there are the financial resources to execute on the business plan.</li> </ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q1-Q2/'03	<p>New Pricing Model developed and implemented</p> <ul style="list-style-type: none"><li>• Expanded service options (unbundling)</li><li>• Expanded price bandwidth</li></ul>
Q3-Q4/'03	<ul style="list-style-type: none"><li>• Alliance with GWL struck and GWL representative added to the Board</li><li>• Office in Toronto opened</li><li>• Additional financing of \$1.2 million, including \$790k from Board members via private placement (\$0.40/share); exercise of warrants (which were issued with the June 2002 refinancing); and exercise of options. Funds raised to assure GWL that Solium had financial resources to execute on the accelerated development and implementation of Solium's Share Purchase administration product.</li></ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q1-Q2/'04	<ul style="list-style-type: none"> <li>• Share Purchase product launched</li> <li>• 100,000 GWL client participants migrated to new Share Purchase product</li> <li>• Share Unit administration functionality added</li> <li>• On-line grant administration functionality added</li> <li>• First months of profitable operations achieved (May &amp; June 2004)</li> </ul>
Q3/'04	<ul style="list-style-type: none"> <li>• Significant market penetration momentum established in Toronto &amp; Montreal</li> <li>• First quarter of positive net earnings</li> </ul>
Q4/'04	<ul style="list-style-type: none"> <li>• Net earnings increase of 130% over Q3'04</li> <li>• 43% increase in revenue over Q3'04</li> <li>• Added 7,000 plan participants during the quarter representing a 5.6 % increase over Q3'04</li> <li>• Launched integrated platform interface to enable participants to manage both Stock option and Share Purchase holdings from one application</li> <li>• \$500,000 of demand debenture repaid to debenture holder</li> </ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q1/'05	<ul style="list-style-type: none"> <li>• Net earnings increase of 330% increase over Q4'04</li> <li>• 26% increase in revenue over Q4'04</li> <li>• Added over 15,000 plan participants during the quarter representing an 11% increase over Q4'04</li> <li>• Launched largest plan to date</li> </ul>
Q2/'05	<ul style="list-style-type: none"> <li>• Fourth consecutive quarter of positive net earnings</li> <li>• 10% increase in revenue over Q1'05</li> <li>• Added over 2900 plan participants during the quarter representing an 2% increase over Q1'05</li> <li>• Transition to Solium Shareworks™ product brand</li> <li>• Repayment of \$250,000 of demand debenture to debenture holders</li> </ul>
Q3/'05	<ul style="list-style-type: none"> <li>• Fifth consecutive quarter of positive net earnings</li> <li>• 5.48% increase in revenue over Q2'05</li> <li>• Added over 5700 plan participants during the quarter representing an 3.79% increase over Q2'05</li> <li>• Commenced direct sales activity in the U.S. market</li> </ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q4/'05	<ul style="list-style-type: none"> <li>• Net earnings increase of 962% over Q4'04</li> <li>• 55% increase in revenue over Q4'04</li> <li>• Solium's first client in the U.S. was implement</li> <li>• Final repayment of \$250,000 of demand debenture</li> </ul>
Q1/'06	<ul style="list-style-type: none"> <li>• Net earnings increase of 99% over Q1'05</li> <li>• 10 corporate plans implemented onto Shareworks</li> <li>• 52% increase in revenue over Q1'05</li> </ul>
Q2/'06	<ul style="list-style-type: none"> <li>• Over 180,000 participants are now serviced via Shareworks</li> <li>• Hired a Toronto based Vice President of Sales to lead Eastern Canada market growth and the Canadian sales team</li> <li>• 19 plans with approximately \$525,000 annualized revenue "in process" of implementation at the end of quarter</li> <li>• Implemented 5 new clients incentive plans in the quarter adding approximately \$200,000 of annualized license revenue.</li> </ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q3/'06	<ul style="list-style-type: none"><li>▪ Net earnings increase of 49% over Q3'05</li><li>▪ 28% increase in revenue over Q3'05</li><li>▪ 17 Canadian plans with approximately \$400,000 annualized revenue was “in progress” of implementation at the end of quarter</li><li>▪ 3 US plans with approximately \$50,000 annualized revenue was “in progress” of implementation at the end of quarter</li><li>▪ 7 Canadian plans with approximately \$160,000 annualized revenue was “committed” but not currently in implementation at the end of the quarter</li><li>▪ 4 corporate plans implemented onto Shareworks including a major Canadian chartered bank.</li></ul>

## Solium's Evolution & Milestones Cont.

Date	Event
Q4/'06	<ul style="list-style-type: none"><li>▪ Net earnings increase of 43% over Q4'05</li><li>▪ 48% increase in revenue over Q4'05</li><li>▪ 19 plans with approximately \$600,000 annualized revenue was “in progress” of implementation at the end of quarter</li><li>▪ 6 corporate plans implemented onto Shareworks including a US client.</li><li>▪ Initiated a Normal Course Issuer Bid</li><li>▪ Announced memorandum of understanding with Canaccord Capital Corporation</li><li>▪ Announced addition of James Aramanda to Board of Directors</li></ul>

## Governance – Guiding Principles

Taken in part from “The Essays of Warren Buffett: Lessons for Corporate America”;  
Stevenson

- ▶▶ “We will be candid in our reporting, emphasizing the pluses and minuses important in appraising business value. Our guideline is to tell you the business facts that we would want to know if our positions were reversed.”
- ▶▶ “Our policies and communications will be designed to encourage informed, rational behavior by shareholders, that in turn, will tend to produce a stock price that is also rational.”
- ▶▶ “Our requisites for board membership will be business savvy, interest in the job, integrity, and owner-orientation.....most of our directors have a major portion of their net worth invested in the company. We eat our own cooking.”
- ▶▶ “We will issue common stock only when we receive as much in business value as we give. We will not issue common stock on a basis inconsistent with the value of the entire enterprise.”

## Governance Philosophies

- ▶▶ A business-minded Board
- ▶▶ Hands-on Board
  - Range of skills (financial, legal, technology, corp. network, etc.)
  - Board members take on projects to support management
- ▶▶ An Audit Committee with separation, independence and influence
- ▶▶ Ensure highest standard of reporting transparency is met
  - Always make the extra effort to ensure unsophisticated investors can clearly understand corporate reporting
- ▶▶ A Board that is aligned with Solium's shareholders
  - Board members who are meaningful shareholders

## Capital Structure

Solium  
CAPITAL

### Common Shares

28.4 million – Common – full voting rights

**Basic: 28.4 million**  
**Fully Diluted: 31.5 million**

### Options

- Approved Pool of 4.3 million options
- Pool available for use 3.5 million (approved pool less options exercised)
- 3.3 million options issued and outstanding
- Exercisable between \$0.25 and \$1.25

### Vesting:

- 5 year expiry.
- Vest 50% after two years, then 25% annually for the two years thereafter.

## Owner Orientation

- » A team that is well aligned with Shareholders
- » A team that has an owner manager (skin in the game) culture
- » An executive team whose wealth creation opportunity is tied primarily to the return on their equity shareholdings, not their salary or the size of the company.

Share Ownership (%)	Basic	Fully Diluted
Board	32.1%	31.3%
Management & Staff (excludes officers who are Board members)	8.1%	11.6%
TOTALS	<b>40.2%</b>	<b>42.9%</b>

## Insider Ownership

Solium  
CAPITAL

Top Insider Shareholders		Basic: 28.4 million Fully Diluted: 31.5 million	
		BASIC ('000)	FD ('000)
1	Brian Craig (Board)	3,824	4,074
2	Mike Broadfoot (Board)	4,638	4,737
3	Marcos Lopez (Executive)	1,584	1,834
4	June Davenport (Executive)	409	659
5	Jeff English (CEO)	241	691
6	Tony Webb (Board)	300	400
7	Russ Waterhouse (Board Chair)	225	400
8	Justin Ferrara (Board)	151	251
<b>TOTAL</b>		<b>11,372</b>	<b>13,046</b>
<b>AGGREGATE % OF OWNERSHIP</b>		<b>40%</b>	<b>41%</b>

**For the most current data, please visit the “Insider Summary” subsection within the Investor Relations section of Solium’s website.**