

Pingify International Inc.

2013 Investor Kit



The PING

Safe Harbor Statement

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Executive Summary

Pingify International Inc. (OTCQB: PGFY)

Pingify International Inc. (hereby also known as PII) is a buyer-directed lead generation system that collects the buyer's needs through its notification iTunes app called Ping Me! By obtaining a buyer's expressed needs with our notification application, Pingify is able to accumulate a lead database that presents businesses or even individual sellers to potential buyers. By allowing the sellers to hand pick their target buyers, Pingify's propriety notification gateway can directly connect the buyer to the seller. We achieve this using the Pingify SaaS (software as a service). We have turned the sales process on its head by giving the seller direct access to the buyer using highly targeted notifications (or "Branded Pings"). Branded Pings allow the Seller to send notifications tailored specifically for a single buyer or a set of buyers, which ultimately reduces the Seller's cost of sales and increases conversion rates. As an example, we are working with a leading auto classified site to provide a means for their dealers to deliver Branded Pings to our users. Our users have given us the information for the types of vehicles they are currently seeking. With this information, we provide a targeted lead generation system to the dealers. The user only gets Pings for vehicles they are looking for and the dealer only pays for Pings sent to users that are requesting them.



Executive Summary (continued)

What is Pingify?

A mobile and online advertising technology (targeted notifications). In other words, a means of reaching, engaging, and ultimately, selling to any target audience.

Target Market

We are currently targeting the consumer market. We have completed a proof of concept product for several sites and launched it on iTunes in March 2013. People are using our application to get notified on items they are looking for on their favorite classified sites. We have pitched this technology to a leading auto classified site and they are keenly interested in integrating us into their network by first capturing the BC market and then expanding into the rest of Canada.

Patent Pending

We have completed the process of filing a Patent for the technology (Currently Patent Pending). This will create a very strong barrier to entry for any competition.



Business Overview

The Pingify Solution

PII has developed what it has termed a Personal Internet Notification Gateway (“P.I.N.G.”). This proprietary, patent pending, gateway is a unique, two-way, notification system designed specifically to provide a user with timely and relevant information. The P.I.N.G Gateway can deliver notifications termed “Pings” which are received through PII’s consumer product branded “Pingify” application. Pingify utilizes the P.I.N.G. gateway and can be viewed using a variety of methods:

1) Smartphone Applications (Completed in March 2013)

a. Pings are viewed and managed via a smartphone client, in real-time and utilizes user input as to the specific products they are interested in.

2) Branded Pings (in development)

a. We have targeted several sites to integrate our technology.

3) Consumer-to-Consumer Site (in development)

a. A web-based version of the site will enable users to upload items for sale and then be provided with the option to send “Pings” to the Pingify user-base for a small fee. Pingify is paid per click by the integrated merchants and a small portion of those clicks are paid to the blogs as an incentive.



Business Overview (continued)

The Pingify Application

Pingify displays the Pings via an easy-to-use application. The application is designed to allow the user to “set and forget” requests. Pingify’s Agents (programs that mine the data) continually monitor the website and delivers Pings to the user only if the product matches what the user seeks.

Adoption by Users

Some of the features and benefits of Pingify to its users are:

- 1) The system allows delivery of only the information the user has requested.
- 2) The information provided is brief and in a very direct, concise manner allowing the user to determine if they want to click on the Ping to get additional detail.
- 3) The system is “set and forget”, so the Agent programs do the work in the background eliminating the need for constant searching of websites and emails.
- 4) The Ping’s are specific to the users wants and needs where email notification systems typically very vague, and often highly repetitive leading to “information fatigue”. Pings result in more positive response and engaged user.



Business Overview (continued)

Integration with Merchants

Using our “Branded Pings” notification solution, Merchants can easily and directly link consumers to specific product information and offerings. Merchants that utilize PII’s “Branded Ping” solution also benefit from being introduced to new users through the pre-existing users of the Pingify application.

Pingify Application and Branded Pings

The two work together to provide the conduit such that once Consumers have indicated their needs we can send them Merchants product offerings that match their profile.

- 1) A Request is a fillable form with a series of filters set by the user. These filters can be set “on-the-fly” from the mobile device.
- 2) This Request is then compared to the database which houses all of the Vendor’s product offerings.
- 3) If new data has appeared in the system that matches the Request, a Ping is delivered to the user.
- 4) The Ping contains a brief description of the specific product the user has requested.
- 5) If the brief description is of interest, the user can then “click through” the Ping to be linked back to a mobile version of the Vendor’s eCommerce site to get more detail on the offering.
- 6) The user then has the option to purchase the new item.



Business Overview (continued)

What is the value for the Merchants?

1. Ping's allow two-way communications initiated by the consumer (consumers indicate their needs and Merchants provide their offers). As noted, email notification systems are one-way only, typically very vague, and often highly repetitive leading to the consumers "information fatigue". Pings are specific to the user's wants and needs resulting in more positive response to the Pingify notifications and greatly improves the chances of a sale.
2. The ability to re-connect with current customers will drive them back to the site with highly focused product promotions, which improve user retention rates.
3. Expansion of user base because Merchants gain access to all the users of Pingify network; many of who are not within their current network. If a notification matches a profile of a user of Pingify, they too will be notified of the offer. Because the offer matches the user's profile, it will not be considered unwanted solicitation. This gives the Vendor's product increased visibility by being in a network of millions of users.
4. To send highly focused "Branded Pings". PII would provide the Vendor analytics of specifically what an individual consumer group is currently looking for in the area. The Vendor can then tailor a "branded" offering specifically for that group of users. Conversion rates of Branded Pings are significantly higher than any other types of online offering.



Go-to-Market Segments

1:

Mobile “Pingify” Application
(Delivering real time search results)



- Listed on iTunes store
- Working on Web and Android versions.

** We have a proven app*

2:

Customizable Online/Mobile
notification applications



- Beyond.com: contract to increase visibility and drive new users to site. (36,000,000 users)
- eBay/x.com/Magento: Lead Generation / Targeted sales. (200,000,000 users)

#3:

Posting site with the ability to “Ping” users

Marketing Strategy

Key Growth / Value Creation

To increase our user base to 100,000 in 12 months bringing value to the merchant (user base = qualified leads = sales)

By integrating with key merchants, Pingify increases user retention and conversion rates, thereby monetizing “Pings”

Growing the user base and capitalizing on merchant adoption will establish a market demand for “Pings”. This will result in a higher valuation for Pingify.

Marketing – User Acquisition and Merchant Development

Integration with incentivized download site and development of online marketing campaign with ComboApp (ON GOING).

Branded Pings (IN DEVELOPMENT).

Consumer-to-Consumer Site that allows users to post items for sale and send “Pings” to other users in the network. This brings Pingify directly into the classified market while leveraging its patented technology to deliver “Pings” for a small fee. (IN DEVELOPMENT).



Monetization Strategy

Two Stage Strategy

With the release of the Pingify application, PII is currently building a database of consumer product demands. With this information in hand, we are now at a stage where able to integrate with other merchants to provide them the network to access these consumers directly with focused marketing campaigns.

Stage 1 – Developing an Online User Base

Currently, the Pingify application is available in Canada and the US via the iTunes store. The first module focuses solely on the world's largest consumer sites – eBay. Our plan over the next 3 months is to:

- Support the application with an online marketing campaign through articles, blogs and social marketing as well as a launch of a Consumer-to-Consumer site and an embedded application;
- Add additional Agents to Pingify;
- Improve the functionality of the application based on user replies and responses, and;
- Optimize the back-end servers.



Monetization Strategy (continued)

Stage 2 – Direct Integration with Merchants

Ongoing Service Fees

Once implemented, there will be 3 specific ongoing revenue streams associated with the Branded Pings

Product:

- 1) Pings (or Impressions)
- 2) Clicks (actual reads of the data)
- 3) Purchases

PINGS

A Ping is considered a delivered advertisement to the end user and is treated similar to an impression as charged by various online marketing services (ie AdWords, Facebook Ads, etc). A Ping is a highly targeted impression that has been specifically requested by the user.

CLICKS

Clicks are considered valid when the user is sent back to the client's network and where the Ping is read, but not acted on. The marketplace values the cost per click at \$0.08.

PURCHASES

The ultimate goal is to get the user to purchase an item. If the user purchases an item due the click-through on the Pingify system, then PII would charge the Merchant a fee of approximately 10% of the purchase value.



Sources of Revenue

Merchants / Clients

<u>Clients</u>	<u>User Base</u>	<u>Revenue (per year)</u>
Beyond.com	36M / month	\$ 44,000
eBay/Magento	200M / month	\$ 1,200,000
Auto Trader	1M / Month	\$ 1,100,000
Other (ie. 80 Elements)	N/A	\$ 320,000
Total Year 1		\$ 2,664,000

Merchant Breakdown

AutoTrader

- AutoTrader has 5,170 dealers in Canada
- We project a 5-10% adoption rate over 1 year period (5% for this example)
- If we assume 12 Branded Pings per day per Dealer = 3,102 Pings per day
- If we start at \$1 per Ping (minimum bid) = \$3,102 / day in revenue
- This translates into \$93,060 / month or \$1.11M / year
- The cost per month per dealer is \$360 (insignificant amount based upon their monthly marketing budget)
- Dealer would have access to reporting to see how effective each campaign was. This would include conversion rates and other vital information.



Competition

As the mobile market has grown dramatically since the launch of the iTunes App Store in 2008, many companies have entered into this space to try and connect the buyer with the merchant. Location based applications are merging with advertising models to try and get people into brick and mortar stores. At this time, we have found some products that have pieces of PII's offering, but do not have the full service model and communication system that has been developed. Also, many are focused on complex algorithms to try and guess consumer wants and needs. Pingify eliminates the guess work and we have created a unique way to get products to users. Google AdWords is Google's main advertising product and main source of revenue. AdWords offers pay-per-click, that is, cost-per-click (CPC) advertising, cost-per-thousand-impressions or cost-permille (CPM) advertising, and site-targeted advertising for text, banner, and rich-media ads. The AdWords program includes local, national, and international distribution. Google's text advertisements are short, consisting of one headline of 25 characters and two additional text lines of 35 characters each. Image ads can be one of several different Interactive Advertising Bureau (IAB) standard sizes. However, Google requires the use of Cookies and complex algorithms to 'guess' what the user is looking for. Cookie tracking is under intense scrutiny at the moment due to privacy issues. Several browsers have either implemented a Cookie tracking block or are planning on implementing one.

Also, a major distinction between Google AdWords and Pingify, is the fact that Pingify asks the user directly for the type of thing they are seeking. Doing this, we avoid the privacy issue of Cookies and provide great transparency and accuracy to the displayed ads.



Management

Jason Gray – CEO, founder

Jason Gray has over 14 years of experience in OS Management and Network Infrastructure. He was awarded Computer World Laureate in 2006 for his work on iSCSI SAN infrastructures. In 1999 he went to Toronto to help start Givex Corporation – an online processing and transaction company specializing in gift cards, loyalty programs and POS integration. Givex is now one of the largest loyalty/ transaction companies in North America. For the last 6 years he specialized in Media and Entertainment companies with a focus on 2D and 3D animation. His previous business experience combined with technical knowledge has provided clients with the advice and infrastructure needed to maintain a competitive edge in a tough market. Jason went to the University of Western Ontario. He has also obtained CCNA certification and a Computer World Honors Laureate.

Vlad Milutin – CFO

Vlad Milutin has been the Treasurer, CFO and Director of Pingify International from January 2012 to the present. From February 2012 to the current he has been Director of Strategic Partners for National and Regional Vars, SI's, Carriers, ODM's and Mobile Application ISV's for Good Technology. Responsibilities include recruiting, sales enablement and revenue productivity of strategic partners. From April 2011 to February 2012, Mr. Milutin was Director of Business Development of MobileIron, a Mobile Device Management company located in Mountain View, CA. From November 2010 to January 2012 he was assisting Jason Gray with the Pingify project. From November 2010 to April 2011, Mr. Milutin was an independent consultant to Cloud IaaS, located in Sacramento, CA. From February 2010 to October 2010, Mr. Milutin was Director of Sales and Market Development for Joyent Inc., a Cloud IaaS company located in San Francisco, CA. From May 2008 to February 2010, Mr. Milutin was Director of Business Development for Seagate Services, a Seagate Technology Cloud Back-up company located in Santa Clara, CA.



Why Invest in Pingify?

Highlights

- Low burn rate: cost of doing business \$55,000 per month
- “Pingify” product currently in iTunes.
- Notification system can be tailored to any product.
- Very desirable technology for a high profile buy out and huge investor pay out (Google just bought AdMob for \$750m).
- Targeted Mobile Advertising space is currently fastest growing marketing segment.
- Revenues are accumulative (we grow as the client grows)



Financials

Income Statement

Quarterly (Values in 000s | USD)

Period Ending	Apr 30, 2013	Jan 31, 2013	Oct 31, 2012	Jul 31, 2012
Total Revenue	-	-	-	-
Cost of Revenue	-	-	-	-
Gross Profit	-	-	-	-
Operating Expenses				
Research and Development	3	11	11	11
Sales, General and Admin.	40	19	16	15
Non-Recurring Items	-	-	-	-
Other	-	-	-	-
Operating Income	(43)	(30)	(26)	(26)
Income From Continuing Operations				
Add'l Income/Expense Items	-	-	-	-
Earnings Before Interest and Tax	(43)	(30)	(26)	(26)
Interest Expense	-	-	-	-
Earnings Before Tax	(43)	(30)	(26)	(26)
Income Tax	-	-	-	-
Minority Interest	-	-	-	-
Equity Earnings Unconsolidated Subsidiary	-	-	-	-
Net Income Cont. Operations	(43)	(30)	(26)	(26)
Non Recurring Events				
Discontinued Operations	-	-	-	-
Extraordinary Items	-	-	-	-
Effect of Accounting Changes	-	-	-	-
Other Items	-	-	-	-
Net Income	(43)	(30)	(26)	(26)
Preferred Stock and Other Adjustments	-	-	-	-
Net Income Applicable to Common Shareholders	(43)	(30)	(26)	(26)

Financials (continued)

Balance Sheet

(Values in 000s | USD)

Period Ending	Apr 30, 2013	Jan 31, 2013	Oct 31, 2012	Jul 31, 2012
Assets				
Current Assets				
Cash and Cash Equivalents	44	81	57	29
Short Term Investments	-	-	-	-
Net Receivables	-	-	-	-
Inventory	-	-	-	-
Other Current Assets	-	5	-	-
Total Current Assets	44	86	57	29
Long Term Investments	-	-	-	-
Property Plant and Equipment	-	-	-	-
Goodwill	-	-	-	-
Intangible Assets	-	-	-	-
Accumulated Amortization	-	-	-	-
Other Assets	-	-	-	-
Deferred Long Term Asset Charges	-	-	-	-
Total Assets	44	86	57	29
Liabilities				
Current Liabilities				
Accounts Payable	45	44	64	32
Short Term and Current Long Term Debt	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	45	44	64	32
Long Term Debt	-	-	-	-
Other Liabilities	-	-	-	-
Deferred Long Term Liability Charges	-	-	-	-
Minority Interest	-	-	-	-
Negative Goodwill	-	-	-	-
Total Liabilities	45	44	64	32

Financials (continued)

Balance Sheet (continued)

Stockholders' Equity				
Misc. Stock Options Warrants	-	-	-	-
Redeemable Preferred Stock	-	-	-	-
Preferred Stock	-	-	-	-
Common Stock	50	50	25	25
Retained Earnings	(151)	(109)	(79)	(52)
Treasury Stock	-	-	-	-
Capital Surplus	100	100	-	-
Other Stockholder Equity	-	-	46	24
Total Stockholder Equity	(1)	41	(7)	(3)
Net Tangible Assets	(1)	41	(7)	(3)

Financials (continued)

Cash Flow Statement

(Values in 000s / USD)

Period Ending	Apr 30, 2013	Jan 31, 2013	Oct 31, 2012	Jul 31, 2012
Net Income	(43)	(30)	(26)	(26)
Operating Activities				
Depreciation	-	-	-	-
Adjustments to Net Income	-	-	-	-
Changes in Liabilities	1	-	(6)	5
Changes in Accounts Receivables	-	-	-	-
Changes in Inventories	-	-	-	-
Changes in Other Operating Activities	(5)	5	-	-
Total Cash Flow From Operating Activities	(37)	(35)	(33)	(20)
Investing Activities				
Capital Expenditures	-	-	-	-
Investments	-	-	-	-
Other Cash Flows From Investing Activities	-	-	-	-
Total Cash Flow From Investing Activities	-	-	-	-
Financing Activities				
Dividends Paid	-	-	-	-
Sale/Purchase of Stock	-	79	22	24
Net Borrowings	-	(20)	39	25
Other Cash Flows From Financing Activities	-	-	-	-
Total Cash Flow From Financing Activities	-	59	61	49
Effect of Exchange Rate Changes	-	-	-	-
Change in Cash and Cash Equivalents	(37)	24	28	29

Projected Financials

Summary of Projected Operational Results

	Year ended 31-Jan 2014	Year ended 31-Jan 2015
Gross revenue	\$ 457,000	\$ 9,226,000
Growth Percent		1919%
EBITDA	\$ (132,000)	\$ 8,061,000
Amortization of equipment	-	(1,000)
Interest and bank charges	(1,000)	(2,000)
Interest income	-	41,000
Income Taxes	(26,000)	(2,450,000)
Projected net income	\$ (159,000)	\$ 5,649,000
EBITDA per share	\$ (0.00)	\$ 0.11
Income per share	\$ (0.00)	\$ 0.08
Cumulative shares outstanding	75,000,000	75,000,000
	<u>Year 1</u>	<u>Year 2</u>
ROI	\$ (159,000) -259%	\$ 5,649,000 5549%

SEC Filings

<u>Form Type</u>	<u>Period Ending</u>
<u>10-Q</u>	April 30, 2013
<u>10-K/A</u>	January 31, 2013
<u>10-K</u>	January 31, 2013
<u>10-Q</u>	October 31, 2012
<u>10-Q</u>	July 31, 2012

Investor Relations

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Fax: 201-917-5925

Email: staff@equitiesag.com

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