

## **XMT LIQUIDATIONS INC.**

**November 5, 2008**

**TO:** Shareholders of 6356095 Canada Inc. (formerly Excapsa Software Inc.) (the "**Company**")

**RE:** Settlement Transaction with Blast Off Limited ("**Blast Off**") Now Closed

In our previous letter to you dated October 16, 2005 we informed you that that XMT Liquidations Inc. in its capacity as liquidator of the Company (the "**Liquidator**") had received an order from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made October 14, 2008 approving a settlement with Blast Off subject to filing a further report with the Court to satisfy the Court that all conditions precedent to such a settlement with Blast Off had been met (the "**Approval Order**").

The specific details of the settlement are outlined in the Liquidator's First Report to the Court as contained in the Liquidator's Motion Record dated October 6, 2008. A copy of this Motion Record can be found on the Liquidator's website at <http://www.wsbg.com/en/liquidation.html>

The Liquidator filed its supplementary report with the Court on Thursday, October 30, 2008 (the "**Supplemental Report**"). In accordance with the Approval Order, the Liquidator posted the Supplemental Report on its website together with a notice that the Court hearing to consider the Supplemental Report was to be held on November 3, 2008.

The Court hearing on November 3, 2008 proceeded on an unopposed basis. While one shareholder, SC Fundamental LLC (which holds approximately 3.5% of the total issued and outstanding shares of the Company) originally opposed the settlement transaction, it withdrew its opposition prior to the scheduled Court hearing on November 3, 2008. The letter received from SC Fundamental LLC's Canadian counsel withdrawing its opposition was also posted on the Liquidator's website.

At the Court hearing on November 3, 2008, the Court issued an order that, among other things, declared that the condition contained in the Approval Order had been satisfied and authorized the Liquidator to implement the settlement transaction with Blast Off as approved by the Court. A copy of this order has also been posted on the Liquidator's website.

With all of the conditions precedent to the settlement transaction with Blast Off being fulfilled on November 3, 2008 (which included the Liquidator being in receipt of irrevocable written consents to the settlement transaction from shareholders of the Company signed by the holders representing in excess of 67% of the issued and outstanding shares of the Company), the settlement amount of US \$15 million was paid to Blast Off's counsel, in trust, on November 4, 2008 for distribution to players that were identified by Blast Off, the Company and the Liquidator as having been victims of previously described unfair play.

At the request of the Kanawake Gaming Commission (the "**KGC**"), the Liquidator together with one or more representatives of the KGC will be monitoring the processing of the refund payments to such players.

In addition to monitoring the processing of refund payments, the Liquidator will also be attending to the receipt of certain post-closing items which Blast Off is obligated to deliver or cause the delivery of, such as share pledges of the stock of Game Theory Holdings Inc., Game Theory Limited and Excapsa Services Inc., a non-exclusive copy of its non-U.S. resident customer list into a third party escrow arrangement and security in and to certain domain names. Pursuant to the terms of the settlement transaction with Blast Off, such items must be delivered within 90 days from November 3, 2008.

Pursuant to the terms of the settlement transaction, the first US \$500,000 payment to be received from Blast Off is due and payable on January 2, 2009. An additional one-time payment of US \$500,000 is to be received from Blast Off on January 5, 2009. Subsequent monthly principal instalments of US \$500,000 each are due and payable on or before the last day of each calendar month commencing in February of 2009.

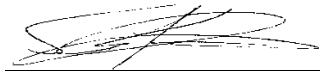
Shareholder Meeting

As you are aware, a special meeting of shareholders has been called for Friday, November 14, 2008 at 11:00 a.m. (Toronto time) to be held at the offices of Cassels Brock & Blackwell LLP, Suite 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario. This meeting was called for the purpose of approving, by way of special resolution, the settlement transaction with Blast Off as set out in more detail in the proxy circular that accompanied this notice of meeting. These materials have also been posted on the Liquidator's website.

As the Liquidator is already in receipt of irrevocable written consents to the settlement transaction from shareholders of the Company signed by the holders representing in excess of 67% of the issued and outstanding shares of the Company, the substantive purpose of the meeting has already been fulfilled. However, the Liquidator intends to use this meeting to also provide any necessary informational update to shareholders and to otherwise be available to respond to any questions that shareholders may wish to ask at such meeting.

**XMT LIQUIDATIONS INC., in its  
capacity as liquidator of 6356095  
Canada Inc., and not in its personal  
capacity**

by



Name: Sheldon Krakower, C.A.

Title: Director