

DESCRIPTION OF PROPOSED TRANSFER OF CONTROL

Liberty Defense Technologies, Inc. (“Licensee”) is a Massachusetts corporation that holds two FCC experimental licenses. The associated application seeks FCC authorization for a change in control of Licensee’s indirect parent company, Canadian corporation Liberty Defense Holdings Ltd. (“LDH”), from its current shareholders to a new group of shareholders resulting from the reverse merger of Canadian corporation DrawDown Detection Inc. (“DrawDown”). The reverse merger involves the issuance of new shares of LDH and the exchange of those shares for existing shares of DrawDown. Following the reverse merger and certain related financing transactions, an aggregate majority of LDH’s issued and outstanding shares (approximately 53 percent) will be held by the former shareholders of DrawDown.

No single individual currently has voting control of LDH, and no single individual will have voting control of LDH following the consummation of the reverse merger. For this reason, the applicants have characterized LDH as both the Transferor and Transferee in connection with the transaction.

None of the companies set forth herein (i.e., Liberty, LDH, and DrawDown) is a representative of a foreign government.

Licensee will continue to exist in its present form and hold the FCC experimental licenses after the transaction is consummated. That is, Licensee will retain its present name, corporate charter, and State of incorporation following the consummation of the proposed transaction. The Licensee contact persons for the experimental licenses also will remain the same. In addition, LDH will continue to be Licensee’s indirect parent company following the consummation.