



INOVENT ANNOUNCES QUALIFYING TRANSACTION WITH CANADA JETLINES

For immediate release. Vancouver, British Columbia, July 2, 2014. David H. Brett, CEO, Inovent Capital Inc. (TSX Venture – IVQ.P, “**Inovent**”) is pleased to announce that it has entered into a letter of intent (“**LOI**”) with Canada Jetlines Ltd. (“**Jetlines**”) pursuant to which the parties agree to negotiate the terms of a business combination transaction (the “**Proposed Transaction**”). Inovent is a capital pool company in accordance with the policies of the TSX Venture Exchange (“**TSXV**”). Jetlines is a start-up airline aiming to become Canada’s first ultra-low cost carrier (“**ULCC**”). The Proposed Transaction will constitute Inovent’s qualifying transaction in accordance with the policies of the TSXV. Jetlines and Inovent are at arm’s length and the Proposed Transaction does not constitute a non-arm’s length qualifying transaction.

“Jetlines is well on its way to providing Canadians with an exciting and affordable new air travel alternative,” said Jetlines CEO Jim Scott. “Our proven and dedicated team has been very busy preparing to proudly serve Canada soon.”

Key Terms of the LOI

Pursuant to the terms of the LOI, the parties have agreed as follows:

- the Proposed Transaction is subject to the parties executing definitive transaction documents on or before August 29, 2014 (the “**Transaction Documents**”);
- the structure of the Proposed Transaction is to be determined upon the receipt of securities, tax and financial advice. Upon completion of the Proposed Transaction, it is anticipated that the share capital of the Resulting Issuer (as defined in the policies of the TSXV) will be as follows on an undiluted basis:

<u>Shareholders</u>	<u>% of Resulting Issuer</u>
Inovent shareholders	4.9%
Jetlines shareholders	30%
Jetlines shareholders under Bridge Financing (as defined below)	5%
Shareholders under Concurrent Financing (as defined below)	60.1%

the Proposed Transaction values Jetlines at \$3,000,000.

- the share capital of Inovent will be consolidated, either by way of consolidation or pursuant to an exchange ratio in the Transaction Documents on a 3 old for 1 new basis (the “**Consolidation**”);
- the Proposed Transaction is subject to the following key conditions:
 - the parties will execute the Transaction Documents by August 29, 2014;
 - Jetlines will complete a financing of a minimum of \$300,000 and a maximum of \$500,000 (the “**Bridge Financing**”) on or before July 18, 2014;
 - Inovent will complete a financing of 20,000,000 shares at a price of \$0.50 per share on a post-Consolidation basis for aggregate proceeds of \$10,000,000 (the “**Concurrent Financing**”). The Concurrent Financing will close immediately prior to or concurrently with the Proposed Transaction. Further details regarding the Concurrent Financing will be announced in a further news release;
 - the parties will complete due diligence investigations, each to their own satisfaction, on or before August 29, 2014;
 - the Proposed Transaction will have received approval of the TSXV and all necessary corporate and shareholder approvals. It is anticipated that the approval of Inovent’s shareholders will be required; and
 - receipt of a report of a sponsor in respect of the Proposed Transaction or waiver from the sponsorship requirement by the TSXV. Inovent anticipates applying for a waiver of the sponsorship requirement in reliance upon completion of Concurrent Financing.
- upon execution of the LOI, Inovent advanced to Jetlines a deposit of \$25,000;
- upon receipt of approval of the TSXV and no later than July 31, 2014, Inovent will advance to Jetlines a refundable deposit in the amount of \$140,000 (the “**Refundable Deposit**”). The Refundable Deposit will be secured and will be refundable if the LOI is terminated in certain instances. If Jetlines raises more than \$350,000 under the Bridge Financing, the amount of the Refundable Deposit will be reduced to \$130,000; and
- the parties have agreed to an exclusivity period ending on August 29, 2014.

Jetlines is in the process of engaging Euro Pacific Canada Inc. to act as their exclusive investment banker, led by Euro Pacific’s Vancouver-based Managing Director Blair Jordan. Mr. Jordan has had extensive experience working with airlines and asset financing globally.

About Jetlines

Canada Jetlines Ltd. is Canada’s first Ultra Low Cost Carrier (“ULCC”), an airline model proven by success stories like Allegiant Air, Spirit Airlines, and EasyJet in the USA and Europe’s Ryanair. Led by an unparalleled team of airline veterans, Jetlines is headquartered at YVR and will be the only scheduled jet airline operator based in Vancouver.

Jetlines' vision is to be one of North America's most profitable and admired airline companies. Fostering a robust culture of safety, teamwork, values, and employee satisfaction, Jetlines aims to achieve unsurpassed customer service within a very low cost framework.

Originally conceived by its founders in 2006, Jetlines is several years into the process of launching an airline, securing key regulatory approvals and contracts. Jetlines is on track to meet key milestones to fly its first passengers in Q2, 2015. Canada Jetlines has received Stage 1 approval from the Canadian Transportation Agency to operate a Jet airline service in Canada. Jetlines will shortly begin the process with Transport Canada to obtain an Airline Operator Certificate.

Jetlines' business plan is radically different from many past low cost airline ventures. Through fares on average 40% below current prices, Jetlines will get more people flying to more places, not simply draw customers from other Canadian airlines. Jetlines' mission is to make driving south of the border for affordable flights a thing of the past.

Focusing initially on Western Canada, Jetlines will help enable the booming development of BC and Alberta's north. Moving workers and their families affordably will be a key success factor in solving human resource shortages in the north, and Jetlines will be a part of that story.

Jetlines Management Team

The directors and officers of Jetlines are anticipated to be the directors and officers of the Resulting Issuer and are as follows:

Mr. Jim Scott, BGS, MA & ATPL, Chief Executive Officer and Director. Mr. Scott has over 25 years of aviation experience in North America, Europe and Asia. While at Cathay Pacific Airways, Mr. Scott specialized in transport category aircraft performance at airports, specifically being involved in winter operations. As an aviation consultant he provided airline culture & safety management training to aviation companies, oversaw a major university airline feasibility study, and performed pilot testing as a Transport Canada appointed examiner. In addition to his aviation experience, Mr. Scott has an extensive leadership background in project start-ups, leading organizations, and financial oversight. Previously, he was a senior planner for the 2010 Vancouver Winter Olympic Games involved in organizational structure and communications, Vice-President of an airline startup venture (Nexus Project), local Chairperson for the Canadian Airline Pilots Association and founder and initial Chairperson for the Canadian Hong Kong Aircrew Association Officers' Pension Program. He holds a bachelor's degree that includes the study of aviation and aircraft performance, and a Masters of Arts degree, both from the University of the Fraser Valley.

Mr. Dave Solloway, AA, President and Director. Senior airline executive whose 40 year career spans international and domestic aviation including start-up airlines and key executive roles North America and Asia. Investor in Hong Kong Oasis Airlines, operating Boeing 747-400 aircraft internationally. He held General Manager Positions at Canadian Pacific Airlines, Canadian Airlines, and United Airlines, based in Asia. In these roles Mr. Solloway was the senior company officer in Asia and was in charge of up to 2200 airline employees, including a pilot and flight attendant base. His role included the responsibility

for government relations, marketing, sales, finance, aviation operations, airport operations, distribution, route planning and the start-up of new services in Asia. Mr. Solloway spent the past four years before joining Jetlines as senior advisor, Canada, to Air China.

Mr. Rick Lang, Chief Operating Officer. Mr. Lang is an experienced airline executive specializing in airport operations, airline start-ups, and in-flight services. Mr. Lang was the Vice-President of Service Delivery for the start-up airline Air Astana in Kazakhstan. Previously, Mr. Lang was in-charge of World-Wide Airport Operations for Cathay Pacific Airways, Hong Kong, a position classified as General Manager in Asia, or Vice-President by North American terms. In this role Mr. Lang controlled a US \$200 million budget for Cathay Pacific Airways' 45 airport operations throughout the world. Between 1993 and 2000 Mr. Lang was the Director of In-flight Service Development & Standards for Cathay Pacific Airways. Mr. Lang has also held the position of Vancouver Base Manager of Cabin Crew for Canadian Airlines and Wardair. His career started in airport operations with CP Air. Mr. Lang holds a Bachelor of Science degree from Simon Fraser University, Canada, and has undergone business studies at Insead University, France.

Mr. Rick Low, B. Comm, CA, Chief Financial Officer. Rick Low has over 20 years of international experience in various industries ranging from small businesses to international conglomerates. Mr. Low's mining industry experience includes exploration through to production, assisting with public company debt and equity financings. Most recently, Mr. Low served as CFO for PNG Gold Corporation and was the Director Finance at Eco Oro Minerals Corp. (formerly, Greystar Resources Ltd.). Mr. Low spent seven years in public practice accounting with Deloitte and is a qualified Chartered Accountant with the Institute of Chartered Accounts of B.C. Mr. Low graduated with a B. Comm. degree from the University of British Columbia.

Mr. Dix Lawson, OMM, CD, MPM, PMP, PCIP, Chief Administrative Officer and Director. Professional project manager with a Master's Degree in Project Management with deep experience across many substantial projects including three years as program manager for security of the 2010 Vancouver Olympic Winter Games.

Captain David Williams, B.Sc., M.I.E.E.E, ATPL, Vice President Operations. Captain Williams has over 20,000 flight hours, with over 12,000 hours as pilot in command, on Airbus and Boeing aircraft. He has worked for Canadian Pacific Airlines, Canadian Airlines International, Air Canada, and Harmony Airlines in various pilot manager and director roles such as Check Captain, Chief Pilot for the Airbus 320 and Boeing B767, Flight Manager for the Boeing B767 and B747, and Director of Flight Operations. Captain Williams has the knowledge, experience and expertise to setup and manage Jetlines' aircraft operations.

Board of Directors

Mr. Sid Fattedad, FCGA, Chair of the Board of Directors. Fellow of the Certified General Accountants Association of Canada who joined Canadian Pacific Airlines (later Canadian Airlines) in 1968 in Vancouver, holding various senior management position including Senior Vice-President of Canadian Airlines. Mr Fattedad is the former Chairman at BC

Investment Management Corporation. His directorships included Canadian Airlines International, Vancouver Board of Trade Canada China Trade Association and the Japan Canada Trade Association. He was a founding member of the Quality Council of BC.

Mr. Philip E. Bates, B. Tech, MBA, Director. Senior Vice President at TELUS with over 30 years of experience in the telecommunications industry. He holds a Masters in Business Administration from the University of Rochester, and a Bachelor of Technology in Electrical Engineering from the Rochester Institute of Technology. He is currently enrolled in a Masters of Systems Engineering and Architecture program at the University of Southern California.

Mr. William Lee, B. Comm, CA, Director. Mr. Lee has been a Financial Officer and Controller of several public and private companies since 1986 and spent nine years with Deloitte & Touche. He has been a director of several public companies including Vuzix Corporation, Riverside Resources Inc. since December 10, 2010. He has been an Independent Director of Tinka Resources Ltd. and IMA Exploration Inc. Mr. Lee holds a Bachelor of Commerce from the University of British Columbia and is a member in good standing of the Institute of Chartered Accountants of British Columbia.

Mr. Claude David Morin, Director. Mr. Morin recently retired from The Bank of Nova Scotia after a long and distinguished career, mostly in the Asia-Pacific region. His more recent appointments include: Vice President and Country Head, South Korea; Executive Vice President and Chief Risk Officer, Solidbank Corporation, a former Philippine affiliate of Scotiabank; Managing Director & Head, The Bank of Nova Scotia Asia Limited - Singapore and Senior Vice President and Country Head of Scotiabank Singapore. He also briefly held the position as Interim Regional Head of Scotiabank's Asia-Pacific operations. Mr. Morin's past Board positions include: Chairman of the Board and Director, The Bank of Nova Scotia Berhad - Malaysia; Director of Scotiabank (Hong Kong) Limited; Director of Thanachart Bank -Thailand, Scotiabank's 49% owned Thailand affiliate; Director of The Bank of Nova Scotia Asia Limited and Director of Solidbank Corporation. Mr. Morin holds a Fellowship of the Institute of Canadian Bankers.

Shareholders of Jetlines

Jetlines is a private company and has 27 shareholders. Mr. Jim Scott, the Chief Executive Officer of Jetlines and his associates own approximately 35.4% of the outstanding common shares of Jetlines. Mr. Dixon Lawson, the Chief Administrative Officer of Jetlines and his affiliate own approximately 19.2% of the outstanding common shares of Jetlines. No other shareholder owns greater than 10% of the issued and outstanding common shares of Jetlines.

About Inovent

Inovent Capital Inc. is a CPC that completed an IPO December 18th, 2013 with the goal of identifying a QT in technology, life sciences or special situations. The board of directors of the Inovent consists of David H. Brett, Giorgio A. Pietrobon, Ari M. Shack, John Gomez and Robert J. Baylis. For further information visit www.inoventcapital.com

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

On behalf of the board of Inovent

INOVENT CAPITAL INC.

Per: "David Brett"

David H. Brett, MBA
Chief Executive Officer & Director

For more information, please contact:

Jetlines:

Jim Scott
Chief Executive Officer
Tel: 604-273-5387
jim.scott@jetlines.ca
www.jetlines.ca

Inovent:

David Brett
Chief Executive Officer
Tel. 604-682-2421
david@inoventcapital.com
www.inoventcapital.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the Policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward-looking information as defined under applicable Canadian securities legislation, including without limitation, with respect to: Jetlines' business objectives, operational timelines and investment requirements; anticipated operational and structural trends in the Canadian passenger airline market; removal of conditions relating to the completion of the Proposed Transaction; execution of the Transaction Documents; completion of the Bridge Financing; completion of the Concurrent Financing; receipt of TSXV approval of the Proposed Transaction; and approval of Inovent's shareholders of the Proposed Transaction. Forward-looking information may be identified by words such as "anticipate," "believe," "estimate," "intend," "expect," "may," "will," "should," "potential," "plan" or other similar terms. Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information. Neither Jetlines nor Inovent can give any assurance that any of the events anticipated will transpire or occur or, if any of them do, what benefits or costs it will derive from them. By its nature, forward-looking information is subject to numerous risks and uncertainties including, but not limited to, acts of God, the impact of general economic conditions, changing domestic and international airline industry conditions, volatility of fuel prices, terrorism, pandemics, currency fluctuations, interest rates, risks specific to the airline industry, the ability of management to implement Jetlines' and Inovent's operational strategy, the ability to attract qualified management and staff, and additional risks factors which may arise from time-to-time. Although Jetlines and Inovent each believe that the expectations reflected in such forward-looking information are reasonable, neither can give any assurance that these expectations will prove to have been correct, and since forward-looking information inherently involves risks and uncertainties, undue reliance should not be placed on such information. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such forward-looking statements. These material factors and assumptions may prove to be incorrect. All forward-looking information in this news release is as of the date of this news release. Neither Jetlines nor Inovent undertakes any obligation to update any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.