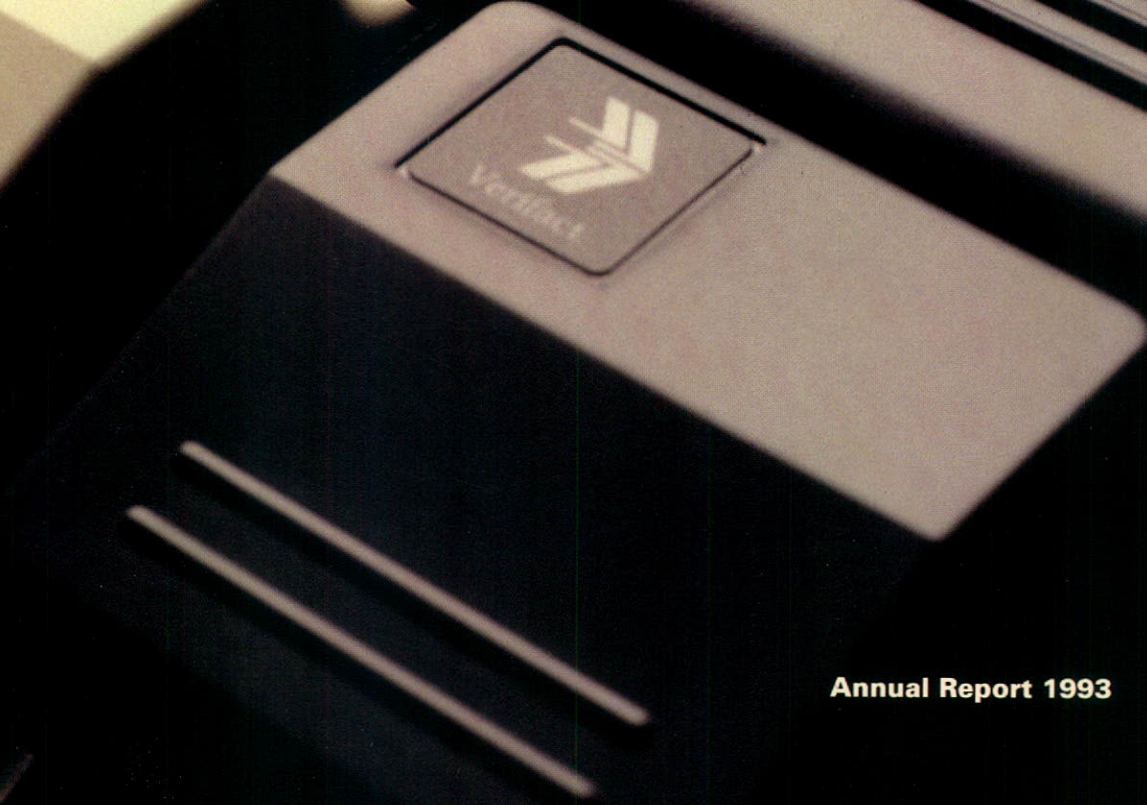


International Verifact Inc.



Annual Report 1993

REPORT TO SHAREHOLDERS



George Whitton
Chairman and Chief Executive Officer

In fiscal 1993 International Verifact Inc. continued to listen to the needs of its customers and respond to those needs as quickly, creatively and efficiently as possible. As a result, revenues in the year ended March 30, 1993 rose to \$26,602,137 from \$11,009,235 the previous year and net earnings increased to \$3,557,550 from \$432,962.

The V2000, introduced in early 1992, has set the standard for quality and value among debit/credit point-of-sale terminal systems. The V2000 and our creative new C2000 family of products will be the most important revenue producers for International Verifact for the foreseeable future.

While much of our revenue growth came from the use of Verifact products in the rollout of the Interac direct payment (debit) program, we also made many important additions to our North American customer base, especially in the United States where much of our future growth is expected to occur.

Verifact has a strong and debt-free balance sheet which gives us the freedom to aggressively approach the many new and emerging markets for intelligent debit/credit terminals. In the past year we made a number of turnkey production and assembly arrangements with major companies so that we may concentrate on what we do best: matching the needs of our customers to the very latest in technology.

In the past year International Verifact:

- increased sales dramatically through its participation in the INTERAC direct debit program sponsored by Canada's major banking and financial institutions;
- introduced four members of the new C2000 family of products, all easily programmable through the industry standard ANSI "C" based language;
- reinforced its reputation as the standard-setter in secure transactions;
- established a sales organization in the United States with headquarters in Scottsdale, Arizona;
- welcomed several new institutional shareholders;
- added more than \$8 million to working capital as a result of the exercise of warrants issued in February, 1992.



C2000 PHANTOM



The C2000 Family

The C2000 family of products is a truly innovative addition to the electronic funds transfer/point-of-sale marketplace. These products incorporate the reliability and secure technology of the V2000 with the flexibility required to meet the demands of a diversified U.S. market.

All members of the C2000 family are compatible with the latest electronic cash registers produced by the major manufacturers.

To date four members of the C2000 family have been introduced:

C2000-POSPAD is a hand-held terminal with a card reader and 2-line display. It is compact yet versatile, and meets the needs of a wide range of retail environments, such as the general retailer, department stores, supermarkets, super drug stores, and warehouse chains.

C2000-PROTEGE, with a larger 28-key keypad, has the ability to process a number of functions, including frequent buyer programs, simultaneously. It is the preferred point-of-sale solution for credit and debit/payment processing on local area networks.

C2000-SPIRIT (Secure Payment Independent Remote Input Terminal) is the only hand-held, secure and fully portable point-of-sale device with multiple transaction storage capability. Its design permits the processing of transactions in automobiles or at restaurant tables or wherever the customer may wish to input a Personal Identification Number (PIN).

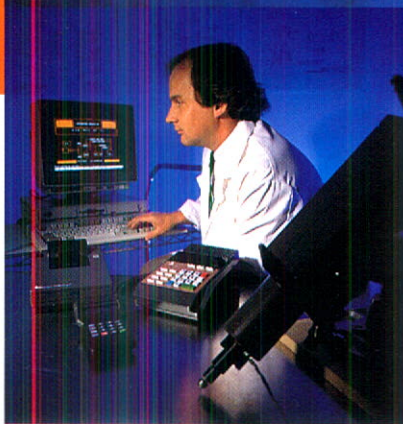
C2000-PHANTOM, which fits comfortably in the customer's hand, integrates with most modern electronic cash registers that have built-in card readers, thus eliminating the need for a card reader in the point-of-sale terminal. For this reason the cost of the card reader and the need to process the card through the POS terminal has been eliminated from PHANTOM.

Interac National Roll-Out

International Verifact's V2000 and its hand-held PIN Pad (for inputting Personal Identification Numbers) play a key role in the Interac program to establish the world's first national debit payment system.

The Interac program, begun in 1992 in British Columbia and Quebec, is being implemented in Alberta, Saskatchewan and Manitoba, and will be introduced in Ontario and the Maritimes in 1994. It is anticipated that this national debit payment system will generate increasing revenues for Verifact for years to come.

As it moves eastward, the INTERAC program is demonstrating the potential for the debit marketplace in Canada. Management expects that direct payment (debit) will become an increasingly preferred method of payment, creating an enormous potential market for Verifact products.



C2000 SPIRIT

United States Sales Operations

In fiscal 1993 the proportion of International Verifact's revenue generated from sales in the United States rose to 34 percent from 20 percent in the preceding year. With the new C2000 family and other Verifact products, your Company is confident it will penetrate further into expanding U.S. markets.

Accordingly, Verifact has established a sales organization in the United States and will market its products through its own sales force as well as through information processors, independent sales organizations and value-added resellers. Your Company opened its U.S. sales headquarters in June, 1993 in Scottsdale, Arizona. Connie Festa is now Executive Vice-President and General Manager of Verifact's U.S. operations.

New Shareholders

International Verifact acquired a number of new institutional shareholders, some of them customers of your Company, when BCE Telecom International Inc. sold 10,495,231 shares in December, 1992. We are grateful to the BCE group of companies for their long and valuable support.

Exercise of Share Purchase Warrants

All of the outstanding common share purchase warrants issued in connection with the private placement issue of common shares on February 18, 1992 were exercised during the fiscal year. The warrants, with an expiry date of January 17, 1994, entitled the holders to purchase common shares of International Verifact at \$1.30 each.

SUMMARY

Fiscal 1993 was International Verifact's most successful year in every respect. Fiscal 1994 has begun auspiciously, with record sales in the first quarter.

The performance of your Company did not come without substantial commitment from all its employees. Each and every one of them has made many sacrifices well beyond the normal call of duty, and for the paramount effort they have given I would personally like to express my gratitude. With their ongoing commitment, International Verifact will enjoy another highly successful year.

*Respectfully submitted on behalf of
the Board.*



George Whitton
Chairman

July 16, 1993



C2000 PROTEGE

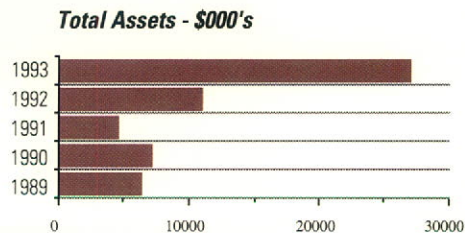
THE YEAR IN REVIEW

Introduction

International Verifact Inc. experienced record growth during the year ended March 31, 1993 in revenue, earnings and assets. The increases resulted from growing acceptance of the Company's products as the use of debit cards becomes more common in Canada and the United States.

Net earnings for the year were \$3,557,550 the equivalent of \$0.10 per share. In the previous year the corresponding figures were \$432,962 and \$0.01 per share.

The Company has been able to increase its level of operations while remaining debt free. During 1993, a year in which sales rose 142 percent, the average level of receivables and inventories increased by 99 percent and 220 percent, respectively. Working capital, augmented by the proceeds from the exercise of share purchase warrants, should continue to be sufficient to accommodate increased levels of activity throughout fiscal 1994.





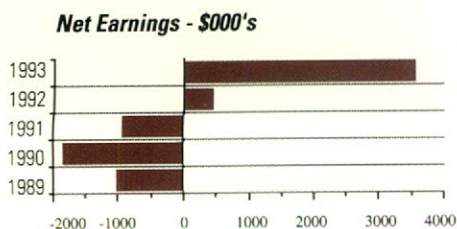
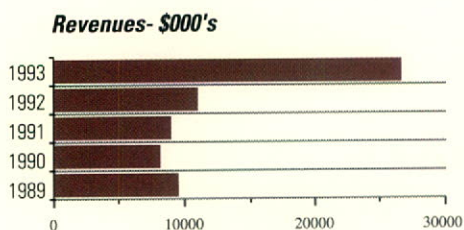
C2000 POSPAD

REVENUE

Revenue during 1993 was \$26,602,137 compared to \$11,009,235 in fiscal 1992. The table following compares unit sales by product group for those two years:

No. of Units sold	1993	1992
Terminals - Terminus	14,937	5,188
- V2000	15,698	3,019
- C2000	97	-
PIN Pads, SRPs, CADETs	30,330	7,821
Other Verifact products	3,784	1,265
Total Verifact Products	64,846	17,293

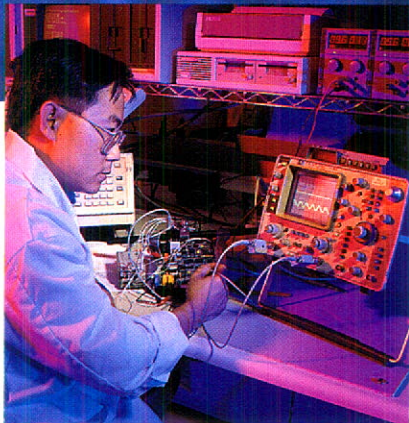
Revenue Profile	1993	1992
Revenues from sales of Verifact products	\$19,548,727	\$ 6,056,926
Resale revenues	5,611,956	2,984,296
Repairs and software development	1,441,454	1,967,513
Total revenue	\$26,602,137	\$11,009,235



The increase in product sales is primarily due to the introduction and gradual expansion of the Interac national direct payment (debit) program across Canada. Introduced in British Columbia and Quebec in 1992, the program is now being implemented in the midwest with Ontario and the Maritime provinces to follow in 1994. Management expects that revenues directly related to the Interac program will continue to increase for several years as more and more retailers take advantage of the program.

The Interac program is contributing to consumer acceptance of the "debit" concept and has provided Verifact with invaluable experience through its participation in such a sophisticated system. The Company's V2000 debit/credit terminal and PIN Pad are important components in the Interac program.

International Verifact is relying on this experience, particularly as it pertains to secure transactions, for increased sales of the C2000 family of products in the United States. Each C2000 product contains the VSC (Verifact Secure Chip) which meets the stringent security standards of Interac and which provides a level of security not otherwise available in the U.S. The versatility of the C2000 family and the use of the standard Ansi "C" language will assist in making these products attractive in the much more diverse markets of the United States.



TERMINUS

OPERATIONS

Sales of the Terminus line have been for the most part in the United States. Terminus sales are expected to decrease in future as the new C2000 line increases in volume.

Much of Verifact's resale revenue is derived from the sale in Canada of products produced by VeriFone Inc. of Redwood City, California. Verifact is the sole distributor of VeriFone products in Canada, and resales from this source are expected to continue at about current levels.

Manufacturing, administration and selling expenses increased to \$21,550,909 in fiscal 1993 from \$9,262,730 in the previous year. As a percentage of revenue, these expenses were 81 percent in 1993 and 84 percent in 1992.

In fiscal 1993 Verifact's sales denominated in U.S. currency amounted to \$9.5 million and purchases of inventory in the United States amounted to \$10.5 million. Management endeavours to the extent possible to balance its purchases and sales in the U.S. in a manner that minimizes exposure to currency risk. If the growth in U.S. sales makes this balance more difficult to maintain the Company will utilize appropriate hedging procedures.

Verifact is contracting with several turnkey partners to take over its assembly operations. These partners will be responsible for procurement of components as well as manufacture and assembly. Management is confident these arrangements will have a minimal effect on operating margins while maintaining the Company's exacting quality standards. Since inventories will be predominantly finished goods liquidity will be enhanced.

The turnkey arrangements relieve Verifact of the need to seek expanded premises in Canada; they allow the Company to maintain a strict control over costs while ensuring reliability of supply; and they allow management to focus all of its efforts on the sales, marketing and engineering aspects of its business.

SALES AND PRODUCT DEVELOPMENT

Verifact's markets have expanded beyond financial institutions and supermarkets to encompass the hospitality industry, the retail petroleum industry, department stores, super drugstores and warehouse chains. Management is promoting the development of a more diversified line of debit/credit products and systems which will meet the specific needs of these new and potential markets.

The Company's withdrawal from product assembly operations is consistent with the desire to concentrate on sales/marketing and technological development/engineering. Management believes optimum success results from an alertness to the relationship between customer needs and changing technology.

There is a dearth of reliable share-of-market statistics in the Electronic Funds Transfer/Point-of-Sale industry. Management's best estimate is that Verifact has 75 percent of the installed base of debit terminals in Canada and in excess of 50 percent of the same market in the United States.

Verifact believes in the future growth of the debit method of payment and is committed to the development of new products which will satisfy and encourage that growth. The primary emphasis on product development into 1994 will be on the C2000 family of products and their application to new and growing markets in the United States.



SENTINEL & SENTINEL PLUS

UNITED STATES

During fiscal 1993, the proportion of Verifact's sales in the United States grew to 34 percent of total sales from 20 percent of the Company's total sales in the previous fiscal year. Management anticipates the United States will become an ever more important market for the next several years.

To service the growing number of U.S. customers, Verifact has begun to employ a direct sales force, operating from the Company's new U.S. headquarters in Scottsdale, Arizona. Verifact products are also sold in the United States through Processors, Independent Sales Organizations and Value Added Resellers. One such VAR, National Transaction Network, Inc., located in Massachusetts, was responsible for 65 percent of Verifact's U.S. sales in fiscal 1993. In the past year Verifact has formed alliances with several other VARs in strategically-located regions of the United States.

While Verifact is taking a cost-conscious approach to the extremely competitive markets in the United States, management believes that the Company's reputation for security of transactions and the introduction of its new C2000 family of products will reinforce the Company's leadership in debit technology in the U.S.

Because of the proportion of its business conducted with Canadian chartered banks, Verifact has experienced exceptionally low losses resulting from bad debts. With the expansion of its business internationally, the Company is implementing additional credit review procedures.

FINANCIAL

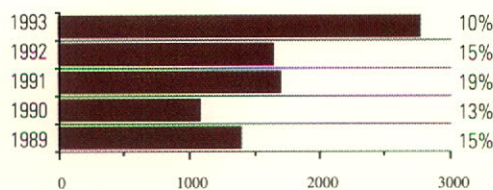
The exercise of all of the outstanding common share purchase warrants during fiscal 1993 contributed to an increase in working capital during the year to \$16,238,602 from \$5,679,408.

Management of Verifact believes that the Company's liquidity is sufficient to support substantially higher levels of sales. There are no current plans to issue additional equity or debt securities, although the Company will remain alert to opportunities that arise from its stronger financial position.

The number of outstanding 5% Cumulative Redeemable Convertible Series "A" Preferred Shares has continued to decrease with their ongoing conversion into common shares. There are no current plans to pay the dividend arrears on these shares, nor to initiate dividends on the common shares. It is the judgment of management that the Company's resources should be preserved to maximize current and future growth.

Verifact capitalizes only those development costs that create products capable of generating revenue. Such costs are generally amortized over three years. During the past five years, development costs have increased in absolute terms but have decreased as a percentage of revenue:

R&D Expenditure - \$000's (% of revenue)

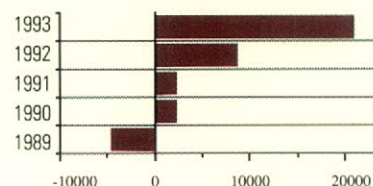


TAXATION

As shown in Note 7 to the financial statements, the Company has losses for income tax purposes of more than \$10 million. Management anticipates these tax losses will allow Verifact to be tax free into the year 1995.

Verifact has applied for Scientific Research and Experimental Development credits to further enhance its tax position.

Net Worth - \$000's



Auditors' report to the Shareholders

We have audited the consolidated balance sheets of International Verifact Inc. as at March 31, 1993 and 1992 and the consolidated statements of earnings and deficit and changes in cash funds for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at March 31, 1993 and 1992 and the results of its operations and the changes in its cash funds for the years then ended in accordance with generally accepted accounting principles.

Coopers & Lybrand

CHARTERED ACCOUNTANTS

Toronto, Canada
May 5, 1993

Consolidated Balance Sheets

as at March 31, 1993 and 1992

	1993	1992
	\$	\$
Assets		
Current assets		
Cash and short term investments	7,924,630	2,025,145
Accounts receivable	6,196,454	4,127,337
Inventory	8,228,932	1,861,275
Other	171,941	47,289
	22,521,957	8,061,046
Investment	1,115,748	1,115,748
Deferred development costs	2,653,565	1,302,768
Capital assets (note 2)	760,595	546,332
	27,051,865	11,025,894
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	6,105,664	2,340,690
Dividend payable	109,844	-
Deferred revenue	34,330	20,100
Obligations under capital leases - current portion (note 3)	33,517	20,848
	6,283,355	2,381,638
Obligations under capital leases (note 3)	33,665	12,363
	6,317,020	2,394,001
Shareholders' Equity		
Capital stock (notes 4, 5 and 6)		
Authorized: Unlimited common shares without par value		
1,200,000 5% cumulative redeemable convertible Series A preferred shares		
Issued and fully paid		
39,496,732 Common shares (1992 - 31,220,863 shares)	19,890,094	10,332,160
366,145 Series A shares (1992 - 516,593 shares)	2,196,870	3,099,558
	22,086,964	13,431,718
Contributed surplus	1,065,372	1,065,372
Deficit	(2,417,491)	(5,865,197)
	20,734,845	8,631,893
	27,051,865	11,025,894

APPROVED ON BEHALF OF THE BOARD



Director



Director

See accompanying notes to consolidated financial statements

Consolidated Statements of Earnings and Deficit

For the years ended March 31, 1993 and 1992

	1993	1992
	\$	\$
Revenue	26,602,137	11,009,235
Expenses		
Manufacturing, administration and selling	21,550,909	9,262,730
Development costs	952,905	638,147
Amortization	655,070	471,158
	23,158,884	10,372,035
Earnings from operations	3,443,253	637,200
Interest earned (financing expenses)	114,297	(204,238)
Net earnings	3,557,550	432,962
Deficit - beginning of year	5,865,197	6,298,159
Dividend	109,844	-
Deficit - end of year	2,417,491	5,865,197
Earnings per share	0.10	0.01

See accompanying notes to consolidated financial statements

Consolidated Statements of Changes in Cash Funds

For the years ended March 31, 1993 and 1992

	1993	1992
	\$	\$
Cash used for operating activities:		
Net earnings	3,557,550	432,962
Non cash items		
Amortization of capital assets	188,552	197,131
Amortization of deferred development costs	466,518	274,027
Loss on disposal of capital assets	5,679	-
	4,218,299	904,120
Change in cash funds from net change in working capital	(4,659,709)	(2,557,563)
Increase in deferred development costs	(1,817,315)	(1,018,165)
	(2,258,725)	(2,671,608)
Cash provided from financing activities:		
Issue of common shares net of issue expenses	9,557,934	7,210,347
Conversion of preferred shares	(902,688)	(1,210,434)
Change in long term obligations under capital leases	21,302	(20,497)
Dividend on Series A preferred shares	(109,844)	-
	8,566,704	5,979,416
Cash used for investing activities:		
Purchase of capital assets	(408,494)	(184,159)
Increase in cash funds for the year	5,899,485	3,123,649
Cash funds - beginning of year	2,025,145	(1,098,504)
Cash funds - end of year	7,924,630	2,025,145

See accompanying notes to consolidated financial statements

Notes to Consolidated Financial Statements

For the years ended March 31, 1993 and 1992

1. Accounting Policies

International Verifact Inc. (the "company") is engaged primarily in the development and sale of terminals and related products for use in electronic funds transfer and point of sale applications.

(a) Basis of consolidation

The consolidated financial statements include the accounts of the company and its wholly owned United States based subsidiary, International Verifact (U.S.) Inc. All intercompany balances and transactions are eliminated on consolidation.

(b) Foreign currency

The financial statements of the company's U.S. subsidiary have been translated to Canadian dollars as follows:

- i) monetary assets and liabilities at the year-end exchange rate;
- ii) non-monetary assets and liabilities at the historical exchange rate;
- iii) revenue and expense items at the average exchange rate for the year.

Transactions denominated in foreign currencies are translated to Canadian dollars at the prevailing exchange rate.

(c) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a basis that is sufficient to amortize the cost of capital assets over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	20% on declining balance
Marketing and display equipment	20% on declining balance
Research and development	
- electronic equipment	20% on declining balance
- computer equipment	33 1/3% on declining balance
Leasehold improvements	Straight-line over the term of the lease
Moulds and other	Straight-line over three years

(d) Long-term investments

Investments are carried at cost.

(e) Leases

Where the company has substantially all the benefits and risks incident to the ownership of property, the lease is classified as a capital lease. All other leases are classified as operating leases. Assets recorded under capital leases are amortized using rates that are consistent with similar company-owned assets.

(f) Development costs

It is the company's policy to defer costs relating to the development of its product until commercial production has been attained, provided that the recoverability of such costs is reasonably assured through expected sales less related selling expenses. Upon commencement of commercial production, all related deferred development costs are amortized over a suitable period which will not exceed three years. Unamortized development costs are expensed if commercial production is deemed unfeasible.

(g) Inventories

Raw materials and work-in-process are valued at the lower of actual cost and replacement cost. Finished goods are valued at the lower of actual cost and net realizable value.

2. Capital Assets

	1993	1992
	\$	\$
Furniture and fixtures	391,550	371,261
Marketing display equipment	81,830	57,350
Research and development:		
- electronic equipment	444,481	398,927
- computer equipment	514,870	391,748
Leasehold improvements	294,749	291,371
Moulds and other	445,913	275,904
	2,173,393	1,786,561
Accumulated amortization	(1,412,798)	(1,240,229)
	760,595	546,332

Included in capital assets are the following assets under capital leases:

Cost	96,680	96,961
Accumulated amortization	(21,931)	(62,370)
	74,749	34,591

3. Lease Commitments

As at March 31, 1993, the company is committed to minimum future lease payments as follows:

	Capital leases	Operating leases
	\$	\$
Year ending		
March 31, 1994	40,678	159,291
March 31, 1995	31,194	143,822
March 31, 1996	4,950	132,044
March 31, 1997	-	123,168
March 31, 1998	-	120,000
Total minimum lease payments	76,822	678,325
Less: Executory costs and imputed interest at an average rate of 10.75% per annum	9,640	
Obligations under capital leases	67,182	
Less: Current portion	33,517	
Long-term portion	33,665	

4. Capital Reorganization

During the year ended March 31, 1990, the company reorganized its debt and equity with the following effects:

(a) Preferred shares issuable in series were created along with the first series, Series A. The Series A convertible preferred shares ("Series A shares") have a stated capital of \$6.00 per share. The \$0.30 per share dividend is payable annually and is cumulative. Each Series A share is convertible into 10 common shares. If the Board of Directors elects, conversion may become mandatory if common shares trade at 33 1/3% premium (i.e. at \$0.80 per common share) for 20 consecutive trading days.

(b) The book value of all common shares issued prior to the issue of the Series A shares was restated at \$0.01 per share, giving rise to \$150,354 in total common share capital immediately after the issue of the Series A shares. This restatement of common share capital amounted to a reduction of \$12,827,264 in stated capital which was applied against the deficit during the year ended March 31, 1990.

5. Capital Stock

	1993	1993	1992	1992
	#	\$	#	\$
(a) Issued and fully paid common shares				
Balance - beginning of year	31,220,863	10,332,160	21,736,473	3,121,813
Exercise of employee options	564,000	585,640	1,467,000	499,790
Series A shares converted into common shares on a 1 for 10 basis valuing Series A shares at their original issue price of \$6.00	1,504,480	902,688	2,017,390	1,210,434
Exercise of warrants	6,207,389	8,069,606	-	-
Issued for cash net of issue expenses February 18, 1992	-	-	6,000,000	5,500,123
Balance - end of year	39,496,732	19,890,094	31,220,863	10,332,160
(b) Issued and fully paid Series A shares				
Balance - beginning of year	516,593	3,099,558	718,332	4,309,992
Series A shares converted into common shares on a 1 for 10 basis valuing Series A shares at their original issue price of \$6.00	(150,448)	(902,688)	(201,739)	(1,210,434)
Balance - end of year	366,145	2,196,870	516,593	3,099,558

(c) During the year ended March 31, 1993, changes in options to purchase common shares under the Employee Stock Option Plan were made as follows:

Exercise Price	Expiry Date	Opening Balance	Number of Common Shares			Closing Balance
			Transactions During Year			
			Issued	Cancelled	Exercised	
\$0.66	15/01/93	80,000	-	-	80,000	-
\$1.00	17/01/94	2,061,000	-	7,500	385,000	1,668,500
\$1.22	17/01/94	-	85,000	-	33,000	52,000
\$1.63	17/01/94	-	155,000	-	66,000	89,000
\$1.91	17/01/94	-	25,000	-	-	25,000
		2,141,000	265,000	7,500	564,000	1,834,500

(d) On February 18, 1992, the company issued through a private placement 6,000,000 units, each unit consisting of one common share and one warrant to purchase an additional common share, at a price of \$1.00 per unit. In addition, 207,389 warrants, exercisable under the same terms and conditions as the warrants issued to purchasers of the units, were issued to the agent as part of its remuneration for completing the placement. All warrants were exercised during the year ended March 31, 1993 at the exercise price of \$1.30 per share.

(e) At March 31, 1993, 250,000 (1992 -1,000,000) common shares of the company, none (1992 750,000) of which were held by directors, were held in escrow subject to the direction or determination by regulatory authorities. These shares may not be traded in, dealt with in any manner or released without the consent of the regulatory authorities.

6. Preferred Share Dividend

The annual 5% cumulative dividend on the Series A shares was declared for the year ended March 31, 1993. The dividend of \$0.30 per share will be paid on April 30, 1993 to shareholders of record as at April 15, 1993. The dividends for the years ended March 31, 1991 and 1992 remain undeclared and are the equivalent of \$219,687 based on the outstanding Series A shares at March 31, 1993.

As long as the dividend remains in arrears, each Series A shareholder shall be entitled to one vote in respect of each common share into which the Series A share would be converted as if converted as of the record date of each general meeting of shareholders. This right continues until the arrears are paid in full.

7. Income Taxes

(a) International Verifact Inc. has incurred non-capital losses for income tax purposes of approximately \$8,255,000 which may be carried forward and used to reduce future years' taxable income. These non-capital losses may be claimed no later than:

Year ending	\$
March 31, 1994	535,000
March 31, 1995	4,454,000
March 31, 1996	883,000
March 31, 1997	1,321,000
March 31, 1998	1,062,000
	8,255,000

In addition, as at March 31, 1993, International Verifact Inc. has recorded approximately \$1,487,000 (1992 - \$1,300,000) of amortization and development costs which are available for deduction in future years with no time limit.

(b) International Verifact (U.S.) Inc. has incurred non-capital losses for income tax purposes of approximately \$2,082,000 (United States dollars). These non-capital losses may be claimed no later than:

	\$ U.S.
Year ending	
March 31, 2002	1,591,000
March 31, 2003	491,000
	2,082,000

The potential future income tax benefit of these items has not been recorded in these financial statements.

8. Export Sales

The company had export sales to the following countries for the years ended March 31

	1993	1992
	\$	\$
United States	9,037,255	2,154,048
Britain	111,720	-
	9,148,975	2,154,048

Some U.S. sales are negotiated by distributors in the United States, one of which is a related company. Included in accounts receivable is \$1,455,993 (1992 - \$319,963) from this company.

BOARD OF DIRECTORS

George Whitton*
Chairman, President and
Chief Executive Officer

W. Douglas M. Archibald
President and Chief Executive Officer,
Secure Payment Technologies Inc.

James B. Goad
President and
Chief Executive Officer,
Chesapeake Limited

Edward J. Hogan
Consultant

Pierre Panet-Raymond*
MMI Group Inc.

Peter E. Roode*
President
Triarch Corporation

* Member Audit Committee

OFFICERS

George Whitton
Chairman, President and
Chief Executive Officer

Connie Festa
Executive Vice-President
and General Manager IVI U.S.

David Groves
Vice-President,
Engineering and
Manufacturing

Martin Hemy
Vice-President,
Research & New Product Development

Peter Henry
Director of Finance and Administration

William Kinnear
Corporate Secretary

International Verifact Inc.
is listed on The Toronto Stock Exchange
and trades under the symbol IVI

Transfer Agent
Montreal Trust Company, Toronto



CORPORATE OFFICES

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Tel: (416) 245-6700
Fax: (416) 245-6701

International Verifact (U.S.) Inc.
7975 North Hayden Road,
Suite D-354
Scottsdale, Arizona 85258
Tel: (602) 596-6600
Fax: (602) 596-6660

1993 ANNUAL MEETING

The 1993 Annual Meeting of Shareholders will be held at 4.30 p.m. on Monday, September 20, 1993, at the Board of Trade of Metropolitan Toronto, 4th Floor, 1 First Canadian Place, Toronto.

International Verifac Inc.

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