

News Release



Virtutone Secures New \$7.5 Million Credit Facility

November 1st, 2013 – Sherwood Park, Alberta – Virtutone Networks Inc. (“Virtutone” or the “Company”) (TSX Venture: VFX.V) is pleased to announce that the Company has secured a new accounts receivable credit facility in the amount of \$7.5 million, with the capacity to grow to \$15 million. The new facility is subject to standard due diligence from the lender, and approval by the Company’s board of directors.

“Over the past few months, we have been restricted in our growth due to a lack of working capital,” said Jason Allen, Chief Executive Officer of Virtutone. “This new facility will enable the Company to accelerate its growth.”

For further information please contact Jason Allen at 780-702-5777.

About Virtutone Networks Inc.

Virtutone Networks Inc. is a technology company based in Sherwood Park and is listed on the TSX Venture Exchange in Canada. The company is a leading supplier of managed telecommunication services, including: Voice over IP services, Fax over IP services, Hosted PBX services, DSL & T1 data circuits, wireless solutions for mobile work forces and SCADA networks, and network management and IT-related products. Additional information can be found on the company's website at www.virtutone.com.

This document may contain certain forward-looking information or statements ("Forward-looking statements") as defined under applicable securities legislation that involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks include, without limitation, risks related to: the termination, non-renewal of or default under of any current or new wholesale contracts; changes in the global economy; a failure to negotiate new customer contracts; changes in legislation or the interpretation thereof, particularly in the telecommunications industry. Forward-looking statements are any statements other than statements of historical fact. The use of any "plan" "expect" "project" "believe" "should" "anticipate" or other similar words or statements that certain events "may" or "will" occur are intended to identify forward-looking statements. In particular, forward-looking statements included in the press release include, without limitation, statements regarding: the impact of the new voice traffic contracts; timing and completion of the transition of new voice traffic; the sustainability of the new revenue stream; increased leverage with suppliers; additional deals currently being worked on and the impact

News Release

thereof; and negotiations relating to potential new customers. The forward-looking statements contained herein are based on certain assumptions including, without limitation, assumptions regarding: global economic conditions; changes in laws and regulations; the impact of Virtutone's new contracts; the market for wholesale telephony services; the maintenance of new and current wholesale contracts; and the ability to add new wholesale clients. Although management believes the expectations reflected in the forward-looking statements contained herein are reasonable, no assurances can be given that any of the events anticipated in forward-looking statements will occur, or, if they do, what benefits Virtutone will derive therefrom. As such readers are cautioned not to place undue reliance on forward-looking statements, which are effective only as of the date of this document or as of the date otherwise specifically indicated herein. Virtutone assumes no obligation to update forward-looking statements, except as required by applicable law. The historical revenue numbers for the new wholesale contracts do not represent estimates of future revenues to be received by the Company. As these contracts do not contain any minimum traffic requirements, revenue generated on such contracts will vary from month to month, and such variations may be material. The Company cannot provide any assurances as to the revenues to be generated by such contracts once the transition is complete.

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