

SUPPLEMENTAL REPORT – LEGAL PROCEEDINGS – VOIP-PAL.COM INC. AS OF JUNE 30, 2015

Pursuant to FASB ASC 450, Voip-Pal.com, Inc. includes the following Disclosure of Litigation:

CASE NO.: A-15-717491-C, was filed in Clark County, Nevada District Court by LOCKSMITH FINANCIAL CORPORATION, INC., a British Columbia entity, against VOIP-PAL.COM, INC., a Nevada corporation, THOMAS E. SAWYER, an individual; EMIL MALAK, an individual; COLIN TUCKER, an individual; EDWIN CANDY, an individual and DENNIS CHANG, an individual. The case alleges that Voip-Pal and its directors wrongfully froze shares that Locksmith had obtained from Voip-Pal “pending the outcome of an investigation by appropriate regulatory bodies....” Locksmith’s complaint was dismissed for failure to state a cause of action by the court on July 7, 2015, and Locksmith was allowed two days to file a new complaint. Locksmith filed a new complaint on July 9, 2015. A hearing to determine whether the new complaint states a cause of action has been scheduled for July 29, 2015. The assessment of Voip-Pal legal counsel, Ryan L. Thomas, is that the likelihood of any liability for Voip-Pal is remote and the amount of such liability, if any, is too uncertain to ascertain at this point in time.

Voip-Pal.com, Inc. filed a case in U.S. federal court for the District of Nevada on July 2, 2015, against LOCKSMITH FINANCIAL CORPORATION, INC., a British Columbia entity; TK INVESTMENT, a British Columbia entity; RICHARD G. KIPPING, an individual, TERRY KWAN, an individual. The complaints include; “Upon information and belief, between May 2012 to January 2014, Defendants, through a series of deceptive debt conversions, stock issuances, and noncash accounting transactions, systematically conspired, schemed, and defrauded Voip-Pal and the shareholders of Voip-Pal of millions of shares of Voip-Pal stock.” The assessment of Voip-Pal legal counsel, Ryan L. Thomas, is that the likelihood of recovery of at least some portion of the stock at issue and some amount of damages is probable. The amount of such recovery is too uncertain to ascertain at this point in time.

Voip-Pal.com, Inc. filed a case in Clark County Nevada court on July 3, 2015, against JOHN YACOUB, an individual. The complaint alleges that Mr. Yacoub “fraudulently and unlawfully acquired and absconded with a confidential contact list of Voip-Pal’s shareholders and directors” and that Mr. Yacoub “wrongfully used and continues to use the confidential information to communicate a constant stream of abusive defamatory emails regarding Voip-Pal, Malak, and Sawyer to the shareholders and directors of Voip-Pal.” The assessment of Voip-Pal legal counsel, Ryan L. Thomas, is that the likelihood of recovery of at least some amount of damages is probable. The amount of such recovery is too uncertain to ascertain at this point in time.