

A copy of this preliminary prospectus has been filed with the securities regulatory authority in the provinces of British Columbia, Alberta and Ontario and with the TSX Venture Exchange Inc. (the “Exchange”) but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the British Columbia, Alberta and Ontario securities commissions.

This prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PRELIMINARY PROSPECTUS

Initial Public Offering

June 5, 2018

SHERPA II HOLDINGS CORP.

(a capital pool company)

Minimum Offering: \$200,000 or 2,000,000 Common Shares

Maximum Offering: \$500,000 or 5,000,000 Common Shares

Price: \$0.10 per Common Share

Sherpa II Holdings Corp. (the “**Corporation**”) offers through its agent, PI Financial Corp., (the “**Agent**”) a minimum of 2,000,000 common shares (the “**Minimum Offering**”) of the Corporation (the “**Common Shares**”) and a maximum of 5,000,000 Common Shares (the “**Maximum Offering**”) to the public at a price of \$0.10 per Common Share (the “**Offering**”). The purpose of the Offering is to provide the Corporation with funds with which to identify and evaluate businesses or assets with a view to completing the Qualifying Transaction, as hereinafter defined. Any proposed Qualifying Transaction must be approved by the Exchange and, in the case of a Non Arm’s Length Qualifying Transaction, as hereinafter defined, must also receive Majority of the Minority Approval, as hereinafter defined, in accordance with Exchange Policy 2.4 (the “**CPC Policy**”). The Corporation is a Capital Pool Company (“**CPC**”). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, as hereinafter defined, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See “Business of the Corporation” and “Use of Proceeds”.

	Common Shares	Price to Public	Agent’s Commission⁽¹⁾	Proceeds to Corporation⁽²⁾
Per Common Share	1	\$0.10	\$0.01	\$0.09
Minimum Offering ⁽³⁾	2,000,000	\$200,000	\$20,000	\$180,000
Maximum Offering ⁽³⁾	5,000,000	\$500,000	\$50,000	\$450,000

Notes:

- (1) A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. Additionally, the Corporation has paid a corporate finance fee of \$10,000 plus GST to the Agent. The Agent will also be reimbursed by the Corporation for its expenses, including reasonable legal fees. The Agent will also be granted the Agent’s Option referred to below. See “Plan of Distribution - Agency Agreement and Agent’s Compensation”.
- (2) Before deducting the costs of this issue estimated at \$76,710, which includes legal and audit fees and other expenses of the Corporation estimated at \$30,000 (inclusive of GST), the Agent’s corporate finance fee, the Agent’s expenses and legal fees (inclusive of GST and disbursements) estimated at \$22,500, the listing fee of \$15,750 payable to the Exchange (inclusive of GST), estimated filing fees of \$7,690 and estimated printing fees of \$770.
- (3) A minimum of 2,000,000 Common Shares and a maximum of 5,000,000 Common Shares are qualified for distribution hereunder. In addition, this prospectus qualifies for distribution the Agent’s Option, as hereinafter defined.

The Offering is made on a “commercially reasonable efforts” agency basis by the Agent of a minimum of 2,000,000 Common Shares for total gross proceeds to the Corporation of \$200,000 and a maximum of 5,000,000 Common Shares for total gross proceeds to the Corporation of \$500,000. The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of an agency agreement between the Corporation and the Agent (the “**Agency Agreement**”).

Pursuant to the Agency Agreement, the Agent, and any sub-agents as the Agent may direct, will be granted a non-transferable option (the “**Agent’s Option**”) to purchase that number of Common Shares (the “**Agent’s Shares**”), that is equal to 10% of the Common Shares sold pursuant to the Offering, at a price of \$0.10 per Agent’s Share, and expiring 24 months from the date the Corporation’s shares are listed on the Exchange, being up to 200,000 Common Shares (in the case of the Minimum Offering) or up to 500,000 Common Shares (in the case of the Maximum Offering). The grant of the Agent’s Option is qualified under this prospectus. See “Agency Agreement and Agent’s Compensation”.

Market for Securities

As at the date of this prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America or the Alternative Investment Market of the London Stock Exchange or the markets operated by Plus Markets Group plc.

The Corporation will apply to list the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent’s Option and the grant of Stock Options to certain directors and officers of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator pursuant to Multilateral Instrument 11-102 - *Passport System* (“**MI 11-102**”) and National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions* (“**NP 11-202**”) and the time the Common Shares are listed for trading except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities commission grants a discretionary order.

Risk Factors

There is no market through which the Common Shares offered by this prospectus may be sold and purchasers may not be able to resell the Common Shares purchased under this prospectus. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares, and the extent of issuer regulation. See “Risk Factors”.

Investment in the Common Shares offered by this prospectus is highly speculative due to the nature of the Corporation’s business and its present stage of development. The Offering is suitable only to those investors who are prepared to risk the loss of their entire investment. See “Risk Factors”.

Upon completion of the Offering, purchasers will suffer an immediate dilution (based on the gross proceeds from this and prior issues without deduction of selling and related expenses) per Common Share of approximately \$0.025 or 25% if the Minimum Offering is completed and approximately \$0.014 or 14% if the Maximum Offering is completed. The Corporation does not currently own any assets other than cash.

The business objective of the Corporation is to identify and evaluate assets or businesses with a view to completing the Qualifying Transaction which receives Exchange approval and in the case of a Non Arm’s Length Qualifying Transaction, Majority of the Minority Approval of the Corporation’s shareholders; however, there can be no assurance that the Corporation will successfully complete the Qualifying Transaction. The Corporation has commenced the process of identifying potential acquisitions, but to date, the Corporation has not identified any potential acquisitions. The Corporation may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. The Corporation may find that even if the terms of a potential acquisition are economic, the Corporation may not be able to finance such acquisition and additional funds may be required. The Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, investors should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not be possible to enforce against such persons or the Corporation, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. Where the investment or acquisition is financed by the issuance of shares from the Corporation’s treasury, control of the Corporation may change and shareholders may suffer further dilution of their investment. The Corporation will be in competition with other entities with greater resources.

The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. In the event that the Common Shares are listed on the Exchange, the Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete the Qualifying Transaction within 24 months of the date of listing. In addition, delisting of the Common

Shares may result in the cancellation of all or some of the Common Shares owned by Non Arm's Length Parties, as hereinafter defined, issued prior to the Offering. Investors must rely solely on the expertise of the Corporation's Promoter, as hereinafter defined, directors and officers for any possible return on their investment.

The Corporation's directors, officers and, as applicable, Control Persons, as hereinafter defined, and their Associates, as hereinafter defined, and Affiliates, as hereinafter defined, as a group, beneficially own or control, directly or indirectly, 2,000,000 Common Shares, which represents 100% of the issued and outstanding Common Shares before giving effect to the Offering, and 50% of the issued and outstanding Common Shares in the event the Minimum Offering is completed and 28.57% of the issued and outstanding Common Shares in the event the Maximum Offering is completed. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. See "Business of the Corporation", "Use of Proceeds", "Capitalization", "Officers, Directors and Promoters", "Dilution" and "Risk Factors".

Maximum Investment

Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, being 40,000 Common Shares (\$4,000) in the event the Minimum Offering is completed and 100,000 Common Shares (\$10,000) in the event the Maximum Offering is completed. In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total number of Common Shares offered under this prospectus, being 80,000 Common Shares (\$8,000) in the event the Minimum Offering is completed and 200,000 Common Shares (\$20,000) in the event the Maximum Offering is completed.

Receipt of Subscriptions

PI Financial Corp., as agent, hereby conditionally offers these Common Shares, on a "commercially reasonable efforts" agency basis, if, as and when subscriptions are accepted by the Corporation, subject to prior sale, in accordance with the terms and conditions of the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters by Cassels Brock & Blackwell LLP, on behalf of the Corporation and by McMillan LLP, on behalf of the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that one or more global certificates that represent the aggregate number of Common Shares subscribed for under the Offering will be issued in registered form as directed by the Agent and will be available for delivery at the closing of the Offering. The Common Shares subscribed for under the Offering may also be issued on an uncertificated basis. In either case, purchasers of Common Shares will only receive a client confirmation from the Agent as to the number of Common Shares subscribed for. Certificates representing the Common Shares in registered and definitive form will be issued to the purchasers in certain limited circumstances only.

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GLOSSARY

“Affiliate” means a company that is affiliated with another company as described below:

A company is an “Affiliate” of another company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person.

A company is “controlled” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that Person; or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

“Agency Agreement” means the agency agreement dated [●], 2018 between the Corporation and the Agent.

“Agent” means PI Financial Corp. at its office in the City of Vancouver, in the Province of British Columbia.

“Agent’s Option” means the non-transferable option to be granted by the Corporation to the Agent entitling the Agent to purchase Agent’s Shares in an amount equal to 10% of the number of Common Shares sold pursuant to the Offering at an exercise price of \$0.10 per Agent’s Share, expiring 24 months from the date of listing of the Common Shares on the Exchange.

“Agent’s Shares” means Common Shares acquired upon exercise of the Agent’s Option.

“Aggregate Pro Group” means all Persons who are members of any Pro Group whether or not the Member is involved in a contractual relationship with the Issuer to provide financing sponsorship and other advisory services.

“Agreement in Principle” means any enforceable agreement or any other agreement or similar commitment which identifies the fundamental terms upon which the parties agree or intend to agree which:

- (a) identifies assets or a business to be acquired which would reasonably appear to constitute Significant Assets and the acquisition of which would reasonably appear to constitute the Qualifying Transaction;
- (b) identifies the parties to the Qualifying Transaction;
- (c) identifies the consideration to be paid for the Significant Assets or otherwise identifies the means by which the consideration will be determined; and
- (d) identifies the conditions to any further formal agreements to complete the transaction; and

in respect of which there are no material conditions to closing (other than receipt of shareholder approval and Exchange acceptance), the satisfaction of which is dependent upon third parties and beyond the reasonable control of the Non Arm’s Length Parties to the CPC or the Non Arm’s Length Parties to the Qualifying Transaction.

“Associate” when used to indicate a relationship with a Person, means:

- (a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10 percent of the voting rights attached to all outstanding voting securities of the Issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and

- (d) in the case of a Person who is an individual:
 - (i) that Person's spouse or child; or
 - (ii) any relative of that Person or of his spouse who has the same residence as that person;

but:

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.

"Commissions" means, collectively, the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission.

"Common Shares" means the common shares in the share capital of the Corporation.

"company" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"Completion of the Qualifying Transaction" means the date the Final Exchange Bulletin is issued by the Exchange.

"Computershare" means Computershare Investor Services Inc., Vancouver, British Columbia.

"Control Person" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.

"Corporation" means Sherpa II Holdings Corp., a corporation incorporated under the *Business Corporations Act* (British Columbia) having its registered office in the City of Vancouver, in the Province of British Columbia.

"CPC" means a corporation:

- (a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the Commissions in compliance with the CPC Policy; and
- (b) in regard to which the Final Exchange Bulletin has not yet been issued.

"CPC Policy" means Policy 2.4 of the Exchange's Corporate Finance Manual.

"Escrow Agreement" means the escrow agreement dated [●], 2018 among the Corporation, Computershare and certain shareholders of the Corporation.

"Exchange" or **"TSXV"** means the TSX Venture Exchange Inc.

"Final Exchange Bulletin" means the Exchange bulletin issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

"Initial Listing Requirements" means the minimum financial, distribution and other standards that must be met by applicants seeking a listing on a particular tier of the Exchange.

"initial public offering" or **"IPO"** means a transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.

"Insider" if used in relation to an Issuer, means:

- (a) a director or senior officer of the Issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the Issuer;

- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or
- (d) the Issuer itself if it holds any of its own securities.

“Issuer” means a company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.

“Majority of the Minority Approval” means the approval of the Qualifying Transaction by the majority of the votes cast by shareholders, other than:

- (a) Non Arm's Length Parties to the CPC;
- (b) Non Arm's Length Parties to the Qualifying Transaction; and
 - (i) in the case of a Related Party Transaction:
 - (ii) if the CPC holds its own shares, the CPC; and
 - (iii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction;

at a properly constituted meeting of the common shareholders of the CPC.

“Member” means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange requirements.

“Members' Agreement” means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange under the Exchange requirements.

“NEX” means the market on which former Exchange and Toronto Stock Exchange Issuers that do not meet Exchange tier maintenance requirements for Tier 2 Issuers may continue to trade.

“Non Arm's Length Party” means:

- (a) in relation to a company, a Promoter, an officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any of such Persons; and
- (b) in relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, an officer, director, Insider or Control Person.

“Non Arm's Length Parties to the Qualifying Transaction” means the Vendor(s), any Target Company(ies) and includes, in relation to Significant Assets or Target Company(ies), the Non Arm's Length Parties of the Vendor(s), the Non Arm's Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.

“Non Arm's Length Qualifying Transaction” means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

“Offering” means the offering of a minimum of 2,000,000 Common Shares for aggregate gross proceeds of \$200,000 and a maximum of 5,000,000 Common Shares for aggregate gross proceeds of \$500,000, at a price of \$0.10 per Common Share, in accordance with the terms of this prospectus.

“Offering Price” means \$0.10 per Common Share.

“Option Plan” means the Corporation's incentive stock option plan.

“Person” means a company or individual.

“Principal” means:

- (a) a Person who acted as a Promoter of the Issuer within two years or their respective Associates or Affiliates before the IPO prospectus or the Final Exchange Bulletin;

- (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;
- (c) a 20% holder - a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and
- (d) a 10% holder - a Person that:
 - (i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and
 - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

In calculating these percentages include securities that may be issued to the holder under outstanding convertible securities in both the holder's securities and the total securities outstanding.

A company, trust, partnership or other entity more than 50% held by one or more Principals will be treated as a Principal. (In calculating this percentage, include securities of the entity that may be issued to the Principals under outstanding convertible securities in both the Principals' securities of the entity and the total securities of the entity outstanding.) Any securities of the issuer that this entity holds will be subject to escrow requirements.

A Principal's spouse and their relatives that live at the same address as the Principal will also be treated as Principals and any securities of the Issuer they hold will be subject to escrow requirements.

"Pro Group" means:

- (a) Subject to subparagraphs (b), (c) and (d), "Pro Group" shall include, either individually or as a group:
 - (i) the Member;
 - (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv).
- (b) The Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member.
- (c) The Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member.
- (d) The Exchange may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Exchange determines that:
 - (i) the Person is an affiliate or associate of the Member is acting at arm's length of the Member;
 - (ii) the associate or affiliate has a separate corporate and reporting structure;
 - (iii) there are sufficient controls on information flowing between the Member and the associate or affiliate; and
 - (iv) the Member maintains a list of such excluded Persons.

"Promoter" has the meaning ascribed to it in section 1(1) of the *Securities Act* (British Columbia).

“Qualifying Transaction” means a transaction where a CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.

“Related Party Transaction” has the meaning ascribed to that term under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, together with the Companion Policy 61- 101CP, and includes a related party transaction that is determined by the Exchange to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non Arm’s Length Parties, or other circumstances exist which may compromise the independence of the Corporation with respect to the transaction.

“Resulting Issuer” means the Issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin.

“Seed Capital” or **“Seed Shares”** means securities issued before an Issuer’s IPO.

“SEDAR” means System for Electronic Document Analysis and Retrieval.

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the Initial Listing Requirements.

“Sponsor” means a Member that meets the criteria specified in the Exchange Policy 2.2 which has an agreement with an Issuer to undertake the functions of sponsorship as required by that policy and various other Exchange policies.

“Stock Options” means incentive stock options to be granted at the closing of the Offering pursuant to the Option Plan.

“Target Company” means a company to be acquired by the CPC as its Significant Asset pursuant to the Qualifying Transaction.

“Vendor” or **“Vendors”** means one or all of the beneficial owners of the Significant Assets (other than a Target Company(ies)).

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

Business of the Corporation: The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing the Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. See "Business of the Corporation".

Offering: A minimum of 2,000,000 Common Shares and a maximum of 5,000,000 are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, pursuant to the Agency Agreement, the Corporation will grant to the Agent and its designated sub-agents, if any, the Agent's Option to purchase up to such number of Common Shares as is equal to 10% of the aggregate number of Common Shares sold pursuant to the Offering, at an exercise price of \$0.10 per Agent's Share which will be exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange. The grant of the Agent's Option is qualified under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".

Use of Proceeds: The net proceeds of the Offering to the Corporation will be a minimum of \$103,290 (in the event the Minimum Offering is complete) and a maximum of \$373,290 (in the event the Maximum Offering is complete). The net proceeds of the Offering plus the proceeds from prior sales of Common Shares will be used to provide the Corporation with funds with which to identify and evaluate assets or businesses for acquisition with a view to completing the Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds", "Business of the Corporation" and "Risk Factors".

Management and Directors: Thomas O'Neill – Chief Executive Officer and Director
Emily Davis – Chief Financial Officer, Corporate Secretary and Director
Rahim Rajwani – Director
Robert Scott – Director
Thomas O'Neill is considered to be the Promoter of the Corporation. See "Directors, Officers and Promoters" and "Promoter".

Escrowed Securities: All of the currently issued and outstanding Common Shares, being 2,000,000 Common Shares, have been deposited in escrow pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin. See "Escrowed Securities".

Risk Factors: Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. **The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment.** The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the

Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of approximately 25% or \$0.025 per Common Share (in the event the Minimum Offering is complete) and approximately 14% or \$0.014 per Common Share (in the event the Maximum Offering is complete). There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing the Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See "Business of the Corporation", "Officers, Directors and Promoters", "Capitalization", "Dilution", "Risk Factors" and "Conflicts of Interest".

THE CORPORATION

The Corporation was incorporated on January 18, 2018 by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name “Sherpa II Holdings Corp.”.

The head office of the Corporation is located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3 and the registered office of the Corporation is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

BUSINESS OF THE CORPORATION

Preliminary Expenses

Other than part of the corporate finance fee of the Agent of \$10,500 (inclusive of GST), audit fees of \$5,000 (exclusive of GST), and the payment of the minimum listing fee to the Exchange of \$15,750 (inclusive of GST), the Corporation has not incurred any additional expenses to date in proceeding with the Offering. However, certain of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the Offering, including the expenses of its auditor and legal expenses of the Corporation and the Agent. See “Use of Proceeds”.

Proposed Operations until Completion of the Qualifying Transaction

The Corporation proposes to identify and evaluate businesses and assets with a view to completing the Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non Arm’s Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Corporation has not conducted commercial operations. The Corporation is not specifically considering pursuing a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described under “Restrictions on Use of Proceeds” and “Private Placements for Cash”, the funds raised pursuant to the Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

Although the Corporation has commenced the process of identifying potential acquisitions with a view to completing the Qualifying Transaction, the Corporation has not yet entered into an Agreement in Principle.

Method of Financing

The Corporation may use cash, bank financing, the issuance of treasury shares, public debt or equity financing or a combination of these for the purpose of financing its proposed Qualifying Transaction. **The Qualifying Transaction financed by the issue of treasury shares could result in a change in the control of the Corporation and may cause the shareholders’ interest in the Corporation to be further diluted.**

Criteria for the Qualifying Transaction

The Corporation will consider acquisitions of assets or businesses operated or located both inside and outside of Canada, as permitted by the CPC Policy. All potential acquisitions will be screened initially by management of the Corporation to determine their economic viability.

The board of directors will examine proposed acquisitions having regard to sound business fundamentals and to the expertise and experience of the directors. The board of directors of the Corporation must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Filings and Shareholder Approval of a Non Arm’s Length Qualifying Transaction

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Common Shares until the filing requirements of the Exchange have been satisfied as set forth under “Trading Halts, Suspensions and Delisting”. Within 75 days after

issuance of such news release, the Corporation shall be required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non Arm's Length Qualifying Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company and the Corporation, assuming Completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1 or Form 3B2, as the case may be, of the Exchange. Upon acceptance by the Exchange, the Corporation must then either:

1. file the filing statement on SEDAR at least seven business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR; or
2. mail the information circular and related proxy material to its shareholders in order to obtain the Majority of the Minority Approval of the Qualifying Transaction or other requisite approval, at a meeting of shareholders.

Unless waived by the Exchange, the Corporation will also be required to retain a Sponsor, who must be a Member of the Exchange, and who will be required to submit to the Exchange a Sponsor Report prepared in accordance with the Policies of the Exchange. The Corporation will no longer be considered to be a CPC upon the Exchange having issued the Final Exchange Bulletin. The Exchange will generally not issue the Final Exchange Bulletin until the Exchange has received:

1. in the case of a Non Arm's Length Qualifying Transaction, confirmation of Majority of the Minority Approval of the Qualifying Transaction;
2. confirmation of closing of the Qualifying Transaction; and
3. all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to the CPC Policy.

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy and the restrictions in the CPC Policy precluding the Corporation from completing a reverse takeover for a period of one year from the Completion of the Qualifying Transaction.

Initial Listing Requirements

The Resulting Issuer must satisfy the Exchange's Initial Listing Requirements for the particular industry sector in either Tier 1 or Tier 2 as prescribed under the applicable policies of the Exchange.

Trading Halts, Suspensions and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a Sponsorship Acknowledgment Form where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms, or, if applicable, declarations for all individuals who may be directors, senior officers, Promoters, or Insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable must also be completed before the trading halt will be lifted by the Exchange.

Even if all filing requirements have been satisfied and preliminary background checks completed, the Exchange may continue or reinstate a halt in trading of the Common Shares for public policy reasons including:

1. the unacceptable nature of the business of the Resulting Issuer; or
2. the number of conditions precedent to, or the nature and number of deficiencies required to be resolved prior to, Completion of the Qualifying Transaction, are so significant or numerous as to make it appear to the Exchange that the halt should be reinstated or continued.

A trading halt may also be imposed by the Exchange where the Corporation fails to file the supporting documents relating to the Qualifying Transaction within a period of 75 days after public announcement of the Agreement in Principle or if the Corporation fails to file post-meeting or final documents, as applicable, within the time required. A trading halt may also be imposed if a Sponsor terminates its sponsorship.

The Exchange may suspend from trading or delist the Common Shares where the Exchange has not issued a Final Exchange Bulletin to the Corporation within 24 months of the date of listing. In the event that the Common Shares are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non Arm's Length Parties to the Corporation, determine to deal with the issuer or its remaining assets in some other manner. See "Filings and Shareholder Approval of a Non Arm's Length Qualifying Transaction."

Refusal of Qualifying Transaction

The Exchange, in its sole discretion, may not accept the Qualifying Transaction where:

1. the Resulting Issuer fails to satisfy the applicable Initial Listing Requirements of the Exchange;
2. the aggregate number of securities of the Resulting Issuer owned, directly or indirectly, by:
 - (i) a Member firm of the Exchange;
 - (ii) registrants, unregistered corporate finance professionals, employee shareholders and partners of such Member firm; and
 - (iii) Associates of any such person;
 collectively, would exceed 20% of the issued and outstanding securities of the Resulting Issuer;
3. the Resulting Issuer will be a financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;
4. the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or
5. notwithstanding the definition of the Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of all the Common Shares offered by this prospectus will be \$200,000 if the Minimum Offering is completed and \$500,000 if the Maximum Offering is completed. The gross proceeds received by the Corporation from the sale of 2,000,000 Common Shares prior to the date of this prospectus was \$100,000. Assuming the Offering is completed, from the aggregate gross proceeds will be deducted the expenses and costs of this issue estimated in the aggregate, including legal, accounting, printing, regulatory fees and the Agent's commission, to be approximately \$96,710 (in the event the Minimum Offering is complete) and approximately \$126,710 (in the event the Maximum Offering is complete).

The following indicates the principal uses to which the Corporation proposes to use the total funds available to it upon the completion of the Offering:

Principal Uses	Amount in the event the Minimum Offering is complete	Amount in the event the Maximum Offering is complete
Gross cash proceeds raised prior to the Offering (seed shares) ⁽¹⁾	\$100,000	\$100,000
Expenses and costs relating to incorporation and raising seed share cash proceeds	(\$3,000)	(\$3,000)
Gross cash proceeds to be raised pursuant to the Offering	\$200,000	\$500,000
Estimated expenses and costs relating to the Offering ⁽²⁾	(\$96,710)	(\$126,710)
Estimated funds available on completion of the Offering⁽³⁾	\$200,290	\$470,290
Funds available for identifying and evaluating assets or business prospects ⁽³⁾⁽⁴⁾	\$150,290	\$420,290
Estimated general and administrative expenses until Completion of the Qualifying Transaction	\$50,000	\$50,000

Total net proceeds	\$200,290	\$470,290
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Notes:

- (1) See "Prior Sales".
- (2) Includes listing and filing fees, the Corporation's legal and audit fees, Agent's commission of 10% of the aggregate gross proceeds from the sale of the Common Shares, Agent's corporate finance fee, Agent's legal fees and printing expenses.
- (3) In the event, and to the extent, the Agent exercises the Agent's Option, there will be available to the Corporation at minimum an additional \$20,000 (in the event the Minimum Offering is completed) and at maximum an additional \$50,000 (in the event the Maximum Offering is completed). There is no assurance that the foregoing options will be exercised.
- (4) In the event that the Corporation enters into an Agreement in Principle prior to spending all of the funds available to it on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction. The total dollar amount of funds available upon completion of the Offering will be a minimum of \$200,290 (in the event the Minimum Offering is complete) and a maximum of \$470,290 (in the event the Maximum Offering is complete).

Until required for the Corporation's purposes, the proceeds will only be invested in securities of, or those guaranteed by, the Government of Canada or any province or territory of Canada or the Government of the United States of America, in certificates of deposit or interest-bearing accounts of Canadian chartered banks, trust companies or credit unions.

The proceeds from the Offering and any prior sale of Common Shares, after deducting the expenses associated with the Offering, will only be sufficient to identify and evaluate a finite number of assets and businesses, and additional funds may be required to finance any acquisition to which the Corporation may commit.

Permitted Use of Funds

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by the CPC Policy and described in "Restrictions on Use of Proceeds", "Private Placements for Cash", and "Prohibited Payments to Non Arm's Length Parties", the gross proceeds realized from the sale of all securities issued by the Corporation will be used by the Corporation only to identify and evaluate businesses or assets and obtain shareholder approval for a proposed Qualifying Transaction.

The proceeds may be used for expenses incurred for the preparation of:

1. valuations or appraisals;
2. business plans;
3. feasibility studies and technical assessments;
4. sponsorship reports;
5. engineering or geological reports;
6. financial statements, including audited financial statements;
7. fees for legal and accounting services; and
8. Agent's fees, costs and commissions,

relating to the identification and evaluation of assets or businesses and in the case of a Non Arm's Length Qualifying Transaction, the obtaining of shareholder approval for the Corporation's proposed Qualifying Transaction.

In addition, with the prior acceptance of the Exchange, up to an aggregate of \$225,000 may be advanced as a refundable deposit or secured loan by the Corporation to a Vendor or Target Company, as the case may be, for a proposed arm's length Qualifying Transaction that has been publicly announced at least 15 days prior to the date of such advance, due diligence with respect to the Qualifying Transaction is well underway and either a Sponsor has been engaged or sponsorship has been waived. A maximum aggregate amount of \$25,000 may also be advanced as a non-refundable deposit, unsecured deposit or advance to a Vendor or Target Company, as the case may be, to preserve assets without the prior acceptance of the Exchange.

Restrictions on Use of Proceeds

Until Completion of the Qualifying Transaction, not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or \$210,000, will be used for purposes other than those described above. For greater certainty, expenditures which are not included as "Permitted Use of Funds", listed above, include:

1. listing and filing fees (including SEDAR fees);
2. other costs for the issuance of securities (including legal, accounting and audit expenses) relating to the preparation and filing of this prospectus; and
3. administrative and general expenses of the Corporation, including:
 - (i) office supplies, office rent and related utilities;
 - (ii) printing costs (including the printing of this prospectus and share certificates);
 - (iii) equipment leases; and
 - (iv) fees for legal advice and audit expenses, other than those described above under "Permitted Use of Funds".

No proceeds will be used to acquire or lease a vehicle.

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$5,000,000. The only securities issuable pursuant to such a private placement will be Common Shares. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non Arm's Length Parties to the Corporation and to Principals of the Resulting Issuer will be subject to escrow.

Following completion of the Offering, the Corporation intends to complete a private placement of 10,000,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$1,000,000 (the "**Private Placement**"). Members of the Aggregate Pro Group may participate in the Private Placement. The net proceeds of the Private Placement, after payment of the cost of the private placement, will be added to working capital.

Prohibited Payments to Non Arm's Length Parties

Except as described under "Restrictions on Use of Proceeds", the Corporation has not made, and until the Completion of the Qualifying Transaction will not make, any payment of any kind, directly or indirectly, to a Non Arm's Length Party to the Corporation or a Non Arm's Length Party to the Qualifying Transaction, or to a person engaged in investor relations activities, by any means, including:

1. remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees, loans, advances and bonuses; and
2. deposits and similar payments.

Further, no such payment will be made on or after the Completion of the Qualifying Transaction if such payment relates to services rendered or obligations incurred prior to or in connection with the Qualifying Transaction.

Notwithstanding the above, the Corporation may reimburse a Non Arm's Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services (provided that neither the lawyer providing the legal services nor any member of the law firm providing the services is a Promoter of the Corporation or in the case of a law firm, no member of the firm owns greater than 10% of the outstanding Common Shares), and the Corporation may also reimburse a Non Arm's Length Party to the Corporation for reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation described in "Permitted Use of Funds".

The foregoing restrictions on the use of proceeds and prohibitions on payments to Non Arm's Length Parties and persons engaged in investor relations activities continue to apply until the Completion of the Qualifying Transaction.

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale, on a "commercially reasonable efforts" agency basis to the public, a minimum of 2,000,000 Common Shares for minimum gross proceeds of \$200,000 and a maximum of 5,000,000 Common Shares for maximum gross proceeds of \$500,000 as provided in this prospectus, at a price of \$0.10 per Common Share, subject to the terms and conditions in the Agency Agreement. The Agent will receive a cash commission of 10% of the aggregate gross proceeds from the sale of the Common Shares, which equals \$20,000 in the event the Minimum Offering is completed and \$50,000 in the event the Maximum Offering is completed. In addition, the Agent has been paid a corporate finance fee of \$10,500 (inclusive of GST). The Corporation will also pay the Agent's expenses, including reasonable legal fees up to a maximum of \$10,000, plus applicable taxes and disbursements.

The Corporation has also agreed to grant to the Agent, the Agent's Option to purchase 200,000 Common Shares in the event the Minimum Offering is completed and 500,000 Common Shares in the event the Maximum Offering is completed, representing 10% of the total number of Common Shares sold to the public pursuant to the Offering at an exercise price of \$0.10 per Agent's Share, which may be exercised for a period of 24 months from the date the Common Shares are listed on the Exchange. The Agent's Option is qualified under this prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Option may be sold by the holders thereof prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its best efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Best Efforts Offering and Minimum Distribution

The total Offering is of a minimum of 2,000,000 Common Shares for total gross proceeds of \$200,000 and a maximum of 5,000,000 Common Shares for total gross proceeds of \$500,000. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% (40,000 Common Shares in the event the Minimum Offering is completed and 100,000 Common Shares in the event the Maximum Offering is completed) of the total number of Common Shares under the Offering. In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates or Affiliates of that purchaser is 4% (80,000 Common Shares in the event the Minimum Offering is completed and 200,000 Common Shares in the event the Maximum Offering is completed) of the total number of Common Shares under the Offering. The funds received from the Offering will be deposited with the Agent, and will not be released until minimum proceeds of \$200,000 have been deposited. The total subscription must be raised within 90 days of the date a receipt for this prospectus is issued, or such other time as may be consented to by persons or companies who subscribed during that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Determination of Price

The offering price of the Common Shares hereunder was determined by negotiation between the Corporation and the Agent.

Listing Application

The Corporation will apply to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

Subscriptions by and Restrictions on the Agent

The Agent has advised the Corporation that, to the best of its knowledge and belief, no directors, officers, employees or contractors of the Agent or any Associate or Affiliate thereof have subscribed for Common Shares.

All subscriptions by any member of the Aggregate Pro Group are subject to the applicable client priority rules and the general rule of the CPC Policy that no purchaser can: (i) directly or indirectly purchase more than 2% of the total Common Shares offered under this Prospectus; and (ii) together with any Associates or Affiliates purchase more than 4% of the total Common Shares offered under this Prospectus. Any Common Shares issued to any member of the Aggregate Pro Group prior to the date of this Prospectus are being held in escrow pursuant to the CPC Policy.

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the Aggregate Pro Group, including participants referred to above, is 20% of the issued and outstanding Common Shares exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four month Exchange hold period and the securities certificate(s) legended accordingly, as prescribed by Exchange Policy 3.2 "Filing Requirements and Continuous Disclosure". Such participants are permitted to subscribe for Common Shares pursuant to the Offering, subject to (i) compliance with any applicable client priority rules, and (ii) the restrictions applicable to all purchasers under the Offering described under "Plan of Distribution".

Restrictions on Trading

Other than the initial public offering of the Common Shares pursuant to this prospectus and the grant of the Agent's Option, no securities of the Corporation will be permitted to be issued during the period between the date(s) a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator pursuant to MI 11-102 and NP 11-202 and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 2,000,000 Common Shares are issued and outstanding as fully paid and non-assessable. In addition, up to 5,000,000 Common Shares are reserved for issuance under this prospectus and up to 500,000 Common Shares will be reserved for issuance under the Agent's Option. See "Plan of Distribution".

The holders of Common shares are entitled to dividends, if, as and when declared by the board of directors, to notice of, attend and one vote per share at, meetings of the shareholders of the Corporation and, upon liquidation, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to share on a pro-rata basis according to the number of Common Shares held, in the remaining property of the Corporation. All Common Shares outstanding after completion of the Offering will be fully paid and non-assessable.

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of March 15, 2018 and the date hereof ⁽¹⁾	Amount Outstanding After Giving Effect to the Minimum Offering ⁽²⁾⁽³⁾	Amount Outstanding After Giving Effect to the Maximum Offering ⁽²⁾⁽³⁾
Common Shares	unlimited	\$100,000 (2,000,000 Common Shares)	\$300,000 (4,000,000 Common Shares)	\$600,000 (7,000,000 Common Shares)

Notes:

- (1) As at June 5, 2018, the Corporation had not commenced operations.
- (2) The Corporation has reserved a minimum of 200,000 Common Shares (in the event the Minimum Offering is complete) and a maximum of 500,000 Common Shares (in the event the Maximum Offering is complete) at \$0.10 per share pursuant to the Agent's Option that expires 24 months from the date of listing of the Common Shares. See "Plan of Distribution".
- (3) Funds available upon completion of the Offering are expected to be a minimum of \$200,290 (in the event the Minimum Offering is complete) and a maximum of \$470,290 (in the event the Maximum Offering is complete), which is net of a minimum of \$96,710 (in the event the Minimum Offering is complete) and a maximum \$126,710 (in the event the Maximum Offering is complete) estimated expenses for the Offering. See "Use of Proceeds".

OPTIONS TO PURCHASE SECURITIES

The Corporation has adopted an incentive stock option plan (the "Option Plan") which provides that the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with the Qualifying Transaction, during the time that the Corporation is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares issued and outstanding at the closing of the Corporation's initial public offering. Such options will be exercisable for a period of up to ten years from

the date of grant. In addition, the Option Plan provides that no more than 5% of the issued shares of the Corporation will be granted to any individual in any 12 month period; no more than 2% of the issued shares of the Corporation will be granted to any one consultant in any 12 month period; no more than an aggregate of 2% of the issued shares of the Corporation will be granted to an employee conducting investor relations activities in any 12 month period; Options granted to a director or an officer individually may not exceed 5% of the issued shares of the Corporation outstanding as at the closing of the Offering; and Options granted to all technical consultants may not exceed 2% of the issued shares of the Corporation outstanding as at the closing of the Offering.

The Corporation, as long as it is a CPC, will not grant options to any person providing investor relations activities, promotional or market-making services. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, employment, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. The exercise price of the Options must be higher than the Offering Price and the discounted market price, as determined in accordance with the Policies of the Exchange. Any Common Shares acquired pursuant to the exercise of options under the Option Plan prior to Completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Securities".

Immediately prior to the listing of the Common Shares on the Exchange and after completion of the Private Placement, the Corporation will grant up to a minimum of 1,400,000 Stock Options and up to a maximum of 1,700,000 Stock Options under the Plan. The Stock Options will vest immediately and be exercisable at \$0.10 per share for a period of ten years.

Agent's Option

Pursuant to the terms of the Agency Agreement, upon closing the Offering, the board of directors of the Corporation intends to grant the Agent's Option to the Agent.

Optionee	Number of Common Shares Under Option	Exercise Price Per Common Share	Expiry Date from Listing Date
PI Financial Corp.	200,000-500,000	\$0.10	24 months

The Agent's Option (subject to regulatory approval) is qualified for distribution pursuant to this prospectus.

PRIOR SALES

Since the date of incorporation of the Corporation, 2,000,001 Common Shares have been issued and 2,000,000 Common Shares are currently outstanding as follows.

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
January 18, 2018 ⁽¹⁾	1	\$0.05	\$0.05	cash
March 12, 2018 ⁽²⁾	2,000,000	\$0.05	\$100,000	cash

Notes:

- (1) This Common Share was repurchased and cancelled by the Corporation on March 12, 2018.
(2) These Common Shares are being held in escrow. See "Escrowed Securities".

ESCROWED SECURITIES

All of the 2,000,000 Common Shares issued prior to the Offering at a price below \$0.10 per Common Share, all Common Shares that may be acquired by Non Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by the Aggregate Pro Group prior to the Offering will be deposited with Computershare under the Escrow Agreement.

All Common Shares acquired on exercise of Stock Options prior to the Completion of the Qualifying Transaction must also be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

In addition, all Common Shares acquired in the secondary market prior to the Completion of the Qualifying Transaction by any person or company who becomes a Control Person are required to be deposited in escrow.

Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by Principals of the Resulting Issuer will also be escrowed.

Notwithstanding the foregoing, Common Shares acquired by Principals of the Corporation or Principals of the Resulting Issuer pursuant to a private placement will not be subject to escrow provided that various conditions, as set forth in the CPC Policy, are met.

The following table sets out, as at the date hereof, the number of Common Shares, which will be held in escrow.

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Escrowed	Percentage of Common Shares Prior to Giving Effect to the Offering	Percentage of Common Shares After Giving Effect to the Minimum Offering ⁽¹⁾	Percentage of Common Shares After Giving Effect to the Maximum Offering ⁽¹⁾
Thomas O'Neill Vancouver, BC	500,000	500,000	25%	12.5%	7.14%
Emily Davis Vancouver, BC	500,000	500,000	25%	12.5%	7.14%
Rahim Rajwani Vancouver, BC	500,000	500,000	25%	12.5%	7.14%
Robert Scott Vancouver, BC	500,000	500,000	25%	12.5%	7.14%
Total	2,000,000	2,000,000	100%	50%	28.56%

Note:

(1) Assuming no Common Shares are purchased by these persons under the Offering.

Where the Common Shares which are required to be held in escrow are held by a non-individual (a “**holding company**”), each holding company pursuant to the Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the Escrow Agreement which would result in a change of control of the holding company, without the consent of the Exchange. Any holding company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

Under the Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the “**Initial Release**”) and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

If the Resulting Issuer meets the Exchange’s Tier 1 Initial Listing Requirements either at the time the Final Exchange Bulletin is issued or subsequently, the release of the escrowed Common Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 Issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

The Exchange’s prior consent must be obtained before a transfer within escrow of escrowed Common Shares. Generally, the Exchange will only permit a transfer within escrow to be made to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement, each Non Arm’s Length Party to the Corporation who holds escrowed Common Shares acquired at a price below the offering price under this prospectus has irrevocably authorized and directed to Computershare to immediately:

1. cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares; or
2. if the Corporation lists on NEX, either

- (i) cancel all Seed Shares purchased by Non Arm's length Parties to the CPC at a discount from the IPO price, in accordance with section 11.2(a) of the CPC Policy, or
- (ii) subject to majority shareholder approval, cancel an amount of Seed Shares purchased by Non Arm's Length Parties to the CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

Escrowed Securities on Qualifying Transaction

Generally, if at least 75% of the securities issued pursuant to the Qualifying Transaction are "Value Securities", then all the securities issued to Principals of the Resulting Issuer pursuant to the Qualifying Transaction will be deposited into escrow pursuant to a value security agreement (the "**Value Security Escrow Agreement**"). "Value Securities" are securities issued pursuant to a transaction, for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the Exchange, or securities that are otherwise determined by the Exchange to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement. However, if at least 75% of the securities issued pursuant to the Qualifying Transaction are not Value Securities, all securities issued pursuant to the Qualifying Transaction will be deposited into a surplus security escrow agreement (a "**Surplus Security Escrow Agreement**").

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow. In the case of a Resulting Issuer that will be a Tier 2 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities, being releasable every 6 months thereafter until the date which is 36 months after the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 issuer subject to a Surplus Security Escrow Agreement, when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a three year escrow release mechanism with: 5% of the escrowed securities releasable at the time of the Final Exchange bulletin, 5% on the date which is 6 months after the Final Exchange Bulletin, 10% on each of the dates which are 12 and 18 months after the Final Exchange Bulletin, 15% on each of the dates which are 24 and 30 months after the Final Exchange Bulletin and 40% on the date which is 36 months after the Final Exchange Bulletin.

In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for an 18 month escrow release mechanism with 25% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 25% of the escrowed securities being releasable every 6 months thereafter. In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin, 20% on the date which is 6 months after the Final Exchange Bulletin, 30% on the date which is 12 months after the Final Exchange Bulletin and 40% on the date which is 18 months after the Final Exchange Bulletin.

Securities issued pursuant to a private placement to Principals of the Corporation and the proposed Resulting Issuer will generally be exempt from escrow requirements where:

1. the private placement is announced at least five trading days after the news release announcing the Agreement in Principle and the pricing for the financing is at not less than the discounted market price, as determined in accordance with the Policies of the Exchange; or
2. the private placement is announced concurrently with the Agreement in Principle and
 - (i) at least 75% of the proceeds from the private placement are not from Principals of the Corporation or the proposed Resulting Issuer,
 - (ii) if subscribers, other than Principals of the Corporation or the proposed Resulting Issuer, will obtain securities subject to hold periods, then in addition to any resale restrictions under applicable securities legislation, any securities issued to such Principals will be subject to a four month hold period, and
 - (iii) none of the proceeds of the private placement are allocated to pay compensation or to settle indebtedness owing to Principals of the Resulting Issuer.

PRINCIPAL SHAREHOLDERS

The following table lists those persons who own 10% or more of the issued and outstanding Common Shares as at the date hereof:

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Minimum Offering ⁽¹⁾	Percentage of Common Shares Owned After the Maximum Offering ⁽¹⁾
Thomas O'Neill Vancouver, BC	Of Record	500,000	25%	12.5%	7.14%
Emily Davis Vancouver, BC	Of Record	500,000	25%	12.5%	7.14%
Rahim Rajwani Vancouver, BC	Of Record	500,000	25%	12.5%	7.14%
Robert Scott Vancouver, BC	Of Record	500,000	25%	12.5%	7.14%
Total		2,000,000	100%	50%	28.56%

Notes:

(1) Assuming that no Common Shares are purchased by these persons under the Offering.

OFFICERS, DIRECTORS AND PROMOTERS

Name, Municipality, Occupation, Security Holding and Involvement with Other Reporting Issuers

The following is a list of the current directors, officers and Promoter of the Corporation, their municipalities of residence, their current positions with the Corporation, and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised:

Name and Municipality of Residence	Positions and Offices Held	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Minimum Offering ⁽¹⁾	Percentage of Common Shares Owned After the Maximum Offering ⁽¹⁾
Thomas O'Neill ⁽²⁾ Vancouver, BC	Chief Executive Officer, Director and Promoter	500,000	25%	12.5%	7.14%
Emily Davis Vancouver, BC	Chief Financial Officer, Corporate Secretary and Director	500,000	25%	12.5%	7.14%
Rahim Rajwani ⁽²⁾ Vancouver, BC	Director	500,000	25%	12.5%	7.14%
Robert Scott ⁽²⁾ Vancouver, BC	Director	500,000	25%	12.5%	7.14%

Notes:

(1) Assuming that no Common Shares are purchased by these persons under the Offering.

(2) Member of the audit committee.

As of the date of this prospectus, the directors and officers of the Corporation, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 2,000,000 Common Shares representing 100% of the issued and outstanding Common Shares prior to completion of the Offering.

In addition to any other requirements of the Exchange, the Exchange expects management of the Corporation to meet a high management standard. The directors and officers of the Corporation believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset. Each of the officers and directors will devote the time considered necessary to perform the work required in connection with the management and direction of the Corporation and Completion of the Qualifying Transaction.

Thomas O'Neill, Age 55, Chief Executive Officer, Director and Promoter

Mr. O'Neill is the founder of one of Vancouver's leading insurance and financial advisory firms, *Thomas O'Neill & Associates Inc.* His company provides expert guidance in the areas of individual insurance, employee benefits, group pension plans, and individual investment portfolios, both here locally as well as nationally and internationally. Thomas is also a founding member of the *Executive Planning Group (EPG)*, a strategic alliance comprised of the top advisors across Canada. Mr. O'Neill has been recognized by numerous organizations as a leader in his field.

Mr. O'Neill has built very strong relationships within both the mining/resource industry and investment brokerage business. His 30+ years' experience in financial planning has given him the required knowledge to understand and assess the general applications of the accounting principles used by the Corporation and to understand the internal controls and procedures for financial reporting. With a sound understanding of these financial and accounting principles, as well as the particulars of the mining industry, Thomas has sat on numerous boards of directors to impart his particular expertise. Mr. O'Neill will devote his time as needed to the Corporation.

Emily Davis, Age 47, Chief Financial Officer, Corporate Secretary and Director

Ms. Davis has more than 20 years of experience providing a variety of administrative and corporate services to Exchange listed companies in the financial, technology and natural resource sectors. Prior to joining current employers, Venture One Corp. and TY Management Corp., she worked in administration with Silver Standard. She has also worked with several merchant banks, managing portfolios of private and public companies, focused on mining, energy and technology. Ms. Davis will devote her time as needed to the Corporation.

Rahim Rajwani, Age 45, Director

Mr. Rajwani has extensive public and private company experience that spans over 22 years. He most recently served as Managing Director of Salman Partners Inc. He possesses vast knowledge in the field of compliance and a number of capital market transactions. After Graduating UBC he began his career at Yorkton Securities in 1994, he then moved to Union Securities where he acted as the firm's CCO and VP Compliance with a primary focus on risk mitigation. As an executive member of Peninsula Merchant Syndications Corp. he was involved in a number of capital market negotiations and advisory engagements including Ventana Gold, leading to its \$1.43 billion takeover by EBX Group in 2011. He currently serves as an M&A advisory consultant. Mr. Rajwani will devote his time as needed to the Corporation.

Robert Scott, Age 48, Director

Mr. Scott, CPA, CA, CFA brings more than 20 years of professional experience in accounting, corporate finance, and merchant and commercial banking and has served on the management teams and boards of a number of Canadian publicly traded companies. He is a founder and president of Corex Management Inc., a private company providing accounting, administration, and corporate compliance services to privately held and publicly traded companies for over 10 years. Mr. Scott currently holds senior management and board positions with a number of TSX Venture Exchange and Canadian Securities Exchange Issuers. Mr. Scott will devote his time as needed to the Corporation.

Other Reporting Issuer Experience

The following table sets out the directors, officers or Promoters of the Corporation that are, or have been within the last five years, directors, officers or Promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Term
Thomas O'Neill	Royal Sapphire Corp.	TSXV	Officer	March 2018 to present
	Nubeva Technologies Ltd. (formerly Sherpa Holdings Corp.)	TSXV	Director Officer	February 2017 to February 2018
	PMI Resources Ltd.	TSXV	Director	April 2013 to May 2017
	Sky Ridge Resources Ltd.	TSXV	Director	April 2013 to September 2016
Emily Davis	Nubeva Technologies Ltd. (formerly Sherpa Holdings Corp.)	TSXV	Director Officer	February 2017 to February 2018
	Bethpage Capital Corp.	TSXV	Director	March 2017 to present
	Lions Gate Metals Inc.	CSE	Director	November 2016 to present
	Oyster Oil & Gas Ltd.	TSXV	Officer	September 2014 to present
	Datinvest International	TSXV	Officer	July 2016 to present
	Von Capital Corp.	-	Director	February 2017 to present
	Standard Lithium Ltd.	TSXV	Officer	September 2015 to present
	Desert Star Resources Ltd.	TSXV	Officer	October 2012 to April 2015
Rahim Rajwani	Nubeva Technologies Ltd. (formerly Sherpa Holdings Corp.)	TSXV	Director	February 2017 to February 2018
Robert Scott	Genesis Metal Corp.	TSXV	Director	August 2014 to present
	FinCanna Capital Corp.	CSE	Officer	December 2017 to present
	K2 Gold Corp.	TSXV	Officer	May 2017 to present
	Mongolia Growth Group Ltd.	TSXV	Director	December 2014 to present
	Riverside Resources Inc.	TSXV	Officer	July 2007 to present
	Graphene 3D Lab Inc.	TSXV	Officer	July 2016 to present
	Great Bear Resources Ltd.	TSXV	Officer	January 2017 to present
	Kivalliq Energy Corporation	TSXV	Officer	July 2017 to present
	Nickel One Resources Inc.	TSXV	Officer	February 2016 to present
	Northern Empire Resources Corp.	TSXV	Officer	March 2017 to January 2018
	Northair Silver Corp.	TSXV	Officer	July 2015 to April 2016
	Altan Rio Minerals Limited	TSXV	Officer	December 2011 to May 2013
	Altan Nevada Minerals Limited	TSXV	Officer	December 2011 to May 2013

Corporate Cease Trade Orders or Bankruptcies

No director, officer, Insider or Promoter of the Corporation, or any shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is or has within the 10 years before the date of the prospectus been a director, officer, Insider or Promoter of any other Issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the Issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No director, officer, Insider or Promoter of the Corporation, or any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, Insider or Promoter of the Corporation, or any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such persons, has, within the 10 years preceding the date of this prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

There are potential conflicts of interest to which all of the directors, officers, Insiders or Promoters of the Corporation may be subject in connection with the operations of the Corporation. Most of the directors and officers of the Corporation are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other entities, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia). Some of the directors and officers of the Corporation are or may become directors or officers of other entities engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' and officers' duties to the Corporation and their duties to the other entities with which they are involved, the directors and officers of the Corporation have been advised the following by the Corporation:

- i participation in other business ventures offered to the directors or officers should be allocated between the various entities and on the basis of prudent business judgment and the relative financial abilities and needs of such entities to participate;
- ii no commissions or other extraordinary consideration will be paid to such directors and officers; and
- iii business opportunities formulated by or through other entities in which the directors and officers are involved should not be offered to the Corporation except on the same or better terms than the basis on which they are offered to third party participants.

EXECUTIVE COMPENSATION

Except as set out below or otherwise disclosed in this prospectus, prior to Completion of the Qualifying Transaction, no payment of any kind has been made, or will be made, directly to indirectly, by the Corporation to a Non Arm's Length Party to the Corporation or a Non Arm's Length Party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of the Corporation or any Resulting Issuer by any means, including:

- 1. remuneration, which includes but is not limited to:
 - (i) salaries;

- (ii) consulting fees;
 - (iii) management contract fees or directors' fees;
 - (iv) finder's fees;
 - (v) loans, advances, bonuses; and
2. deposits and similar payments.

However, the Corporation may reimburse Non Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("Permitted Reimbursement"). There have been no reimbursements since incorporation. No reimbursement may be made for any payment made to lease or buy a vehicle.

The directors and officers of the Corporation may also be granted stock options.

Following Completion of the Qualifying Transaction, it is anticipated that the Corporation shall pay compensation to its directors and officers. However, no payment other than the Permitted Reimbursements will be made by the Corporation or by any party on behalf of the Corporation after Completion of the Qualifying Transaction if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

PROMOTER

Thomas O'Neill may be considered to be the Promoter of the Corporation in that he took the initiative in founding and organizing the Corporation.

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of approximately \$0.025 per Common Share or 25% if the Minimum Offering is completed and approximately \$0.014 per Common Share or 14% if the Maximum Offering is completed. Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to filing of this prospectus, without deduction of commissions or related expenses incurred by the Corporation, as set forth below:

	Minimum Offering	Maximum Offering
Gross proceeds of prior share issues	\$100,000	\$100,000
Gross proceeds of the Offering	\$200,000	\$500,000
Total gross proceeds after the Offering	\$300,000	\$600,000
Offering price per share	\$0.10	\$0.10
Gross proceeds per share after the Offering	\$0.075	\$0.086
Dilution per share to subscriber	\$0.025	\$0.014
Percentage of dilution in relation to offering price	25%	14%

RISK FACTORS

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The following are risk factors associated with the Corporation:

- the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Corporation's business and present stage of development;
- the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;

4. assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of approximately \$0.025 or 25% per Common Share in the event the Minimum Offering is complete and approximately \$0.014 or 14% in the event the Maximum Offering is complete;
5. there can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
6. until Completion of the Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
7. the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;
8. even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
9. completion of the Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non Arm's Length Qualifying Transaction, Majority of the Minority Approval;
10. unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares;
11. upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares (if listed on the Exchange) will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. If listed on the Exchange, the Common Shares will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction;
12. if listed on the Exchange, trading in the Common Shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required;
13. if listed on the Exchange, the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing;
14. neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
15. in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;
16. the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and
17. subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan.

As a result of these factors, the Offering is only suitable to investors who are willing to rely solely on management of the Corporation and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Common Shares.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors and officers of the Corporation have acquired Common Shares in the seed capital phase of the Corporation. See "Principal Shareholders".

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to investors in the Common Shares since the date of incorporation to the date hereof, other than the following:

1. Agency Agreement dated as of [●], 2018 between the Corporation and the Agent. See "Plan of Distribution".
2. Escrow Agreement dated as of [●], 2018 among the Corporation, Computershare and those shareholders that executed such agreement. See "Escrowed Securities".
3. Service Agreement dated [●], 2018 between the Corporation and Computershare.

Copies of these agreements will be available for inspection at the registered office of the Corporation located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

LEGAL PROCEEDINGS

The Corporation is not currently a party to any legal proceedings, nor is the Corporation currently contemplating any legal proceedings. Management of the Corporation is currently not aware of any legal proceedings contemplated against the Corporation.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Agent was not involved in the decision by the Corporation to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Corporation by the Agent. The Agent, through its corporate finance department, was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a best efforts agency basis. Employees, officers and directors of the Agent do not own, directly or indirectly, any Common Shares prior to completion of the Offering, and the only proceeds of the Offering to be received by the Agent is the remuneration to be paid to it in connection with the sale of the Common Shares, which includes the Agent's commission, the corporate finance fee payable to it and the Agent's Option. See "Plan of Distribution".

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to the Offering will be passed upon by Cassels Brock & Blackwell LLP, on behalf of the Corporation, and by McMillan LLP, on behalf of the Agent. The partners and associates of Cassels Brock & Blackwell LLP and McMillan LLP may subscribe pursuant to the Offering.

Other than as set forth herein: (a) no Person whose profession or business gives authority to a statement made by such Person and who is named in this prospectus has received or shall receive a direct or indirect interest in the property of the Corporation or any Associate or Affiliate of the Corporation; and (b) as at the date hereof, the aforementioned Persons beneficially own, directly or indirectly, no securities of the Corporation or its Associates and Affiliates. In addition, other than as set forth above, none of the aforementioned Persons nor any director, officer or employee of any of the aforementioned Persons, is or is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation, or a Promoter of the Corporation or of an Associate or Affiliate of the Corporation.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Dale Matheson Carr-Hilton Labonte LLP, 1500 – 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1. The transfer agent and registrar of the Corporation is Computershare Investor Services Inc., 3rd Floor – 510 Burrard Street, Vancouver, British Columbia, V6E 3B9.

DIVIDEND POLICY

To date, the Corporation has not paid any dividends on its outstanding Common Shares. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund further growth, financial

condition of the Corporation and other factors which the board of directors of the Corporation may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future.

ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, the Common Shares, if, as and when listed on a designated stock exchange (which includes Tiers 1 and 2 of the Exchange), will be qualified investments for a trust governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a registered education savings plan (“**RESP**”), a deferred profit sharing plan, a registered disability savings plan (“**RDSP**”) or a tax-free savings account (“**TFSA**”) as defined under the *Income Tax Act* (Canada) (the “**Act**”) and the regulations made under that Act.

Notwithstanding that the Common Shares may be a qualified investment for a trust governed by an RRSP, RRIF or TFSA (a “**Plan**”), the annuitant of the RRSP or RRIF and the holder of a TFSA (the “**Controller**”) will be subject to a penalty tax in respect of Common Shares acquired by a Plan if such Common Shares are a “prohibited investment” for the particular Plan. The Common Shares will generally be a “prohibited investment” of a Plan if the Controller of the Plan does not deal at arm’s length with the Corporation for the purposes of the Act or has a “significant interest” (within the meaning of the Act) in the Corporation. Under proposals to amend the Act contained in the federal budget released on March 22, 2017, the prohibited investment rules will also apply to an RESP and RDSP, effective after March 22, 2017.

Prospective investors are urged to consult their own tax advisors.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia, Alberta and Ontario provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

SHERPA II HOLDINGS CORP.

Financial Statements

For the period from inception on January 18, 2018 to March 15, 2018

Expressed in Canadian Dollars



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Sherpa II Holdings Corp.:

We have audited the accompanying financial statements of Sherpa II Holdings Corp., which comprise the statement of financial position as at March 15, 2018, and the statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the period from inception on January 18, 2018 to March 15, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position Sherpa II Holdings Corp. as at March 15, 2018, and its financial performance and its cash flows for the period from inception on January 18, 2018 to March 15, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Sherpa II Holdings Corp.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
June 5, 2018

SHERPA II HOLDINGS CORP.
Statement of Financial Position
(Expressed in Canadian Dollars)

	March 15, 2018
Assets	
Current assets	
Cash	\$ 99,994
Total assets	\$ 99,994
Liabilities and shareholders' equity	
Current liabilities	
Accrued liabilities	\$ 7,728
	7,728
Shareholders' Equity	
Share capital (Note 4)	92,272
Deficit	(6)
Total Shareholders' Equity	92,266
Total Liabilities and Shareholders' Equity	\$ 99,994

Nature of Operations (Note 1)

Subsequent event (Note 9)

Approved on behalf of the Board:

"Rahim Rajwani"

Rahim Rajwani, Director

"Emily Davis"

Emily Davis, Director

The accompanying notes are an integral part of these financial statements.

SHERPA II HOLDINGS CORP.

Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	For the period from inception on January 18, 2018 to March 15, 2018
Expenses	
Office	6
Net and comprehensive loss	\$ (6)
Basic and diluted loss per share	\$ (0.00)
Weighted average shares outstanding	107,143

The accompanying notes are an integral part of these financial statements.

SHERPA II HOLDINGS CORP.

Statement of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Number	Amount	Deficit	Shareholders' Equity
Balance, January 18, 2018	-	\$ -	\$ -	\$ -
Common shares issued for cash (Note 4)	2,000,000	100,000	-	100,000
Share issuance costs (Note 4)		(7,728)		(7,728)
Net loss	-	-	(6)	(6)
Balance, March 15, 2018	2,000,000	\$ 92,272	\$ (6)	\$ 92,266

The accompanying notes are an integral part of these financial statements.

SHERPA II HOLDINGS CORP.
Statement of Cash Flows
(Expressed in Canadian Dollars)

	For the period from inception on January 18, 2018 to March 15, 2018
Cash used in operating activities	
Net Loss	\$ (6)
Changes in non-cash working capital balances	
Accrued liabilities	7,728
	7,722
Cash provided by financing activities	
Proceeds from issuance of common shares, net of issuance costs	92,272
	92,272
Increase in cash	99,994
Cash, beginning	-
Cash, ending	\$ 99,994

The accompanying notes are an integral part of these financial statements.

SHERPA II HOLDINGS CORP.

Notes to Financial Statements

March 15, 2018

(Expressed in Canadian Dollars)

1. Nature of Operations

Sherpa II Holdings Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on January 18, 2018. The Company was formed for the primary purpose of completing an Initial Public Offering ("IPO") on the TSX Venture Exchange ("Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the Exchange. As a CPC, the Company's principal business would be to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange ("Qualifying Transaction"). A CPC has 24 months from when the shares are listed on the Exchange to complete a Qualifying Transaction. Such a transaction will be subject to shareholder and regulatory approval. Until completion of the Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. As a CPC, the proceeds raised by the Company from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of securities issued by the Company and \$210,000 may be used to cover prescribed costs of issuing common shares or administrative and general expenditures of the Company. These restrictions apply until the completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

The head office of the Company is located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3 and the registered and records office of the Company is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will complete its IPO or identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it, particularly in the current economic environment. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. Basis of Preparation

The financial statements were authorized for issuance on June 5, 2018 by the directors of the Company.

(a) *Statement of Compliance with International Financial Reporting Standards*

The financial statements of the Company have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. Basis of Preparation (continued)

(b) Use of Estimates and Judgments

The preparation of the Company's financial statements in accordance with IFRS requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Areas requiring a significant degree of estimation and judgment include fair value measurements for financial instruments, share-based payments, the recoverability and measurement of deferred tax assets and liabilities and assessment of the Company's ability to continue as a going concern.

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and highly liquid investments with original maturities of three months or less, which are readily convertible into a known amount of cash.

(b) Financial Instruments

The Company adopted all of the requirements of IFRS 9 *Financial Instruments* as of inception on January 18, 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 utilizes a revised model for recognition and measurement of financial instruments in a single, forward-looking "expected loss" impairment model.

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

3. Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit and loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit and loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit and loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit and loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized at the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit and loss.

3. Significant Accounting Policies (continued)

(c) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(d) Foreign Currency Translation

The functional and reporting currency of the Company is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in profit and loss.

SHERPA II HOLDINGS CORP.

Notes to Financial Statements

March 15, 2018

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

(e) *Income and Loss Per Share*

Basic income and loss per share amounts are calculated by dividing income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted income or loss per share amounts are determined by adjusting the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

(f) *Share-based Payments*

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payments reserve.

The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted, shall be based on the number of equity instruments that eventually vest.

4. Share Capital

(a) *Authorized*

The Company has authorized an unlimited number of common shares with no par value.

(b) *Issued*

As at March 15, 2018, there were 2,000,000 common shares outstanding.

During the period from inception on January 18, 2018 to March 15, 2018, the Company issued 2,000,000 common shares as follows:

- On January 18, 2018, the Company issued 1 common share pursuant to the inception of the Company at a price of \$1.00 per share. On March 14, 2018, the 1 common share was repurchased by the Company at a cost of \$1.
- On March 14, 2018, the Company issued 2,000,000 common shares at \$0.05 per share for total proceeds of \$100,000 (Note 5). The Company incurred share issuance costs of \$7,728 in relation to these issuances.

(c) *Loss per share*

The calculation of basic loss per share for period from inception on January 18, 2018 to March 15, 2018 was based on the loss attributable to common shareholders of \$6 and the weighted average number of common shares outstanding of 107,143.

SHERPA II HOLDINGS CORP.

Notes to Financial Statements

March 15, 2018

(Expressed in Canadian Dollars)

5. Related Party Transactions

During the period from inception on January 18, 2018 to March 15, 2018, the Company entered into the following transactions with related parties:

- A total of 500,000 common shares of the Company were issued to the Chief Executive Officer ("CEO") and director of the Company for proceeds of \$25,000 (Note 4).
- A total of 500,000 common shares of the Company were issued to the Chief Financial Officer ("CFO"), Secretary and director of the Company for proceeds of \$25,000 (Note 4).
- A total of 500,000 common shares of the Company were issued to a director of the Company for proceeds of \$25,000 (Note 4).
- A total of 500,000 common shares of the Company were issued to a director of the Company for proceeds of \$25,000 (Note 4).

6. Income Taxes

A reconciliation of the expected income tax recovery to the actual income tax recovery for the period from inception on January 18, 2018 to March 15, 2018 is as follows:

		For the period from inception on January 18, 2018 to March 15, 2018
Net loss	\$	(6)
Statutory income tax rate		26.0%
Expected income tax recovery		(2)
Non-deductible items		(2,009)
Change in valuation allowance		2,011
Tax recovery for the period	\$	-

The significant components of deferred income tax assets and liabilities are as follows:

	March 15, 2018
Non-capital loss	404
Share issuance costs	1,607
Valuation allowance	(2,011)
Tax recovery for the period	\$ -

As of March 15, 2018, the Company has non-capital tax losses of \$1,552. This loss expires in the year 2038.

SHERPA II HOLDINGS CORP.

Notes to Financial Statements

March 15, 2018

(Expressed in Canadian Dollars)

7. Management of Capital

The Company's capital structure consists of cash and share capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to complete a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to external capital requirements.

8. Financial Instruments*(a) Categories of Financial Instruments and Fair Value Measurements*

March 15, 2018		
Financial Assets		
Loans and Receivables, at amortized cost		
Cash	\$	99,994
Total financial assets	\$	99,994

The fair value of financial assets at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

(b) Management of Financial Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash. The Company manages its credit risk relating to cash through the use of a major financial institution which has a high credit quality as determined by rating agencies. The Company assessed credit risk as low.

8. Financial Instruments (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads and to settle amounts payable to its creditors. The Company has been successful in raising equity financing; however, there is no assurance that it will be able to do so in the future. The Company assesses liquidity risk as high.

Foreign Exchange Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has a nominal amount of cash denominated in foreign currencies. The Company assess foreign exchange risk as low.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

9. Subsequent Event

On March 20, 2018, the Company engaged PI Financial Corp. ("Agent") to act as exclusive agent with respect to a proposed initial public offering ("Offering") by the Company as a CPC of a minimum of 2,000,000 to a maximum of 5,000,000 common shares of the Company at a price of \$0.10 per share for gross proceeds of a minimum of \$200,000 to a maximum of \$500,000. Closing of the Offering is expected to occur on or about June 30, 2018. The Agent will receive compensation options equal to 10% of the number of shares sold, exercisable at \$0.10 for a period of 24 months from closing.

CERTIFICATE OF THE CORPORATION

Dated: June 5, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario and the regulations thereunder.

"Thomas O'Neill"

Thomas O'Neill
Chief Executive Officer

"Emily Davis"

Emily Davis
Chief Financial Officer

ON BEHALF OF THE BOARD

"Rahim Rajwani"

Rahim Rajwani
Director

"Robert Scott"

Robert Scott
Director

CERTIFICATE OF THE PROMOTER

Dated: June 5, 2018

This prospectus contains full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

“Thomas O’Neill”

Thomas O’Neill, Promoter

CERTIFICATE OF THE AGENT

Dated: June 5, 2018

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

PI FINANCIAL CORP.

By: "Jim Locke"
Jim Locke
Vice President, Investment Banking

ACKNOWLEDGEMENT – PERSONAL INFORMATION

Dated: June 5, 2018

“Personal Information” means any information about an identifiable individual, and includes the information contained in any Items in the attached prospectus that are analogous to Items 4.2, 6.7, 11.1, 13.1, 14, 15 and 21 of Form 3A of the CPC Policy, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

1. the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to the prospectus; and
2. the collection, use and disclosure of Personal Information by the Exchange for the purposes described on Appendix 6B or as otherwise identified by the Exchange, from time to time.

ON BEHALF OF THE BOARD

By: “Emily Davis”
Emily Davis
Chief Financial Officer and Director