

*A copy of this preliminary prospectus has been filed with the securities regulatory authority in each of the provinces of Alberta, British Columbia, Ontario and with the TSX Venture Exchange Inc. 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 of the prospectus is obtained from the securities regulatory authorities in the provinces of Alberta, British Columbia and Ontario.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. 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.*

## **PRELIMINARY PROSPECTUS**

**INITIAL PUBLIC OFFERING**

**June 11, 2021**

**Orcus Resources Ltd.  
(A Capital Pool Company)**

**Minimum Offering: \$250,000 or 2,500,000 Common Shares  
Maximum Offering: \$400,000 or 4,000,000 Common Shares**

**Price: \$0.10 per Common Share**

The purpose of this offering (the “**Offering**”) is to provide Orcus Resources Ltd. (the “**Issuer**”) with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the “**Exchange**”) and in the case of a Non-Arm’s Length Qualifying Transaction, must also receive Majority of the Minority Approval in accordance with Exchange Policy 2.4 – *Capital Pool Companies* (the “**CPC Policy**”). The Issuer 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, the Issuer 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.

	<b>Price to Public</b>	<b>Agent’s Commission<sup>(1)</sup>( 3)</b>	<b>Net Proceeds to the Issuer <sup>(2)</sup></b>
Per Common Share	\$0.10	\$0.01	\$0.09
Minimum Offering	\$250,000	\$25,000	\$225,000
Maximum Offering	\$400,000	\$40,000	\$360,000

Notes:

- (1) The Agent will receive a cash commission equal to 10% of the gross proceeds to the Issuer. In addition, the Agent and its sub-agents, if any, will be granted the Agent’s Option, allowing it to purchase 250,000 Common Shares in the case of the Minimum Offering and 400,000 Common Shares in the case of the Maximum Offering, at a price of \$0.10 per Common Share exercisable for a period ending 60 months from the date the Common Shares are listed on the Exchange. The Agent’s Option is qualified for distribution under this prospectus. Pursuant to the CPC Policy, no more than 50% of the aggregate number of Common Shares that may be acquired pursuant to the Agent’s Option may be sold prior to completion of the Qualifying Transaction and the remaining 50% may only be sold after completion of the Qualifying Transaction. The Agent will be reimbursed for its expenses and legal fees incurred pursuant to this Offering, plus disbursements and taxes and will also receive a corporate finance fee of

- \$10,000 plus GST. The Agent's estimated legal fees and expenses are \$15,000. See "Plan of Distribution".
- (2) Before deducting the costs of this issue, including listing and filing fees, the Agent's expenses and legal fees, the Agent's corporate finance fee, the Issuer's legal fees, audit fees and expenses, estimated at \$89,940, exclusive of the Agent's commission. See "Use of Proceeds".
  - (3) In addition to the qualification of a minimum of 2,500,000 Common Shares and a maximum of 4,000,000 Common Shares pursuant to the Offering, this prospectus also qualifies for distribution: (i) the Agent's Option; and (ii) the options to be granted to officers and directors of the Issuer at the closing of this Offering, which shall entitle the grantees to purchase 150,000 Common Shares in the event of the Minimum Offering or 265,000 Common Shares in the event of the Maximum Offering, at a price of \$0.10 per Common Share. See "Options to Purchase Securities".

This Offering is made on a commercially reasonable efforts basis by PI Financial Corp. (the "**Agent**") and is subject to a minimum subscription of 2,500,000 Common Shares for total gross proceeds to the Issuer of \$250,000 (the "**Minimum Offering**") and a maximum subscription of 4,000,000 Common Shares for total gross proceeds to the Issuer of \$400,000 (the "**Maximum Offering**"). The offering price of the Common Shares was determined by negotiation between the Issuer and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as hereinafter defined). If the Minimum Offering is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed. See "*Plan of Distribution*".

This prospectus qualifies the distribution of the Agent's Option (as hereinafter defined) and CPC Stock Options (as hereinafter defined) to be granted to directors and officers of the Issuer which shall entitle the grantees to purchase up to 150,000 Common Shares in the case of the Minimum Offering and up to 265,000 Common Shares in the case of the Maximum Offering. See "*Plan of Distribution*".

## **Market for Securities**

**There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".**

As at the date of this prospectus, the Issuer 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, Aequitas NEO Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

The issuer has applied to list the Common Shares on the Exchange. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange.

Other than the initial distribution of Common Shares pursuant to this prospectus, the grant of CPC Stock Options to the officers and directors of the Issuer and the grant of the Agent's Option, trading in all securities of the Issuer is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the Applicable Securities Commissions (as hereinafter defined) and the time the Common Shares are listed for trading except, subject to the 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.

## **Risk Factors**

**Investment in the Common Shares offered by this prospectus is highly speculative due to the nature of the Issuer's business and its present stage of development. This offering is suitable only to those investors who are prepared to risk the loss of their entire investment. See "*Risk Factors*".**

Assuming the Minimum Offering is subscribed for; an investor will suffer an immediate dilution on investment of 23.40% or \$0.0234 per Common Share. Assuming the Maximum Offering is subscribed for; an investor will suffer an immediate dilution on investment of 17.74% or \$0.0177 per Common Share.

The Issuer 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. The Issuer was only recently incorporated and does not own any ongoing business operations and has no assets other than cash and has not identified any potential asset or business for acquisition or participation. The Issuer has not entered into an Agreement in Principle (as hereinafter defined). See "*Risk Factors*", "*Conflicts of Interest*", "*Capitalization*" and "*Dilution*".

The Common Shares are highly speculative due to the proposed nature of the Issuer's business and its present stage of development. There is no assurance that the Issuer will identify and successfully negotiate the acquisition of any corporations, properties, assets or businesses, or any interests therein. Moreover, additional funds may be required to successfully complete an acquisition, and the Issuer may not be able to obtain such financing. If the acquisition is financed by the issuance of shares from the Issuer's treasury, control of the Issuer may change and shareholders may suffer additional dilution. The directors and officers of the Issuer will only be devoting a portion of their time on the affairs of the Issuer. Potential conflicts of interest may result from the ordinary course of business of the Issuer and of the directors and officers of the Issuer. The directors and officers currently own 77.27% of the issued and outstanding common shares and will own approximately 36.17% of the issued Common Shares of the Issuer upon completion of the Minimum Offering or approximately 27.42% of the issued Common Shares of the Issuer upon completion of the Maximum Offering. Since the Issuer has not placed any geographical restrictions on the location of the Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada. It may be difficult or impossible to affect service or notice to commence legal proceedings upon any directors, officers or experts located outside Canada. Even if service or notice is successfully affected, it may not be possible to enforce, against such persons or the Issuer, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

## **Maximum Investment**

Pursuant to the CPC Policy, 75%, or 1,875,000 of the total number of Common Shares offered under this prospectus in the case of the Minimum Offering or 3,000,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2%, or 50,000 of the total number of Common Shares offered under this prospectus in the case of the

Minimum Offering or 80,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering; and

- (b) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser, together with that purchaser's Associates and Affiliates, is 4%, or 100,000 of the total number of Common Shares offered under this prospectus in the case of the Minimum Offering or 160,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering.

### **Receipt of Subscriptions**

The Common Shares are conditionally offered for sale by the Agent on behalf of the Issuer on a commercially reasonable efforts agency basis, subject to prior sale, if, as and when issued, and delivered in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*" and subject to the approval of certain legal matters by Miller Thomson LLP on behalf of the Issuer and MLT Aikins LLP on behalf of the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right to close the subscription books at any time without notice is reserved. The Common Shares will be issued and deposited in electronic form with Clearing and Depository Services Inc. ("**CDS**") or its nominee. Purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

The Agent's information is as follows:

**PI FINANCIAL CORP.**  
1900 - 666 Burrard Street  
Vancouver, BC Canada  
V6C 3N1  
Telephone: 604 664 2900  
Fax: 604 664 3660  
Toll Free: 1 800 810 7022

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## GLOSSARY OF TERMS

In this prospectus, the terms and abbreviations set out below shall have the following meanings:

**“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 Shares of the Company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the Voting Shares, 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.

**“Agent’s Option”** means an option to purchase Common Shares of the CPC which may be granted by the CPC to the Agent in accordance with the CPC Policy.

**“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 a 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 or 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% 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.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

**“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 of the Final QT Exchange Bulletin issued by the Exchange.

**“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 Shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

**“CPC” or “Capital Pool Company”** means a corporation or trust:

- (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 QT Exchange Bulletin has not yet been issued.

**“CPC Policy”** means Policy 2.4 – *Capital Pool Companies* of the Exchange.

**“CPC Stock Option”** means an option to purchase Common Shares of the CPC which may be granted by the CPC in accordance with the CPC Policy.

**“Eligible Charitable Organization”** means:

- (a) any Charitable Organization or Public Foundation<sup>(1)</sup> which is a Registered Charity<sup>(1)</sup>, but is not a Private Foundation<sup>(1)</sup>, or
- (b) a Registered National Arts Service Organization<sup>(1)</sup>.

**“Exchange”** means the TSX Venture Exchange Inc.

**“Final QT Exchange Bulletin”** means the bulletin issued by the Exchange following the closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

**“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 a Company that is an Insider or subsidiary of the Issuer;

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<sup>1</sup> These terms are defined in the Income Tax Act (Canada), as amended from time to time.

- (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.

**“Majority of the Minority Approval”** means the approval by the majority of the votes cast at a meeting of Shareholders of the CPC, or by the written consent of Shareholders holding more than 50% of the issued Listed Shares of the CPC, provided that the votes attached to Listed Shares of the CPC held by the following Persons and their Associates and Affiliates are excluded from the calculation of any such approval or written consent:

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

**“Non-Arm’s Length Party”** means:

- (a) in relation to a Company:
  - (i) a Promoter, officer, director, other Insider or Control Person of that Company and any Associates or Affiliates of any of such Persons; or
  - (ii) another entity, or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the Company; and
- (b) in relation to an individual, any Associate of the individual or any Company of which the individual is a Promoter, 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.

**“Person”** means a Company or individual.

**“Principal”** means:

- (a) a Person who acted as a Promoter of the Issuer within two years before the initial public offering (“IPO”) prospectus or the date of the bulletin issued by the Exchange that evidences the final Exchange acceptance of a transaction (the **“Final QT 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 QT 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 QT 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 QT 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, 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 any relatives of the Principal or spouse who 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.

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

**“Qualifying Transaction Agreement”** means any agreement or other similar commitment respecting the Qualifying Transaction which identifies the fundamental terms upon which the parties agree or intend to agree, including:

- (a) the Significant Assets and/or Target Company;
- (b) the parties to the Qualifying Transaction;
- (c) the value of the Significant Assets and/or Target Company and the consideration to be paid or otherwise identifies the means by which the consideration will be determined; and
- (d) the conditions to any further formal agreements or completion of the Qualifying Transaction.

**“Resulting Issuer”** means the issuer that was formerly a CPC, which exists upon issuance of the Final QT Exchange Bulletin.

**“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 of the Exchange.

**“Sponsor”** has the meaning specified in Exchange Policy 1.1 – *Interpretation*.

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

**“Transfer Agent”** means Endeavor Trust Corporation.

**“Vendor(s)”** means one or all of the beneficial owners of the Significant Assets and/or Target Company.

## SUMMARY OF PROSPECTUS

*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.*

<b>ISSUER</b>	Orcus Resources Ltd.
<b>OFFERING</b>	<p>A total of 2,500,000 Common Shares in the case of the Minimum Offering or 4,000,000 Common Shares in the case of the Maximum Offering are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, the Issuer will grant an option to the Agent to purchase up to 10% of the number of Common Shares sold under this Offering, or 250,000 Common Shares in the case of the Minimum Offering or 400,000 Common Shares in the case of the Maximum Offering at a price of \$0.10 per share which will be exercisable for a period of 60 months from the date of listing of the Common Shares on the Exchange, which Agent's Option is qualified under this prospectus. The Issuer also intends to grant CPC Stock Options to purchase up to 150,000 Common Shares in the case of the Minimum Offering and up to 265,000 Common Shares in the case of the Maximum Offering, to directors, officers, and technical consultants, all of which CPC Stock Options are qualified for distribution under this prospectus.</p>

See "*Options to Purchase Securities*" and "*Plan of Distribution*".

<b>BUSINESS OF THE CORPORATION</b>	<p>The principal business of the Issuer will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Issuer has not commenced commercial operations and has no assets other than a minimum amount of cash. See "<i>Business of the Issuer</i>" and "<i>Plan of Distribution</i>".</p>
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<b>USE OF PROCEEDS</b>	<p>The net proceeds to the Issuer will be \$135,060 in the case of the Minimum Offering and \$270,060 in the case of the Maximum Offering. The net proceeds of this Offering will be used to provide the Issuer with a minimum of funds with which to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction. The Issuer may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. '</p>
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See "*Use of Proceeds*" for details of the restrictions and prohibitions on the Issuer's use of funds.

<b>DIRECTORS, OFFICERS AND PROMOTER</b>	<p>Deepak – Chief Executive Officer, Corporate Secretary, and Director</p> <p>Varshney –</p> <p>Navin Varshney – Director</p> <p>James Walker – Director</p> <p>Brian Moore – Director</p> <p>Tim Peters – Chief Financial Officer</p>
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See “*Directors, Officers and Promoter.*”

**ESCROWED  
SECURITIES:**

All of the currently issued and outstanding 2,200,000 Common Shares of the Issuer issued at \$0.05 per Common Share and all of the CPC Stock Options, together with any Common Shares issued upon exercise of the CPC Stock Options, will be 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 18 months after the date of the Final QT 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 Issuer’s business and its present stage of development. The Issuer 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 Issuer and can afford to risk the loss of their entire investment.

The directors and officers of the Issuer will only devote part of their time and attention to the affairs of the Issuer and there are potential conflicts of interest to which some of the directors and officers of the Issuer will be subject in connection with the operations of the Issuer. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of 23.40% or \$0.0234 per Common Share in the case of the Minimum Offering or 17.74% or \$0.0177 in the case of the Maximum Offering.

There can be no assurance that an active and liquid market for the Issuer’s Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Issuer will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Issuer has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Issuer 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.

## THE CORPORATION

Orcus Resources Ltd. was incorporated on September 28, 2020 under the *Business Corporations Act* (British Columbia). The principal office of the Issuer is located at 1575 Kamloops Street, Vancouver, BC V5K 3W1 and registered office of the Issuer is located at Suite 400 - 725 Granville Street, Vancouver, BC, V7Y 1G5.

## BUSINESS OF THE ISSUER

### ***Preliminary Expenses***

To date, the Issuer has not conducted material operations of any kind and does not own any assets, other than cash, and has not entered into an Agreement in Principle.

As at March 31, 2021, the Issuer had accrued liabilities and accounts payable for professional fees in the amount of \$7,000. Certain of the Offering proceeds will be utilized to satisfy the obligations of the Issuer related to the Offering, including the expenses of its auditor and legal fees, the fees of the Exchange, the Agent's commission, corporate finance fee and expenses and the fees of the securities regulatory authorities. See "Use of Proceeds".

### ***Proposed Operations until Completion of a Qualifying Transaction***

The Issuer proposes to identify and evaluate businesses and assets with a view to completing a 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 Issuer has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests. The Issuer has not yet selected an industry sector to pursue a qualifying transaction.

Until completion of a Qualifying Transaction, the Issuer 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 "*Use of Proceeds*", 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.

The Issuer has not yet entered into an Agreement in Principle.

### ***Method of Financing***

The Issuer may use cash, bank financing, issuance of treasury shares, private or public financing of debt or equity, or some combination thereof to finance its proposed Qualifying Transaction. **If treasury shares are issued to finance the Qualifying Transaction, such issuance could result in a change in control of the Issuer and may cause the shareholders' interest in the Issuer to be further diluted.**

### ***Criteria for Qualifying Transaction***

The board of directors of the Issuer 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 Issuer and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### ***Filings and Shareholder Approval of a Qualifying Transaction***

Upon the Issuer reaching a Qualifying Transaction Agreement, the Issuer must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Issuer's Common Shares until the filing requirements of the Exchange have been satisfied. Within 75 days after issuance of such news release, the Issuer shall be required to submit for review to the Exchange a Disclosure Document that complies with Exchange requirements containing prospectus level disclosure of the Significant Assets and the Issuer, assuming Completion of the Qualifying Transaction. Where the proposed Qualifying Transaction is a Non-Arm's Length Qualifying Transaction, the Issuer must obtain Majority of the Minority Approval of the Qualifying Transaction. Where the proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction, the Exchange will not require the Issuer to obtain Shareholder approval of the Qualifying Transaction provided that it files the CPC Filing Statement or a Prospectus.

Once the Conditional Acceptance Documents have been accepted for filing, the Exchange will advise the Issuer that it is cleared to file the final Disclosure Document on SEDAR and:

- (a) where Shareholder approval of the Qualifying Transaction is not required, the Issuer must file the final CPC Filing Statement or Prospectus on SEDAR at least seven business days prior to:
  - (i) the resumption of trading in the securities of the Resulting Issuer following the Completion of the Qualifying Transaction, if the securities of the Issuer are halted from trading; or
  - (ii) the Completion of the Qualifying Transaction, if the securities of the Issuer are not halted from trading;
- (b) where Shareholder approval is required and is to be obtained at a meeting of Shareholders, the Issuer will file on SEDAR and mail to its Shareholders the notice of meeting, CPC Information Circular and form of proxy, together with any other required documents; and
- (c) where Shareholder approval is required and is to be obtained by written consent, the Issuer will file on SEDAR the final Disclosure Document.

If required by the Exchange, the Issuer will retain a Sponsor, who must be a Member of the Exchange or a Participating Organization of the Toronto Stock Exchange, and who will be required to submit to the Exchange a Sponsor Report prepared in accordance with the Policies of the Exchange. The Issuer will no longer be considered to be a CPC upon the Exchange having issued the Final QT Exchange Bulletin. The Exchange will generally not issue the Final QT Exchange Bulletin until the Exchange has received:

- (i) confirmation of Shareholder approval of the Qualifying Transaction, if required;
- (ii) confirmation of closing of the Qualifying Transaction; and
- (iii) 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 QT Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy.

### ***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, Suspension and Delisting***

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of a Qualifying Transaction Agreement 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:

- (a) the unacceptable nature of the business of the Resulting Issuer, or
- (b) 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 Issuer fails to file the supporting documents relating to the Qualifying Transaction within a period of 75 days after public announcement of the Qualifying Transaction Agreement or if the Issuer 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.

In the event that the Common Shares of the Issuer are delisted by the Exchange, within 90 days from the date of such delisting, the Issuer 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 Issuer, determine to deal with the Issuer or its remaining assets in some other manner.

### ***Refusal of Qualifying Transaction***

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

- (a) the Resulting Issuer fails to satisfy the applicable initial listing requirements of the Exchange;
- (b) the Resulting Issuer will be a mutual fund, as defined in the securities legislation; or
- (c) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

## **USE OF PROCEEDS**

### **Proceeds and Principal Purposes**

The aggregate gross proceeds received by the Issuer from the sale of Common Shares prior to the Offering were \$110,000. No issue costs were allocated towards the issuance of these prior issued Common Shares. The aggregate gross proceeds expected to be received by the Issuer from the sale of the Common Shares offered by this prospectus assuming the Offering is subscribed for in full will be \$250,000 in the case of the Minimum Offering, or \$400,000 in the case of the Maximum Offering, less costs of this issue. The costs of this issue are estimated at \$114,940 in the case of the Minimum Offering or \$129,940 in the case of the Maximum Offering, inclusive of taxes and disbursements (of which \$10,000 has been advanced by the Issuer to the Agent to date), as well as the Agent's commission, corporate finance fee and legal fees. Accordingly, the estimated funds to be available to the Issuer upon completion of the Offering will be \$240,060 in the case of the Minimum Offering or \$375,060 in the case of the Maximum Offering.

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

	<b>Totals (Assuming Minimum Offering)</b>	<b>Totals (Assuming Maximum Offering)</b>
(a) Gross cash proceeds received by the Issuer from the sale of Common Shares prior to this Offering <sup>(1)</sup>	\$110,000	\$110,000
(b) Less: Expenses and costs relating to raising the cash proceeds referred to in (a) above	(\$Nil)	(\$Nil)
(c) Plus: Gross cash proceeds to be raised by the Issuer from the sale of Common Shares distributed pursuant to this Offering <sup>(2)</sup>	\$250,000	\$400,000
(d) Less: Expenses and costs relating to the Offering:		
Agent's commission	(\$25,000)	(\$40,000)
Agent's corporate finance fee	(\$10,500)	(\$10,500)
Agent's legal fees & expenses	(\$15,000)	(\$15,000)
Issuer's legal fees	(\$30,000)	(\$30,000)
Issuer's audit fees and expenses	(\$10,000)	(\$10,000)
Listing and filing fees (including SEDAR fees)	(\$24,440)	(\$24,440)
<b>Estimated funds available (on completion of the Offering)</b>	<b>\$245,060</b>	<b>\$380,060</b>
Funds available for identifying and evaluating assets or business prospects <sup>(3)</sup>	\$165,060	\$300,060

	<b>Totals (Assuming Minimum Offering)</b>	<b>Totals (Assuming Maximum Offering)</b>
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$80,000	\$80,000
<b>Total Net Proceeds</b>	<b>\$245,060</b>	<b>\$380,060</b>

**Notes:**

- (1) See "Prior Sales".
- (2) No issue costs have been allocated toward the issuance of the Seed Shares. See the Financial Statements attached as Schedule "A" hereto.
- (3) In the event that the Agent exercises the Agent's Option and the directors and officers exercise their options, there will be available to the Issuer an additional amount of \$57,500 in the case of the Minimum Offering or \$84,000 in the case of the Maximum Offering, which amount will be added to the working capital of the Issuer. See "Plan of Distribution". There is no assurance that any of these options will be exercised.
- (4) In the event that the Issuer enters into a Qualifying Transaction Agreement prior to spending the entire \$165,060 in the case of the Minimum Offering or \$300,060 in the case of the Maximum Offering, on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partly finance the acquisition of, or participation in, the Significant Assets or for working capital after Completion of the Qualifying Transaction.

Until required for the Issuer's purposes, all proceeds will only be invested in securities of, or those guaranteed by, the Government of Canada, any province or territory thereof or the Government of the United States of America, in certificates of deposit or in interest bearing accounts of Canadian chartered banks and/or trust companies, or a combination thereof.

The proceeds of this Offering and any prior sale of Common Shares, after deducting the costs of this Offering, will only be sufficient to identify a limited number of opportunities. Additional funds may be required to finance any acquisition to which the Issuer may commit. See "Business of the Issuer", "Method of Financing Acquisition or Participation Opportunities" and "Risk Factors".

**Permitted Use of Funds**

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by the CPC Policy and described in "Prohibited Payments to Non-Arm's Length Parties", "Private Placements for Cash," and "Finder's Fees", the gross proceeds realized from the sale of all securities issued by the Issuer will be used by the Issuer only to identify and evaluate assets or businesses and obtain shareholder approval, if applicable, for a proposed Qualifying Transaction, including expenses such as:

- (a) reasonable expenses relating to the Issuer's IPO, including:
  - (i) fees for legal services and audit services relating to the preparation and filing of this prospectus;
  - (ii) Agent's fees, costs and commissions; and
  - (iii) printing costs, including printing of this prospectus and share certificates;
- (b) reasonable general and administrative expenses of the Issuer (not exceeding in aggregate \$3,000 per month), including:
  - (i) office supplies, office rent and related utilities;
  - (ii) equipment leases;

- (iii) fees for legal services; and
- (c) reasonable expenses relating to a proposed Qualifying Transaction, including:
  - (i) valuations or appraisals;
  - (ii) business plans;
  - (iii) feasibility studies and technical assessments;
  - (iv) sponsorship reports;
  - (v) Geological Reports;
  - (vi) financial statements;
  - (vii) fees for legal services; and
  - (viii) fees for accounting, assurance and audit services;
- (d) agents' and finders' fees, costs and commissions;
- (e) assurance and audit fees of the Issuer;
- (f) escrow agent and transfer agent fees of the Issuer; and
- (g) regulatory filing fees of the Issuer.

In addition, a maximum aggregate amount of \$25,000 may be advanced as a non-refundable deposit or unsecured loan to a Target Company or Vendor(s), as the case may be, without the prior acceptance of the Exchange. Any proposed deposit, advance or loan of funds from the Issuer to the Target Company or a Vendor(s) in excess of such \$25,000 maximum aggregate may only be made as a secured loan with the prior acceptance of the Exchange where all of the following conditions are satisfied:

- (i) the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
- (ii) the Qualifying Transaction has been announced in a comprehensive news release;
- (iii) due diligence with respect to the Qualifying Transaction is well underway;
- (iv) if applicable, a Sponsor has been engaged or the sponsorship requirement has been waived;
- (v) the loan has been announced in a new release at least 15 days prior to the date of any such loan; and
- (vi) the total amount of all deposits, advances and loans from the Issuer does not exceed a maximum of \$250,000 in aggregate unless the aggregate amount advanced from the Issuer to the Target Company or the Vendor(s) does not represent more than 20% of the working capital of the Issuer.

### ***Prohibited Payments to Non-Arm's Length Parties***

Except as described under "*Options to Purchase Securities*", "*Permitted Use of Funds*" and "*Finder's Fees*", the Issuer 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 Issuer or to a Non-Arm's Length Party to the Qualifying Transaction, or to a person engaged in investor relations activities, promotional or market-making services in respect of the Issuer or the securities of the Issuer or any Resulting Issuer, by any means, including:

- (a) remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees (except as permitted under the CPC Policy), loans, advances and bonuses, and
- (b) deposits and similar payments.

Further, no such payment will be made by the Issuer or by any other Person after the Completion of the Qualifying Transaction if such payment relates to services rendered or obligations incurred before or in connection with the Qualifying Transaction.

Notwithstanding the above, the Issuer may pay or reimburse a Non-Arm's Length Party to the Issuer for reasonable general and administrative expenses of the Issuer (including office supplies, office rent and related utilities, equipment leases, fees for legal services and fees for accounting and advisory services) not exceeding in aggregate \$3,000 per month, and for fees for legal services relating to a proposed Qualifying Transaction, and the Issuer may also reimburse a Non-Arm's Length Party to the Issuer for reasonable out-of-pocket expenses incurred in pursuing the business of the Issuer 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.

### ***Private Placements for Cash***

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Issuer 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 Issuer 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 \$10,000,000. Generally, the only securities issuable pursuant to such a private placement will be Common Shares and Agent's Options. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non-Arm's Length Parties to the Issuer and to Principals of the Resulting Issuer will be subject to escrow.

### ***Finder's Fees***

Upon Completion of the Qualifying Transaction, the Issuer and Target Company may pay finder's fees in aggregate pursuant to Exchange Policy 5.1 – Loans, Loan Bonuses, Finder's Fees and Commissions:

- (a) to a Person that is not a Non-Arm's Length Party to the Issuer; and
- (b) to a Non-Arm's Length Party to the Issuer, provided that:
  - (i) the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
  - (ii) the Qualifying Transaction is not a transaction between the Issuer and an existing public company;
  - (iii) the finder's fee is payable in the form of cash, Listed Shares and/or Warrants only;
  - (iv) the amount of any Concurrent Financing is not included in the value of the measurable benefit used to calculate the finder's fee; and

- (v) approval of the finder's fee is obtained by ordinary resolution at a meeting of Shareholders of the Issuer or by the written consent of Shareholders of the Issuer holding more than 50% of the issued Listed Shares of the Issuer, provided that the votes attached to the Listed Shares of the Issuer held by the recipient of the finder's fee and its Associates and Affiliates are excluded from the calculation of any such approval or written consent.

## **PLAN OF DISTRIBUTION**

### **The Agent and the Agent's Compensation**

Pursuant to the Agency Agreement, the Issuer has appointed the Agent as its agent, to offer for sale on a commercially reasonable efforts agency basis to the public in the Applicable Jurisdictions, a minimum of 2,500,000 Common Shares and a maximum of 4,000,000 Common Shares as provided in this prospectus at \$0.10 per Common Share for minimum aggregate gross proceeds of \$250,000 in the case of the Minimum Offering and a maximum of \$400,000 in the case of the Maximum Offering, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares, a \$10,000 plus GST corporate finance fee, and reimbursement of its expenses and legal fees incurred pursuant to this Offering, plus disbursements and taxes. The Issuer will grant to the Agent and its sub-agents, if any, at the closing of the Offering the Agent's Option to acquire Common Shares in number equal to 10% of the number of Common Shares sold under the Offering, being 250,000 Agent's Options in the case of the Minimum Offering and 400,000 Agent's Options in the case of the Maximum Offering, at \$0.10 per share for a 60 month period following the Listing Date. The Agent's Option is qualified under this prospectus. Pursuant to the CPC Policy, where the Agent receives an option or the right to subscribe for a certain number of shares as consideration for acting as Agent, not more than 50% of the options exercised or 50% of the shares held pursuant to that right may be sold prior to Completion of the Qualifying Transaction. The remaining 50% may only be sold after Completion of the Qualifying Transaction. The Agent has agreed to use commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Issuer and may make co-brokerage arrangements with other investment dealers at no additional cost to the Issuer. The obligations of the Agent under the Agency Agreement may be terminated at its discretion or 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.

This prospectus qualifies the distribution of the Agent's Option (as hereinafter defined) and CPC Stock Options (as hereinafter defined) to be granted to directors and officers of the Issuer which shall entitle the grantees to purchase up to 150,000 Common Shares in the case of the Minimum Offering and up to 265,000 Common Shares in the case of the Maximum Offering.

The Issuer has granted the Agent a right of first refusal to participate as agent in any equity financings being undertaken by the Issuer in connection with the Issuer's Qualifying Transaction and the Agent will have a right of first refusal to act as the Issuer's Agent in respect of such financing. Such right of first refusal is to be exercised within 10 days following receipt of notice by the Issuer to the Agent containing the terms of the proposed equity financing. In addition, the Agent has a right of first refusal to act as the Issuer's sponsor in connection with the Qualifying Transaction which right is to be upon the same terms as that for equity financings by the Issuer.

The Issuer has agreed not to, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to, or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional common shares or any securities convertible or exchangeable into common shares of the Issuer, other than pursuant

to (i) the exercise of previously issued convertible or exchangeable securities, or (ii) the issuance of securities in accordance with any agreement to acquire assets that will form the basis of a Qualifying Transaction, or (iii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the closing date of the Offering (the “**Closing Date**”), until 120 days following the Closing Date, without the prior written consent of the Agent, such consent not to be unreasonably withheld.

### **Commercially Reasonable Efforts Offering and Minimum Distribution**

The Agent has agreed to use commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Issuer and may make co-brokerage arrangements with other investment dealers at no additional cost to the Issuer but is not obligated to do so. 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 or upon the occurrence of certain events stated in the Agency Agreement.

The total Offering is of 2,500,000 Common Shares for total gross proceeds of \$250,000 in the case of the Minimum Offering and 4,000,000 Common Shares for total gross proceeds of \$250,000 in the case of the Maximum Offering. Pursuant to the CPC Policy, 75%, or 1,875,000 of the total number of Common Shares offered under this prospectus in the case of the Minimum Offering or 3,000,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2%, or 50,000 of the total number of Common Shares offered under this prospectus in the case of the Minimum Offering or 80,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering; and
- (b) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser, together with that purchaser’s Associates and Affiliates, is 4%, or 100,000 of the total number of Common Shares offered under this prospectus in the case of the Minimum Offering or 160,000 of the total number of Common Shares offered under this prospectus in the case of the Maximum Offering.

The funds received from the Offering will be deposited with the Depository, and will not be released until a minimum of \$250,000 has been deposited. The total subscription must be raised within 90 days of the date a receipt for the prospectus is issued, or such other time as may be consented to by persons or companies who subscribed within that period, failing which the Depository will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Depository.

### ***Other Securities to be Distributed***

The Issuer also proposes to CPC Stock Options to purchase Common Shares (360,000 CPC Stock Options in case of the Minimum Offering or 475,000 CPC Stock Options in case of the Maximum Offering) to directors and officers in accordance with the policies of the Exchange, which CPC Stock Options are qualified for distribution under this prospectus.

### ***Determination of Price***

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

### ***Listing Application***

The Issuer has applied to list the Common Shares on the Exchange. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange.

### ***Venture Issuers***

As at the date of the prospectus, the Issuer 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, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc)."

### ***Restrictions on Trading***

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of CPC Stock Options to the directors, officers and technical consultants of the Issuer, no securities of the Issuer will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the Applicable Securities Commissions 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 Issuer is authorized to issue an unlimited number of Common Shares of which, as at the date of this prospectus, 2,200,000 Common Shares are issued and outstanding as fully paid and non-assessable Common Shares.

Up to 4,000,000 Common Shares are being qualified for distribution under this prospectus. In addition, pursuant to the Agent's Option, 250,000 Common Shares will be reserved for issuance in the case of the Minimum Offering and 400,000 Common Shares will be reserved for issuance in the case of the Maximum Offering. Common Shares will also be reserved for issuance under options to be granted to directors and officers in the amount of 150,000 Common Shares in the case of the Minimum Offering and 265,000 Common Shares Common Shares in the case of the Maximum Offering.

See "*Plan of Distribution*" and "*Options to Purchase Securities*".

### ***Common Shares***

The holders of the Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per share at meetings of the shareholders of the Issuer and, upon liquidation, dissolution or winding-up of the Issuer to receive such assets of the Issuer as are distributable to the holders of the Common Shares. All of the Common Shares to be outstanding on completion of this Offering will be fully paid and non-assessable.

## CAPITALIZATION

<b>Capital</b>	<b>Amount Authorized</b>	<b>Amount outstanding as of the date of the most recent balance sheet contained in this Prospectus<sup>(1)</sup></b>	<b>Amount outstanding as at the date of this Prospectus</b>	<b>Amount to be outstanding upon completion of the Minimum Offering<sup>(2)(3)(4)</sup></b>	<b>Amount to be outstanding upon completion of the Offering<sup>(5)(6)(7)</sup></b>
Common Shares	Unlimited	\$110,000 (2,200,000 Common Shares)	\$110,000 (2,200,000 Common Shares)	\$355,000 (4,600,000 Common Shares)	\$505,000 (6,100,000) Common Shares)

Notes:

- (1) At this date, the Issuer had not commenced commercial operations.
- (2) Excluding up to 220,000 Common Shares issuable at \$0.05 per Common Share and up to 150,000 Common Shares issuable at \$0.10 per share, expiring 10 years from the date of being granted, pursuant to CPC Stock Options to be granted to directors and officers of the Issuer in the case of the Minimum Offering. See "Options to Purchase Securities".
- (3) Excluding 250,000 Common Shares issuable at \$0.10 per share, expiring 60 months from the Listing Date, pursuant to the Agent's Option in the case of the Minimum Offering. See "Plan of Distribution".
- (4) Funds estimated to be available on completion of the Minimum Offering amount to approximately \$240,060 after deducting the selling commissions and related expenses incurred by the Issuer. See "Use of Proceeds – Proceeds and Principal Purposes".
- (5) Excluding up to 210,000 Common Shares issuable at \$0.05 per Common Share and up to 265,000 Common Shares issuable at \$0.10 per share, expiring 10 years from the date of being granted, pursuant to CPC Stock Options to be granted to directors and officers of the Issuer in the case of the Maximum Offering. See "Options to Purchase Securities".
- (6) Excluding 400,000 Common Shares issuable at \$0.10 per share, expiring 60 months from the Listing Date, pursuant to the Agent's Option in the case of the Maximum Offering. See "Plan of Distribution".
- (7) Funds estimated to be available on completion of the Maximum Offering amount to approximately \$375,060 after deducting the selling commissions and related expenses incurred by the Issuer. See "Use of Proceeds – Proceeds and Principal Purposes".

## OPTIONS TO PURCHASE SECURITIES

The Issuer has established a stock option plan for its officers, directors, consultants and employees to which the Issuer may grant options to acquire a maximum number of Common Shares equal to 10% of the total issued and outstanding Common Shares of the Issuer.

The Issuer has granted 210,000 CPC Stock Options to purchase Common Shares at a price of \$0.05 per Common Share. At the closing of the Offering, the Issuer will grant 150,000 CPC Stock Options to purchase Common Shares in the case of the Minimum Offering or 265,000 CPC Stock Options in the case of the Maximum Offering, to be granted after closing this Offering to directors and officers (subject to regulatory approval) at a price of \$0.10 per Common Share. The CPC Stock Options to be issued at the closing of the Offering are qualified for distribution pursuant to this prospectus.

Upon closing of the Offering, the Issuer proposes to enter into stock option agreements pursuant to the Stock Option Plan as follows:

<b>Name</b>	<b>Number of Shares Under Option Upon Closing of the Minimum Offering</b>	<b>Number of Shares Under Option Upon Closing of the Maximum Offering</b>	<b>Exercise Price per Share</b>	<b>Expiry Date</b>
Deepak Varshney	100,000	135,000	\$0.05 and \$0.10 <sup>(1)</sup>	Ten years from date of grant
Navin Kumar Varshney	100,000	135,000	\$0.05 and \$0.10 <sup>(1)</sup>	Ten years from date of grant
James Walker	100,000	135,000	\$0.05 and \$0.10 <sup>(1)</sup>	Ten years from date of grant
Brian Moore	30,000	35,000	\$0.10	Ten years from date of grant
Tim Peters	30,000	35,000	\$0.10	Ten years from date of grant
<b>Total:</b>	<b>360,000</b>	<b>475,000</b>		

<sup>(1)</sup> 70,000 CPC Stock Options have an exercise price of \$0.05 and the balance have an exercise price of \$0.10.

### ***Stock Option Terms***

The Board of Directors of the Issuer may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Issuer and Eligible Charitable Organizations non-transferable CPC Stock Options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the Common Shares of the Issuer issued and outstanding as at the date of grant of any CPC Stock Option, and that the exercise period does not exceed 10 years from the date of grant.

The number of Common Shares issuable to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares of the Issuer as at the date of grant of the CPC Stock Option.

The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed two percent (2%) of the issued and outstanding Common Shares of the Issuer as at the date of grant of any CPC Stock Option.

The number of Common Shares issuable at any given time to Eligible Charitable Organizations in aggregate will not exceed one percent (1%) of the issued and outstanding Common Shares of the Issuer as at the date of grant of any CPC Stock Option.

The term of a CPC Stock Option must expire not later than 12 months after the optionee ceases to be a director, officer or technical consultant of the Issuer, or of the Resulting Issuer, as the case may be, subject to any earlier expiry date of such CPC Stock Option.

All CPC Stock Options and Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options are subject to escrow under the CPC Escrow Agreement. In addition, all Common Shares issued on or after the date of the Final QT

Exchange Bulletin pursuant to the exercise of CPC Stock Options granted prior to the Offering with an exercise price that is less than the issue price of this Offering are also subject to escrow under the CPC Escrow Agreement. For further details of the escrow requirements and release provisions, see “*Escrow Securities*”.

## PRIOR SALES

Since the date of incorporation, 2,200,000 Common Shares have been issued as follows:

<u>Date Issued</u>	<u>Number of Common Shares</u>	<u>Issue Price per Common Share</u>	<u>Aggregate Issue Price</u>	<u>Nature of Consideration</u>
September 28, 2020	1 <sup>(1)</sup>	\$0.05	\$0.05	Cash
March 16, 2021	2,099,999 <sup>(2)</sup>	\$0.05	\$104,999.95	Cash
May 19, 2021	100,000 <sup>(2)</sup>	\$0.05	\$5,000	Cash
<b>Total</b>	<b>2,200,000</b>		<b>\$110,000</b>	

Notes:

(1) One Common Share issued on incorporation to the incorporator on September 28, 2020.

(2) 2,200,000 Common Shares will be placed in escrow pursuant to the Escrow Agreement. See “*Escrowed Securities*”.

## ESCROWED SECURITIES

### ***Securities Escrowed Prior to the Completion of the Qualifying Transaction***

All of the 2,200,000 Common Shares issued prior to this Offering at a price below \$0.10 per Common Share, all Common Shares that have been or may be acquired by Non-Arm’s Length Parties of the Issuer either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with the Escrow Agent under the Escrow Agreement. As of the date hereof, 2,200,000 Common Shares will be held by the Escrow Agent pursuant to the Escrow Agreement.

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

In addition, all Common Shares of the Issuer 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 Issuer held by Principals of the Resulting Issuer, will be escrowed.

The following table sets out, as at the date hereof, the number of Common Shares of the Issuer, which are held pursuant to the Escrow Agreement:

<b>Name and Municipality of Residence of Shareholder</b>	<b>Number of Common Shares held in Escrow</b>	<b>Percentage of Common Shares prior to giving effect to the Offering</b>	<b>Percentage of Common Shares after giving effect to the Minimum Offering<sup>(1)</sup></b>	<b>Percentage of Common Shares after giving effect to the Maximum Offering<sup>(2)</sup></b>	<b>Number of CPC Stock Options held in escrow after giving effect to the Minimum Offering</b>	<b>Number of CPC Stock Options held in escrow after giving effect to the Maximum Offering</b>
Deepak Varshney Vancouver, British Columbia	500,000	22.73%	10.64%	8.06%	100,000	135,000
Navin Varshney, Vancouver, British Columbia	500,000	22.73%	10.64%	8.06%	100,000	135,000
James Walker Vancouver, British Columbia	500,000	22.73%	10.64%	8.06%	100,000	135,000
Tim Peters Vancouver, British Columbia	100,000	4.55%	2.13%	1.61%	30,000	35,000
Jerry Beaulac Bright's Grove, Ontario	500,000	22.73%	10.64%	8.06%	Nil	Nil
Brian Moore Sarnia, Ontario	100,000	4.55%	2.13%	1.61%	30,000	35,000
<b>Total</b>	<b>2,200,000</b>	<b>100%</b>	<b>46.82%</b>	<b>35.46%</b>	<b>360,000</b>	<b>475,000</b>

Notes:

(1) Assuming these shareholders do not acquire any Common Shares under the Offering.

(2) Assuming these shareholders do not acquire any Common Shares under the Offering.

Where Common Shares of the Issuer required to be placed in escrow are held by a non-individual (a "**holding company**"), during the currency of the Escrow Agreement, each holding company has agreed, or will be required to agree, that it will not carry out any transactions 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 which 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 holding company.

Under the CPC Escrow Agreement:

- (a) all CPC Stock Options granted prior to the date of the Final QT Exchange Bulletin and all Common Shares that were issued pursuant to the exercise of such CPC Stock Options prior to the date of the Final QT Exchange Bulletin will be released from escrow on the date of the Final QT Exchange Bulletin, other than CPC Stock Options that were granted prior to the Issuer’s IPO with an exercise price that is less than the issue price of the Common Shares under this prospectus and any Common Shares that were issued pursuant to the exercise of such CPC Stock Options which will be released from escrow in accordance with (b);
- (b) except for the CPC Stock Options and Common Shares issued pursuant to the exercise of such CPC Stock Options that are released from escrow on the date of the Final QT Exchange Bulletin as provided for in (a), all of the securities held in escrow will be released from escrow in accordance with the following schedule:

<b>Release Dates</b>	<b>Percentage to be Released</b>
Date of Final QT Exchange Bulletin	25%
Date 6 months following Final QT Exchange Bulletin	25%
Date 12 months following Final QT Exchange Bulletin	25%
Date 18 months following Final QT Exchange Bulletin	25%
<b>TOTAL</b>	<b>100%</b>

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 existing Principals of the Issuer and/or to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final QT Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the CPC Escrow Agreement, upon the issuance by the Exchange of a Bulletin delisting the Issuer, the Escrow Agent is irrevocably authorized to:

- (a) immediately cancel all of the escrowed Common Shares held by each Non-Arm’s Length Party to the Issuer that were issued at a price below the Offering price under this prospectus and all CPC Stock Options and Option Shares held by such persons; and
- (b) cancel all of the escrowed securities on a date that is 10 years from the date of such Exchange Bulletin.

### ***Escrowed Securities on Qualifying Transaction***

Generally, in connection with the Qualifying Transaction, subject to certain exemptions, all securities of the Resulting Issuer held by Principals of the Resulting Issuer will be required to be escrowed in accordance with the Policies of the Exchange.

### **PRINCIPAL SHAREHOLDERS**

The following table lists those persons who own of record or who are known to the Issuer as at the date hereof to own beneficially, directly or indirectly, more than 10% of the issued and outstanding Common Shares of the Issuer, or exercises control or direction over, more than 10% of the issued and outstanding Common Shares of the Issuer:

<b>Name and Municipality of Residence<sup>(1)</sup></b>	<b>Type of Ownership</b>	<b>Number of Shares<sup>(2)</sup></b>	<b>Percentage of Shares Owned before the Offering</b>	<b>Percentage of Shares Owned after giving Effect to the Minimum Offering<sup>(3)</sup></b>	<b>Percentage of Shares Owned after giving Effect to the Maximum Offering<sup>(4)</sup></b>
Deepak Varshney Vancouver, British Columbia <sup>(5)</sup>	Indirectly and Beneficial	500,000	22.73%	10.64%	8.06%
Navin Varshney, Vancouver, British Columbia	Of Record and Beneficial	500,000	22.73%	10.64%	8.06%
James Walker Vancouver, British Columbia	Of Record and Beneficial	500,000	22.73%	10.64%	8.06%
Jerry Beaulac Bright's Grove, Ontario	Of Record and Beneficial	500,000	22.73%	10.64%	8.06%
<b>Total</b>		<b>2,000,000</b>	<b>90.92%</b>	<b>42.56%</b>	<b>32.24%</b>

Notes:

- (1) Navin Varshney is the father of Deepak Varshney and so the principal shareholders are Associates. Navin Varshney is a Director of the Issuer. Deepak Varshney is the Chief Executive Officer, Corporate Secretary and a Director of the Issuer. Therefore, both Navin Varshney and Deepak Varshney have the ability to influence the Issuer, beyond their holding of Common Shares in the Issuer.
- (2) Subject to the Escrow Agreement. See "Escrowed Securities".
- (3) On a fully diluted basis, reflecting the exercise of all options, Deepak Varshney, Navin Varshney and James Walker will each own 12.27% of the issued and outstanding Common Shares and Jerry Beaulac will own 9.66% of the issued and outstanding Common Shares.

- (4) On a fully diluted basis, reflecting the exercise of all options, Deepak Varshney, Navin Varshney and James Walker will each own 9.66% of the issued and outstanding Common Shares and Jerry Beaulac will own 7.49% of the issued and outstanding Common Shares.
- (5) Common Shares are held by Deepak Varshney through a wholly owned corporation, Castello Q Development Corporation.

## DIRECTORS, OFFICERS AND PROMOTER

The following are the names and municipalities of residence of the directors, officers and promoter of the Issuer, their positions and offices with the Issuer, their present principal occupation, the number of Common Shares beneficially owned or over which they directly or indirectly exercise control or direction, and the percentage of Common Shares to be held by each of them prior to and on completion of the Offering:

<b>Name, (Age), Office and Municipality of Residence</b>	<b>Position or Office</b>	<b>Present Principal Occupation</b>	<b>Common Shares Held (percentage and number of Common Shares prior to Offering)</b>	<b>Percentage and Number of Common Shares Held Upon Completion of the Minimum Offering<sup>(2)</sup></b>	<b>Percentage of Number of Common Shares Held Upon Completion of the Maximum Offering</b>
Deepak Varshney (33) Vancouver, British Columbia	Chief Executive Officer, Corporate Secretary and Director	CEO of Usha Resources Ltd. and Geologist	500,000 Common Shares 22.73%	500,000 Common Shares 10.64%	500,000 Common Shares 8.06%
Navin Varshney (62) <sup>(2)</sup> Vancouver, British Columbia	Director	Director of Usha Resources Ltd. and President of NKV Engineering & Consulting Ltd.	500,000 Common Shares 22.73%	500,000 Common Shares 10.64%	500,000 Common Shares 8.06%
James Walker (38) <sup>(1)</sup> Vancouver, British Columbia	Director	CEO, President, Director of Ares Strategic Mining Inc.	500,000 Common Shares 22.73%	500,000 Common Shares 10.64%	500,000 Common Shares 8.06%

<b>Name, (Age), Office and Municipality of Residence</b>	<b>Position or Office</b>	<b>Present Principal Occupation</b>	<b>Common Shares Held (percentage and number of Common Shares prior to Offering)</b>	<b>Percentage and Number of Common Shares Held Upon Completion of the Minimum Offering<sup>(2)</sup></b>	<b>Percentage of Number of Common Shares Held Upon Completion of the Maximum Offering</b>
Brian Moore (59) (1) Sarnia, Ontario	Director	Chartered Professional Accountant	100,000 Common Shares  4.55%	100,000 Common Shares  2.13%	100,000 Common Shares  1.61%
Tim Peters (31) New Westminster, British Columbia	Chief Financial Officer	Financial Analyst for Teekay Shipping	100,000 Common Shares  4.55%	100,000 Common Shares  2.13%	100,000 Common Shares  1.61%

Notes:

(1) Member of the Audit Committee.

(2) Chair of the Audit Committee.

(3) Before the exercise of CPC Stock Options by the directors and officers, the exercise of the Agent's Option and assuming that no Common Shares are purchased by these shareholders under this Offering. See "Plan of Distribution".

In addition to any other requirements of the Exchange, the Exchange expects management of the Issuer to meet a high management standard. The directors and officers of the Issuer 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. As at the date of this prospectus, the directors and officers own 1,600,000 Common Shares representing 76.19% of the issued and outstanding Common Shares which number of Common Shares will represent 34.78% of the issued Common Shares of the Issuer upon completion of the Minimum Offering or 26.23% of the issued Common Shares of the Issuer upon completion of the Maximum Offering.

The following are brief biographies of the Directors, Officers and Promoter of the Issuer:

***Deepak Varshney – Chief Executive Officer, Corporate Secretary, and Director***

Deepak Varshney is a professional geologist and has over 10 years of experience in the capital markets and mineral exploration and development sector. He is presently CEO, Corporate Secretary and a Director of Usha Resources Ltd., a gold and copper-focused junior mining exploration company. Mr. Varshney is also the CEO of Castello Q, a boutique real estate firm that focuses on luxury single-family housing and multi-family developments, and a senior professional geologist at EXP Services Inc. He has developed long-standing relationships with an extensive network of high net worth retail investors, brokers, and private equity groups.

Mr. Varshney will devote 30% of his time, on average, to the affairs of the Issuer.

***Navin Varshney – Director***

Navin Varshney is a professional engineer and serial venture capitalist who has had a four-decade career in analyzing and speculating in the metals, mining, cannabis and technology sectors. Since 2008, he has been instrumental in the creation of several Initial Public Offerings / Capital Pool Companies, including Earny Resources Ltd., Jaxon Minerals Inc., Naina Capital Corp. Sunset Cove Mining Inc. (formerly, Numine Resources Ltd.), successfully closing deals for all of them. He has served on many public company boards, holding various positions from President and Chief Executive Officer, Chief Financial officer, and as a Director including presently at Usha Resources Ltd. In his capacity as a professional engineer, Mr. Varshney has also led N.K.V. Engineering & Consulting Ltd., a successful boutique structural and engineering consulting firm that has provided services throughout British Columbia for the past 30 years.

Mr. Varshney expects to devote approximately 20% of his time, on average, to the affairs of the Issuer.

***James Walker – Director***

James Walker has extensive experience in engineering and project management; particularly within mining engineering, mechanical engineering, construction, manufacturing, engineering design, infrastructure, safety management, and nuclear engineering. He is also the CEO and President and Director of Ares Strategic Mining and a Director of Bayhorse Silver Inc., both Exchange listed issuers.

James' professional experience includes designing nuclear reactors, submarines, chemical plants, factories, mine processing facilities, infrastructure, automotive machinery, and testing rigs.

Mr. Walker holds degrees in Mechanical Engineering, Mining Engineering, and Nuclear Engineering, as well as qualifications in Project Management and Accountancy, and is a Chartered Engineer with the IMechE, and registered as a Project Manager Professional with the APM.

Mr. Walker will devote 30% of his time, on average, to the affairs of the Issuer.

***Brian Moore – Director***

Mr. Brian Moore is a Chartered Professional Accountant with over 40 years' experience in public practice. In 1986 Mr. Moore received his CGA designation from the Certified General Accountants Association of Ontario and in 1994 he became a founding member of Tuner Moore LLP, CPA's, a firm that provides taxation, accounting and business advisory services. Mr. Moore is an active volunteer in his community and over the past forty years has served on various not-for-profit boards and in political organizations. He is a past Governor of CGA Ontario, past member of committees both CGA Ontario and CGA Canada, and served ten years as a Practice Inspector for CGA Ontario. In 2009, CGA Canada awarded Mr. Moore the Fellowship designation (FCGA) in recognition of his contributions to CGA and the accounting profession.

Mr. Moore will devote 20% of his time, on average, to the affairs of the Issuer.

***Tim Peters – Chief Financial Officer***

Mr. Tim Peters is a Chartered Professional Accountant and Chartered Business Valuator, and has a B.Sc. In Earth Sciences (Geology) from Simon Fraser University. Mr. Peters currently works as a Financial Analyst at Teekay Shipping.

From September 2015 through 2020, he worked at Smythe LLP, a mid-sized public practice accounting firm. During this time, he provided audit and tax compliance services to public companies, and later acted in a business advisory capacity for small- and medium-sized businesses.

Mr. Peters will devote 20% of his time, on average, to the affairs of the Issuer.

### ***Other Reporting Issuer Experience***

The following table sets out the directors, officers and promoters of the Issuer 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:

<b>Name</b>	<b>Name and Jurisdiction of Reporting Issuer</b>	<b>Name of Exchange or Market</b>	<b>Position</b>	<b>From</b>	<b>To</b>
Deepak Varshney	Usha Resources Ltd. (Canada)	TSX Venture Exchange	Chief Executive Officer and Corporate Secretary	December 2019	Present
			Director	February 2018	Present
Navin Varshney	Earny Resources Ltd. (Canada)	TSX Venture Exchange	Director	February 2011	February 2019
			Director	September 2018	Present
			Chief Executive Officer, President and Corporate Secretary	February 2018	December 2019
James Walker	Jaxon Mining Inc. (Canada)	TSX Venture Exchange	Director	November 2006	March 2017
	Ares Strategic Mining Inc. (Ontario)	TSX Venture Exchange	CEO and President	October 2016	October 2020
Brian Moore	Bayhorse Silver Inc. (Canada)	TSX Venture Exchange	Director	May 2019	October 2020
	Earny Resources Ltd. (Canada)	TSX Venture Exchange	Chief Financial Officer	October 2014	March 2019

<b>Name</b>	<b>Name and Jurisdiction of Reporting Issuer</b>	<b>Name of Exchange or Market</b>	<b>Position</b>	<b>From</b>	<b>To</b>
	Usha Resources Ltd.	TSX Venture Exchange	Director	May 2020	Present
	Enduro Metals Corp. (formerly, Crystal Lake Mining Corporation) (Canada)	TSX Venture Exchange	Chief Financial Officer and Director	October 2019	Present

### ***Corporate Cease Trade Orders or Bankruptcies***

No director, officer, insider or promoter of the Issuer, or a shareholder of the Issuer holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer is, or within 10 years before the date of this prospectus has been, a director, officer, Insider or Promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or, an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days; or
- (b) 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 Issuer, or a shareholder of the Issuer holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a 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 likely be considered important to a reasonable investor in making an investment decision.

### ***Personal Bankruptcies***

No director, officer, insider or promoter of the Issuer, or a shareholder of the Issuer holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such person has, within 10 years before the date of this prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or has instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

### ***Conflicts of Interest***

There are potential conflicts of interest to which the directors, officers and promoter of the Issuer will be subject in connection with the operations of the Issuer. Some of the directors, officers and promoter have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations, and situations may arise where the directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (British Columbia).

## **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 or indirectly, by the Issuer to a Non-Arm's Length Party to the Issuer 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 Issuer or any Resulting Issuer by any means, other than:

- (a) grants of CPC Stock Options as described in "*Options to Purchase Securities*";
- (b) payment for and reimbursement of certain expenses as described in "*Use of Proceeds – Permitted Use of Funds*" and "*Use of Proceeds – Prohibited Payments to Non-Arm's Length Parties*"; and
- (c) finder's fees as described in "*Use of Proceeds – Finder's Fees*".

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

## **DILUTION**

Purchasers of Common Shares under this prospectus will suffer an immediate dilution on investment of 23.40% or \$0.0234 per Common Share in the case of the Minimum Offering or 17.74% or \$0.0177 in the case of the Maximum Offering. Dilution has been computed on the basis of total gross proceeds to be raised under this prospectus and from sales of securities prior to filing this prospectus, without deduction of commissions or of related expenses incurred by the Issuer.

## **RISK FACTORS**

Prior to making a decision to invest, prospective purchasers in the Offering should consider their own position, and all of the risks of investing in the Common Shares including the following risk factors:

- (a) the Issuer 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;
- (b) investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Issuer's business and its present stage of development;

- (c) the directors and officers of the Issuer will only devote a portion of their time to the business and affairs of the Issuer 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;
- (d) assuming completion of the Minimum Offering, an investor will suffer an immediate dilution to its investment of 23.40% or \$0.0234 per Common Share. Assuming completion of the Maximum Offering, an investor will suffer an immediate dilution to its investment of 17.74% or \$0.0177 per Common Share;
- (e) there can be no assurance that an active and liquid market for the Issuer's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (f) until Completion of the Qualifying Transaction, the Issuer is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (g) the Issuer has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Issuer will be able to identify a suitable Qualifying Transaction;
- (h) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Issuer will be able to successfully complete the transaction;
- (i) 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;
- (j) 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 Issuer of fair value for the Common Shares;
- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Issuer will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained (if required) and certain preliminary reviews have been conducted. The Common Shares of the Issuer may 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 Issuer completing the proposed Qualifying Transaction;
- (l) trading in the Common Shares of the Issuer may be halted at other times for other reasons, including for failure by the Issuer to submit documents to the Exchange in the time periods required;
- (m) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (n) in the event that management of the Issuer resides outside of Canada or the Issuer 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;

- (o) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Issuer 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 Issuer; and
- (p) subject to prior Exchange acceptance, the Issuer may be permitted to loan or advance up to the greater of \$250,000 and 20% of its working capital to a target business without shareholder approval and there can be no assurance that the Issuer will be able to recover that loan.

**As a result of these factors, this Offering is only suitable to investors who are willing to rely solely on management of the Issuer 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.**

See “*Business of the Issuer*”, “*Method of Financing*” and “*Directors, Officers and Promoter*”.

## **LEGAL PROCEEDINGS**

The Issuer is not currently a party to any legal proceedings, nor is the Issuer currently contemplating any legal proceedings, which are material to its business. Management of the Issuer is currently not aware of any legal proceedings contemplated against the Issuer.

## **RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT**

The Issuer is not a “related issuer” or “connected issuer” of the Agent for the purposes of National Instrument 33-105 - *Underwriting Conflicts*. The Agent was not involved in the decision by the Issuer to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Issuer 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 “commercially reasonable efforts” basis. The Agent does not, prior to completion of the Offering, own directly or indirectly, any securities of the Issuer and the only proceeds of the Offering to be received by it 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 Warrants. See “*Plan of Distribution*”.

Members of the Aggregate Pro Group currently own, on an aggregate basis, no Common Shares of the Issuer.

## **RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS**

Certain legal matters relating to the Offering will be passed upon by Miller Thomson LLP, on behalf of the Issuer and by MLT Aikins LLP, on behalf of the Agent. As of the date hereof, the partners and associates of Miller Thomson LLP and MLT Aikins LLP do not own, directly or indirectly, in the aggregate any Common Shares. Additionally, the partners and associates of Miller Thomson LLP and MLT Aikins LLP may subscribe for Common Shares pursuant to the Offering.

Manning Elliott LLP, auditors of the Issuer, are independent of the Issuer within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

## **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of the Issuer are Manning Elliott LLP with an address at Suite 1700 - 1030 W Georgia Street, Vancouver, BC V6E 2Y3.

The Registrar and Transfer Agent for the Common Shares of the Issuer is Endeavor Trust Corporation with an address at Suite 702 - 777 Hornby Street, Vancouver, BC V6Z 1S4.

## **MATERIAL CONTRACTS**

The Issuer has not entered into any contracts material to investors in the Common Shares since incorporation, other than:

- (a) The Agency Agreement. See "*Plan of Distribution*".
- (b) The Transfer Agency and Registrar Agreement dated March 9, 2021 between the Issuer and the Registrar and Transfer Agent.
- (c) The Escrow Agreement. See "*Escrowed Securities*".
- (d) The Stock Option Plan. See "*Options to Purchase Securities*".

Copies of these agreements will be available for inspection at the registered office of the Issuer at Suite 400 – 725 Granville Street, Vancouver, British Columbia V7Y 1G5, and at the office of the Issuer 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.

## **DIVIDEND POLICY**

No dividends have been paid on any common shares of the Issuer since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

## **PROMOTER**

Deepak Varshney may be considered to be the promoter of the Issuer in that he took the initiative in organizing the business of the Issuer. As of the date hereof, Deepak Varshney is the beneficial owner of 500,000 Common Shares, 70,000 CPC Stock Options and will be granted a further 30,000 CPC Stock Options in the case of the Minimum Offering or 65,000 CPC Stock Options in the case of the Maximum Offering, at an exercise price of \$0.10 per Common Share pursuant to the Stock Option Plan. See "*Options to Purchase Securities*", "*Escrowed Securities*", "*Principal Shareholders*" and "*Directors, Officers and Promoter*".

## **INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTER AND OTHERS**

No director, officer, or promoter or other member of management of the Issuer, or any Associate or Affiliate of any such person, is or has been indebted to the Issuer.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

The directors and officers of the Issuer have all acquired Common Shares and are expected to receive CPC Stock Options upon completion of the Offering.

Except as disclosed elsewhere herein, none of the directors, officers or principal shareholders of the Issuer, and no Associate or Affiliate of any of them, has or has had any material interest in any transaction that materially affects the Issuer. See "*Options to Purchase Securities*", "*Escrow Securities*" and "*Principal Shareholders*".

## ELIGIBILITY FOR INVESTMENT

In the opinion of Miller Thomson LLP, counsel to the Issuer, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “**Tax Act**”) in force on the date hereof and all specific proposal to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, if the Common Shares were issued on the date hereof and listed on a “designated stock exchange” as defined in the Tax Act (which includes the Exchange) or if the Issuer was a “public corporation” on the date hereof, as that term is defined in the Tax Act, then the Common Shares would at that time be a “qualified investment” for a trust governed by a “registered retirement savings plan” (“**RRSP**”), “registered retirement income fund” (“**RRIF**”), “tax-free savings account” (“**TFSA**”), “registered education savings plan” (“**RESP**”), “deferred profit sharing plan” and “registered disability savings plan” (“**RDSP**”), as those terms are defined in the Tax Act (collectively, the “**Plans**”).

The Common Shares are not currently listed on a “designated stock exchange” and the Issuer is not currently a “public corporation” for the purposes of the Tax Act. The Issuer has applied to list the Common Shares on the Exchange as of the day before the closing of the Offering, followed by an immediate halt in trading of the Common Shares in order to allow the Issuer to satisfy the conditions of the Exchange and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on the closing of the Offering. The Issuer must rely on the Exchange to list the Common Shares on the Exchange and have them posted for trading prior to the issuance of the Common Shares on the closing of the Offering, and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the Exchange at the time of their issuance on the closing of the Offering. If the Common Shares are not listed on the Exchange at the time of their issuance on the closing of the Offering and the Issuer is not a “public corporation” for the purposes of the Tax Act at that time, the Common Shares will not be qualified investments for the Plans at that time.

Notwithstanding that the Common Shares may be a qualified investment for a TFSA, RDSP, RESP, RRSP or RRIF, the holder of a TFSA or RDSP, the subscriber of an RESP or the annuitant of an RRSP or RRIF, as the case may be, will be subject to a penalty tax if the Common Shares are a “prohibited investment” within the meaning of the Tax Act for such TFSA, RDSP, RESP, RRSP or RRIF. The Common Shares will generally be a “prohibited investment” for a TFSA, RDSP, RESP, RRSP or RRIF if the holder of the TFSA or RDSP, the subscriber of the RESP or the annuitant of the RRSP or RRIF, as the case may be: (i) does not deal at arm’s length with the Issuer for the purposes of the Tax Act; or (ii) has a “significant interest” (as defined in the Tax Act) in the Issuer. In addition, the Common Shares generally will not be a prohibited investment if the Common Shares are “excluded property” within the meaning of the Tax Act for a TFSA, RDSP, RESP, RRSP or RRIF.

Prospective purchasers who intend to hold Common Shares in a Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

## OTHER MATERIAL FACTS

To management’s knowledge, there are no other material facts about the securities being distributed that are not otherwise disclosed in this prospectus, or are necessary in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

## **PURCHASER'S STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. That right may be exercised within two business days after the receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

**SCHEDULE A - FINANCIAL STATEMENTS**

**Orcus Resources Ltd.**  
**(A Capital Pool Company)**  
**Financial Statements**

**For the Period from the Date of Incorporation  
to March 31, 2021**

**ORCUS RESOURCES LTD.**  
**FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**

**MARCH 31, 2021**

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**INDEPENDENT AUDITORS' REPORT**

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To the Shareholders and Directors of Orcus Resources Ltd.

**Opinion**

We have audited the financial statements of Orcus Resources Ltd. which comprise the statement of financial position as at March 31, 2021, and the statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the period from incorporation on September 28, 2020 to March 31, 2021, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021, and its financial performance and its cash flows for the period from incorporation on September 28, 2020 to March 31, 2021 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 of the accompanying financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, British Columbia

**ORCUS RESOURCES LTD.**Statement of Financial Position  
(Expressed in Canadian Dollars)

	<b>March 31, 2021</b>
	<b>\$</b>
<b>ASSETS</b>	
<b>Current</b>	
Cash	94,643
Other (Note 5)	2,151
<b>TOTAL ASSETS</b>	<b>96,794</b>
<b>LIABILITIES</b>	
<b>Current</b>	
Accrued liabilities	7,000
<b>SHAREHOLDERS' EQUITY</b>	
Share capital (Note 6)	105,000
Accumulated deficit	(15,206)
	89,794
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>96,794</b>

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

On behalf of the Board of Directors:

“Deepak Varshney”

CEO

“Navin Varshney”

Director

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

**ORCUS RESOURCES LTD.**Statement of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)

	<b>Period From Incorporation on September 28, 2020 to March 31, 2021</b>
	\$
<b>EXPENSES</b>	
Office and general	351
Professional fees	14,364
Registrar and filing fees	491
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>(15,206)</b>
<b>BASIC AND DILUTED LOSS PER SHARE</b>	<b>(15,206)</b>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>	<b>1</b>

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

**ORCUS RESOURCES LTD.**

Statement of Cash Flows

(Expressed in Canadian Dollars)

	<b>Period From Incorporation on September 28, 2020 to March 31, 2021</b>
	<b>\$</b>
<b>OPERATING ACTIVITIES</b>	
Net loss for the period	(15,206)
Adjustments for non-cash items:	
Changes in non-cash working capital items:	
Accrued liabilities	7,000
Other	(2,151)
Cash used in operating activities	(10,357)
<b>FINANCING ACTIVITIES</b>	
Share issuances	105,000
Cash provided by financing activities	105,000
<b>NET CHANGE IN CASH</b>	<b>94,643</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>-</b>
<b>CASH, END OF PERIOD</b>	<b>94,643</b>

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

**ORCUS RESOURCES LTD.**Statement of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars)

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	<b>Number of Shares Issued</b>	<b>Share Capital</b>	<b>Accumulated Deficit</b>	<b>Total</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance, September 28, 2020</b>	-	-	-	-
Issuance of common shares	1	-	-	-
Proceeds from share issuances	2,099,999	105,000	-	105,000
Comprehensive loss for the period	-	-	(15,206)	(15,206)
<b>Balance, March 31, 2021</b>	<b>2,100,000</b>	<b>105,000</b>	<b>(15,206)</b>	<b>89,794</b>

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The accompanying notes are an integral part of these financial statements

## **ORCUS RESOURCES LTD.**

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Orcus Resources Ltd. (the "Company") was incorporated by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* on September 28, 2020. The Company is in the process of completing an Initial Public Offering ("IPO") to be classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4 (Note 10). The Company will not carry on any business other than the identification and evaluation of assets or a business with a view to completing a Qualifying Transaction which will be subject to receipt of shareholder approval and acceptance by regulatory authorities.

The Company's head office address is 400-725 Granville Street, Vancouver, British Columbia, Canada, V3Y 1G5. The registered and records office address is 400-725 Granville Street, Vancouver, British Columbia, Canada, V3Y 1G5.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses since inception and its continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business and obtain the necessary financing to do so, within 24 months of listing on the TSX-V. Any acquisition or investment proposed by the Company will be subject to regulatory and other approvals. These conditions indicate the existence of a material uncertainty that may cast significant doubt of the Company's ability to continue as a going concern. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. Management continues to monitor the situation.

### **2. BASIS OF PREPARATION**

#### **a) Statement of compliance and basis of presentation**

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements have been prepared on a historical cost basis except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

#### **b) Significant accounting estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

## **ORCUS RESOURCES LTD.**

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### **2. BASIS OF PREPARATION (cont'd...)**

#### **b) Significant accounting estimates and judgements (cont'd)**

The information about significant areas of judgment considered by management in preparing the financial statements is as follows:

##### *Going concern*

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. The directors monitor future cash requirements to assess the Company's ability to meet these future funding requirements.

##### *Deferred tax assets*

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent it is probable that taxable income will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **Share-based payments**

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

#### **Income taxes**

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities which affect neither accounting nor taxable loss as well as differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

## **ORCUS RESOURCES LTD.**

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### **3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

#### **Income taxes (cont'd)**

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### **Loss per share**

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

#### **Financial instruments**

The Company classifies its financial instruments into one of the following categories, depending on the purpose for which the instrument was acquired. The Company's accounting policy for each category is as follows:

##### **Financial assets**

###### *Fair value through profit or loss ("FVTPL")*

Financial assets classified as FVTPL are initially recognized at fair value with transaction costs being expensed in the period incurred. Realized gains and losses recognized upon de-recognition and unrealized gains and losses arising from changes in the fair value of the financial assets are included in profit or loss in the period in which they arise. The Company classifies its cash as FVTPL.

###### *Fair value through other comprehensive income ("FVTOCI")*

Investments in equity instruments classified as FVTOCI are initially recognized at fair value plus transaction costs. Unrealized gains and losses arising from changes in fair value are recognized in other comprehensive income with no subsequent reclassification to profit or loss upon de-recognition. Realized gains and losses recognized upon de-recognition remain within accumulated other comprehensive income. The Company does not have any financial assets classified as FVOCI.

###### *Amortized cost*

A financial asset is measured at amortized cost if the objective of the Company's business model is to hold the instrument for the collection of contractual cash flows, which are comprised solely of payments of principal and interest. Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. Impairment losses are included in profit or loss in the period the impairment is recognized. The Company does not have any financial assets classified as amortized cost.

## ORCUS RESOURCES LTD.

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

#### Financial instruments (cont'd)

##### Financial liabilities

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method.

The Company does not have any financial liabilities classified as amortized cost.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized in the statements of loss and comprehensive loss. The Company does not have any financial liabilities as FVTPL.

The Company has no hedging arrangements and does not apply hedge accounting.

### 4. CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

#### New Accounting Pronouncements Adopted During the Period

The Company did not adopt any accounting pronouncements during the period that had a material impact on these financial statements.

#### New Accounting Standards Issued But Not Yet Effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. The Company has not identified any new standards, interpretations or amendments to existing standards that are expected to have an impact on the Company's financial statements.

### 5. OTHER

	<b>March 31, 2021</b>
	\$
Prepaid expenses	1,801
GST recoverable	350
	<b>2,151</b>

### 6. SHARE CAPITAL

#### Authorized:

Unlimited common shares with no par value.

#### Issued:

2,099,999 common shares were issued during the period at \$0.05 per share for proceeds of \$105,000. These common shares are held in escrow under an escrow agreement. The common shares will be released from escrow on the date of the final Qualifying Transaction Exchange Bulletin under the following terms: 25% to be released on the date the Transaction bulletin is issued, and 25% to be released every six months thereafter.

## ORCUS RESOURCES LTD.

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

### 6. SHARE CAPITAL AND RESERVES (cont'd...)

#### Stock options:

The Company has established a stock option plan for its officers, directors, consultants and employees to which the Issuer may grant options to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Issuer. As at March 31, 2021, the Company does not have any stock options outstanding.

### 7. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2021
Loss before income taxes	\$ (15,206)
Expected income tax recovery	\$ 4,000
Unrecognized benefit of non-capital losses	<u>(4,000)</u>
Net income tax recovery	<u>\$ -</u>

The significant components of the Company's unrecorded deferred tax assets are as follows:

	March 31, 2021
Deferred tax assets (liabilities):	
Non-capital loss carry forwards	\$ <u>4,000</u>
Total unrecognized deferred tax assets	<u>\$ 4,000</u>

The Company's deferred tax assets (liabilities) expire as follows:

	Expiry Date Range	2021
Non-capital losses – Canada	2041	\$ 15,000

### 8. FINANCIAL INSTRUMENTS

#### Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is carried at fair value using a level 1 fair value measurement

## **ORCUS RESOURCES LTD.**

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### **8. FINANCIAL INSTRUMENTS (cont'd...)**

#### **Financial risk management**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

##### *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company limits its exposure to credit risk by placing its cash with a major financial institution. Management feels that the Company's credit risk with respect to cash is remote. The Company's goods and services tax receivable consists of input tax credits receivable from the Government of Canada. Accordingly, the Company does not believe it is subject to significant credit risk.

##### *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

##### *Liquidity risk*

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal year. The Company intends to settle these with funds from its positive working capital position.

##### *Foreign currency risk*

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates. As at March 31, 2021, the Company did not have any financial instruments denominated in foreign currencies and considers foreign currency risk to be insignificant.

##### *Price risk*

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

### **9. CAPITAL MANAGEMENT**

Capital is comprised of all the components of the Company's shareholders' equity. As at March 31, 2021, the Company's shareholders' equity was \$89,794 and there was no long term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that the Company cannot spend more than the \$3,000 per month on allowable general and administrative (G&A) expenses until the completion of a Qualifying Transaction for purposes other than to identify and evaluate assets or businesses and obtain shareholder approval for a proposed Qualifying Transaction if necessary. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange Policy 2.4. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. The Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes in the Company's approach to capital management during the period ended March 31, 2021.

## **ORCUS RESOURCES LTD.**

Notes to Financial Statements

For the period ended March 31, 2021

(Expressed in Canadian Dollars)

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### **10. SUBSEQUENT EVENTS**

Subsequent to the period ended March 31, 2021:

- The Company entered into stock option agreements with directors and officers to purchase up to an aggregate of 210,000 Common Shares exercisable at \$0.05 per common share and expiring ten years from the date of grant.
- The Company issued 100,000 common shares at \$0.05 per share for proceeds of \$5,000.
- A retainer payment of \$10,000 and a non-refundable corporate finance fee deposit of \$10,500 (including \$500 GST) was paid to PI Financial Corp. (the “Agent”) in connection with the Company’s IPO.
- The Company filed a preliminary prospectus, offering a minimum of 2,500,000 common shares (the “Minimum Offering”) and a maximum of 4,000,000 common shares (the “Maximum Offering”) at a price of \$0.10 per share (the “Offering”) by way of an IPO pursuant to Policy 2.4 “Capital Pool Companies” of the TSX-V. A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. The Agent will also be paid a corporate finance fee of \$10,000 plus GST and will be reimbursed by the Company for its expenses and legal fees plus disbursements (a \$10,000 advance retainer has been paid). The Agent will also be granted an Agent’s option to purchase up to 250,000 common shares in the case of the Minimum Offering and 400,000 common shares in the case of the Maximum Offering at a price of \$0.10 per share, exercisable for a period of 60 months from the date of listing of the common shares on the TSX-V.

## CERTIFICATE OF THE CORPORATION

June 11, 2021

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 in the provinces of Alberta, British Columbia and Ontario.

*"Deepak Varshney"*

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Deepak Varshney  
Chief Executive Officer,  
Corporate Secretary and  
Director

*"Tim Peters"*

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Tim Peters  
Chief Financial Officer

### ON BEHALF OF THE BOARD

*"Navin Varshney"*

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Navin Varshney  
Director

*"James Walker"*

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James Walker  
Director

## CERTIFICATE OF THE PROMOTER

June 11, 2021

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 in the provinces of Alberta, British Columbia and Ontario.

*"Deepak Varshney"*

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Deepak Varshney  
Chief Executive Officer, Corporate  
Secretary and Director

